



*(Read the instructions beginning on Page 8 before completing this report)*

## 2012 PRENEED FUNERAL TRUST FUND REPORT

FUNERAL ESTABLISHMENT: \_\_\_\_\_

LICENSE NUMBER: **FD** \_