



HULL & HULL LLP

**ESTATE, TRUST AND CAPACITY
LAW BREAKFAST SERIES**

A Discussion of Estates Accounts

**We will be discussing Estate Accounts.
Our guest speakers are:**

**Ian Hull, Suzana Popovic-Montag
and Jordan Atin**

June 16, 2010

ACCOUNTS FOR THE ESTATE

OF

F. GAVIN

SAMPLE

FOR THE PERIOD

FROM

JANUARY 31, 2004

TO

DECEMBER 31, 2005

THE ESTATE OF F. GAVIN

INDEX

<u>ITEM</u>		<u>PAGE NUMBER</u>
1	List of Original Assets as at January 31, 2004	1 - 2
2	Reconciliation	3
3	Capital Receipts	4 - 5
4	Capital Disbursements	6
5	Revenue Receipts	7 - 8
6	Revenue Disbursements	9
7	List of Unrealized Original Assets	10
8	Investment Account	11 - 12
9	Statement of Investments on Hand	13
10	Liabilities	14
11	Statement of Compensation	15 - 16

THE ESTATE OF F. GAVIN

LIST OF ORIGINAL ASSETS AS AT JANUARY 31, 2004 (DATE OF DEATH)

<u>ASSET TYPE</u>	<u>VALUE</u>	<u>HOW DISPOSED</u>
BONDS		
40,000 Canada Savings Ser. 48 - 6.00% - due November 1, 2010 (regular interest bonds - pays annually)	\$ 40,000.00	CR 9
Accrued interest on \$40,000.00 - Canada Savings Bonds	600.00	CR 9
75,000.00 Gov't of Canada - 7.50% due June 30, 2008 (regular interest bonds - pays semi-annually)	76,125.00	UNREALIZED
Accrued interest on \$75,000.00 - Gov't of Canada Bonds	468.75	CR 11
STOCKS		
3,000 shares of BCE Inc.	147,000.00	
-- 1,500 shares remain		UNREALIZED
-- Partial realization - 1,500 shares		CR 10
500 shares - Myown Co. Ltd.	1.00	UNREALIZED
BANK ACCOUNTS and FUNDS ON DEPOSIT		
Toronto Dominion Chequing account #760492 Accrued Interest T.D. account #760492 (nil)	8,353.42	CR 6
Canada Trust Savings account #4906634	7,836.42	CR 7
Accrued interest Canada Trust account #4906634	6.53	CR 7

THE ESTATE OF F. GAVIN

<u>ASSET TYPE</u>	<u>VALUE</u>	<u>HOW DISPOSED</u>
MISCELLANEOUS		
Canada Pension Plan death benefit	2,500.00	CR 3
Canada Pension Cheque for January 2004	347.26	CR 1
Old age Security Cheque for January 2004	387.56	CR 2
2000 Buick; LeSabre - serial #XD4YM666BTO	15,000.00	CR 8
 REAL ESTATE		
1212 Onthe Rd., Toronto (Outstanding mortgage - TD Canada Trust \$249,575.00 - mortgage insured)	536,000.00	UNREALIZED
TD Canada Trust Mortgage Insurance	249,575.00	CR 4
 PERSONAL EFFECTS		
Miscellaneous furniture and personal effects	14,769.00	CR 5
<hr/>		
TOTAL ASSETS	\$ 1,098,969.94	
Mortgage Liability	<u>(249,575.00)</u>	CD 1
TOTAL LESS LIABILITIES	<u>\$ 849,394.94</u>	

THE ESTATE OF F. GAVIN

RECONCILIATION

Capital Receipts	\$	434,115.71	
Capital Disbursements	\$	<u>310,246.64</u>	
Balance			\$ 123,869.07
Revenue Receipts	\$	17,121.32	
Revenue Disbursements	\$	<u>14,888.49</u>	
Balance			<u>2,232.83</u>
Total Credit Balance	\$		126,101.90
Amount Invested			<u>94,725.00</u>
Balance After Investments	\$		31,376.90
Amount in Bank			<u>31,376.90</u>
Difference	\$		<u><u>0.00</u></u>

THE ESTATE OF F. GAVIN

CAPITAL RECEIPTS

<u>Item No.</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
1	5-Feb-05	Realized - Canada Pension cheque for January 2004	\$ 347.26
2	5-Feb-05	Realized - Old age Security Cheque for January 2004	387.56
3	10-Feb-05	Realized - Canada Pension Plan death benefit	2,500.00
4	10-Feb-05	To record receipt of funds re TD Canada Trust mortgage insurance on 1212 Onthe Rd., Toronto	249,575.00
5	10-Feb-05	To record distribution of personal effects	14,769.00
6	15-Apr-05	Realized - Toronto Dominion chequing account #760492	3,628.42
7	16-Apr-05	Realized - Canada Trust Savings account #4906634 (\$7,836.42) plus accrued interest to date of death (\$6.53)	7,842.95
8	17-Apr-05	To record realization of 2000 Buick Lesabre -- distributed to Mrs. Mary Gavin as per terms of Will (see CD # 3)	15,000.00
9	1-May-05	Realized - \$40,000.00 - Ser. 48 Canada savings bonds due Nov. 1/2010 plus accrued interest to date of death	40,600.00
10	3-May-05	Realized on sale of 1,500 shares of BCE inc. at \$59.75 less broker fee - \$201.25)	89,423.75
11	30-Jun-05	Realized accrued interest on \$75,000.00 Gov't of Canada - 7.5% due June 30/99	468.75
12	1-Oct-05	Refund from Receiver General re-deceased T-1 return	216.77

THE ESTATE OF F. GAVIN

CAPITAL RECEIPTS

<u>Item</u> <u>No.</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
13	15-Dec-05	Profit on Sale of Solid Co.	9,200.00
14	15-Dec-05	Profit on sale of \$5,000.00 Ontario Hydro Bonds	156.25
Total Receipts			<u>\$ 434,115.71</u>

THE ESTATE OF F. GAVIN

CAPITAL DISBURSEMENTS

<u>Item No.</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
1	10-Feb-05	Payment of mortgage outstanding	\$ 249,575
2	10-Feb-05	To record distribution of personal effects	14,769.00
3	16-Apr-05	Minister of Finance Estate Administration Tax	3,925.00
4	16-Apr-05	Reimbursement to Estate Trustee re payment to Deep-Six Funeral Home - Payment of Account	8,353.42
5	17-Apr-05	To record distribution of 2002 Buick Lesabre to Mrs. Mary Gavin as per terms of Will	15,000.00
6	15-May-05	Buoy, Dewey, Shaftum and Howe - Legal Fees re: application for probate	3,295.62
7	15-Jul-05	Receiver General - Balance of T-1 tax owing for 2003 tax year	642.18
8	15-Jul-05	Receiver General - tax owing re: terminal T-1 return to January 31, 2004	3,986.42
9	15-Dec-05	Loss on sale of Flake Co.	5,700.00
10	17-Dec-05	Mrs. M. Gavin - Encroachment re: auto repairs	5,000.00
Total Disbursements			\$ 310,246.64

THE ESTATE OF F. GAVIN

REVENUE RECEIPTS

<u>Item No.</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
1	1-Mar-05	Div. On 3,000 shares of BCE Inc.	\$ 1,800.00
2	30-Mar-05	Interest on Estate bank account (pays quarterly)	5.83
3	30-Mar-05	Div - shares of Myown Co. Ltd.	252.00
4	16-Apr-05	Interest on Canada Trust savings account #4906634 from date of death to date of realization	18.29
5	4-May-05	Interest on \$40,000.00 Ser. 48 Canada savings bonds from date of death to date of redemption	600.00
6	1-Jun-05	Div. on 1,500 shares of BCE Inc.	900.00
7	30-Jun-05	Interest on \$75,000.00 Gov't of Canada - 7.5% - due June 30, 2008 (note - \$468.75 of this interest payment apportioned to Capital)	2,343.75
8	30-Jun-05	Div - shares of Myown Co. Ltd.	252.00
9	30-Jun-05	Interest on estate bank account	18.46
10	2-Jul-05	Interest on \$38,000.00 Canada Trust due July 2, 2005	265.47
11	31-Jul-05	Interest on \$50,000.00 Ontario Hydro - 6.9% due January 30, 2008	1,725.00
12	1-Sep-05	Div. On 1,500 shares of BCE Inc.	900.00

THE ESTATE OF F. GAVIN

REVENUE RECEIPTS

<u>Item No.</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
13	30-Sep-05	Interest on Estate bank account	16.19
14	30-Sep-05	Div - shares of Myown Co. Ltd.	252.00
15	5-Nov-05	Interest on \$40,000.00 Royal Trust - 5.75% due May 5/07	1,150.00
16	1-Dec-05	Div. on 1,5000 shares of BCE Inc.	900.00
17	15-Dec-05	Accrued Interest on sale of \$5,000.00 Ontario Hydro Bonds	129.37
18	31-Dec-05	Interest on estate bank account	13.46
19	31-Dec-05	Interest on \$75,000.00 Gov't of Canada - 7.5% due June 30, 2008	2,812.50
20	31-Dec-05	Div - shares of Myown Co. Ltd.	252.00
21	2-Jan-06	Interest on \$35,000.00 Canada Trust - 5.5% due January 31, 2008	962.50
22	31-Jan-06	Interest on \$45,000.00 Ontario Hydro - 6.9% due January 31, 2010	1,552.50
Total Revenue Receipts			\$ <u>17,121.32</u>

THE ESTATE OF F. GAVIN

REVENUE DISBURSEMENTS

<u>Item No.</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
1	30-Apr-05	M. Gavin - Income Payment	\$ 3,500.00
2	5-May-05	Accrued Interest on purchase of \$50,000.00 Ontario Hydro - 6.9% due January 30, 2010	888.49
3	30-Jul-05	M. Gavin - Income payment	3,500.00
4	30-Oct-05	M. Gavin - Income payment	3,500.00
5	31-Jan-06	M. Gavin - Income payment	3,500.00
Total Revenue Disbursements			<u>\$ 14,888.49</u>

THE ESTATE OF F. GAVIN

LIST OF UNREALIZED ORIGINAL ASSETS AS AT DECEMBER 31, 2005

Bonds

75,000.00 Gov't of Canada - 7.5% due June 30, 2008	\$	76,125.00
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Stocks

1,500 shares of BCE Inc.		75,500.00
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500 Myown Co. Ltd.		1.00
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Real Estate

1212 Onthe Rd., Toronto		536,000.00
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Total (Value as at January 31, 2004)

\$	<u>687,626.00</u>
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THE ESTATE OF F. GAVIN

INVESTMENT ACCOUNT

Item No.	<u>Date</u>	<u>Description</u>	<u>Debit Account (Purchases and Gains)</u>	<u>Credit Account (Sales and Losses)</u>
1	02-May-05	Purchased \$38,000.00 Canada Trust short term - 4.25% Due July 2, 2005	38,000.00	
2	05-May-05	Purchased \$40,000.00 Royal Trust GIC - 5.75% due May 5, 2007 (interest semi-annually)	40,000.00	
3	05-May-05	Purchased 200 shares in Solid Co. @100.00 plus broker fee \$300.	20,300.00	
4	05-May-05	Purchased \$25,000.00 - Ontario Hydro - 6.9% Due January 31, 2008 at 98.625 (interest semi-annually)	24,656.25	
5	05-May-05	Purchased 250 shares in Flake Co. @100/shr plus brokerage fee \$400	25,400.00	
6	02-Jul-05	Redeemed \$38,000.00 Canada Trust - short term - 4.25% due July 2, 2005		\$ 38,000.00
7	02-Jul-05	Purchased \$35,000.00 Canada Trust GIC - 5.5% due July 2, 2008 (interest semi-annually)	35,000.00	
8	15-Dec-05	Sold \$5,000.00 - Ontario Hydro - 6.9% due January 31, 2008 at 101.75		5,087.50
9	15-Dec-05	Transfer Profit on Sale of Hydro bonds to capital (see Capital Receipts #11)	156.25	

THE ESTATE OF F. GAVIN

INVESTMENT ACCOUNT

<u>Item No.</u>	<u>Date</u>	<u>Description</u>	<u>Debit Account (Purchases and Gains)</u>	<u>Credit Account (Sales and Losses)</u>
10	15-Dec-05	Sold 200 shares of Solid Co. @\$150, less broker fee \$500		29,500.00
11	15-Dec-05	Transfer Profit on Sale of Solid Co. to capital (see Capital Receipts #13)	9,200.00	
12	15-Dec-05	Sold 250 shares of Flake Co. @\$80, less broker fee \$300		19,700.00
13	15-Dec-05	Transfer Loss on sale of Flake Co. to capital (see Capital Disbursements #9)		5,700.00
Subtotal			\$ 192,712.50	\$ 97,987.50
Balance Invested				94,725.00
Totals			\$ 192,712.50	\$ 192,712.50

THE ESTATE OF F. GAVIN

LIST OF ESTATE TRUSTEES INVESTMENTS ON HAND AS AT DECEMBER 31, 2005

Bonds

\$20,000.00 Ontario Hydro - 6.9% due January 31, 2010	\$	19,725.00
\$40,000.00 Royal Trust GIC - 5.75% due May 2007		40,000.00
\$35,000.00 Canada Trust GIC - 5.5% due July 2, 2008		35,000.00

Total

	\$	<u>94,725.00</u>
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THE ESTATE OF F. GAVIN

LIST OF LIABILITIES AS AT DECEMBER 31, 2005 (end of accounting period)

<u>DESCRIPTION</u>		<u>AMOUNT</u>
Estate Trustee Compensation	\$	26,403.18
Costs on Passing of Accounts		2,191.50
Porcine and Associates - chartered accountants re: preparation of 2005 T-1 return and terminal T-1 return (note - account in dispute)		2,100.00
TOTAL	\$	30,694.68

THE ESTATE OF F. GAVIN

STATEMENT OF COMPENSATION

CAPITAL

Receipts	\$	434,115.71		
less refund - Item CR# 12		(216.77)		
less loss - Item CD#9		(5,700.00)		
		<hr/>		
2.5% on feeble capital receipts of	\$	428,198.94	x 2.5%	\$ 10,704.97
Disbursements	\$	310,246.64		
less loss - Item CD#9		(5,700.00)		
		<hr/>		
2.5% on feeble capital disbursements of	\$	304,546.64	x 2.5%	<u>\$ 7,613.67</u>
Total Capital Compensation				\$ 18,318.64

REVENUE

Receipts	\$	17,121.32	x 2.5%	\$ 428.03
Disbursements	\$	14,888.49		
less Items #2 being accrued int. re bond purchase		(888.49)		
		<hr/>		
2.5% on feeble revenue disbursements of	\$	14,000.00	x 2.5%	<u>\$ 350.00</u>
Total Revenue Compensation				\$ 778.03

CARE AND MANAGEMENT

Average Annual Market Value (see calculation below)	\$	831,561.42		
x .4% (or 2/5 of 1%)		3,326.25		
Number of Years		<hr/> 1.91		
Total Care and Management	\$	6,353.13		

Calculation of Average Annual Market Value

Original Assets	\$	849,394.94		
Assets at end of Accounting Period (unrealized original assets and trustee investments on hand)		813,727.90		
		<hr/>		
Total	\$	1,663,122.84		
Average	\$	831,561.42		

THE ESTATE OF F. GAVIN

STATEMENT OF COMPENSATION

Summary of Total Compensation

Capital	\$	18,318.64
Revenue		778.03
Care and Management		6,353.13
Total Compensation Claimable	\$	25,449.80

(NOTE!! add GST, if applicable)

Court file no. 02-12345/06

SAMPLE

ONTARIO

SUPERIOR COURT OF JUSTICE

THE HONOURABLE

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of

day, the day
, 2006

IN THE ESTATE OF F. GAVIN, deceased.

JUDGMENT ON PASSING OF ACCOUNTS

THIS APPLICATION WAS READ on day, the day
of , 2006 at 393 University Avenue, 10th Floor Toronto, Ontario M5G 1E6.

UPON reading the notice of application to pass accounts, the affidavit of service and the affidavit in support of an unopposed judgment on passing of accounts, as filed, and as there are no objections to the accounts or the claim for compensation by the estate trustee,

1. THIS COURT DECLARES that the estate accounts, as filed by the applicant for the period from January 31, 2004 to December 31, 2005, are hereby passed.
2. THIS COURT DECLARES that the capital receipts and capital disbursements of the applicant for the period are as follows:

CAPITAL ACCOUNT

Receipts	\$434,115.71
Disbursements	<u>310,246.64</u>
Credit (or debit) balance	<u>\$123,869.07</u>

3. THIS COURT DECLARES that the revenue receipts and revenue disbursements of the applicant for the period are as follows:

REVENUE ACCOUNT

Receipts	\$17,121.32
Disbursements	<u>14,888.49</u>
Credit (or debit) balance	<u>\$ 2,232.83</u>

4. THIS COURT ORDERS that the estate trustee shall be paid as fair and reasonable compensation for services as estate trustee of the estate and for disbursements expended in administering the affairs of the estate during the period the total amount of \$26,403.18 (no G.S.T. is applicable), of which \$17,602.12 shall be paid out of the capital of the estate and \$8,801.06 shall be paid out of the revenue of the estate.

5. THIS COURT ORDERS that the costs of the passing of the accounts allowed in accordance with Tariff C, and payable out of the capital of the estate, are as follows:

To the estate trustee \$2,000.00 and G.S.T. of \$140.00, plus disbursements in the amount of \$429.00, inclusive of G.S.T. for a total of \$2,569.00,

To: other costs

6. THIS COURT DECLARES that the Accounts show that there remains in the trustee's hands the original assets, investments and cash as set out in Schedule "A" attached.

(Signature of judge or registrar)

SCHEDULE "A"

ORIGINAL ASSETS

75,000.00 Gov't of Canada - 7.5% due June 30, 2008

1,500 shares of BCE Inc.

500 Myown Co. Ltd.

1212 Onthe Rd., Toronto

TRUSTEE INVESTMENTS

\$20,000.00 Ontario Hydro - 6.9% due January 31, 2010	\$ 19,725.00
\$40,000.00 Royal Trust GIC - 5.75% due May 2007	40,000.00
\$35,000.00 Canada Trust GIC - 5.5% due July 2, 2008	35,000.00

CASH

TD Canada Trust	<u>31,376.90</u>
TOTAL	\$126,101.90

Reconciliation:

Capital Credit Balance	\$123,869.07
Revenue Credit Balance	<u>2,232.83</u>
TOTAL:	\$126,101.90

ONTARIO

SUPERIOR COURT OF JUSTICE

Proceedings commenced at Toronto

**IN THE MATTER OF THE ESTATE OF F.
GAVIN, deceased**

**JUDGMENT ON PASSING OF
ACCOUNTS**

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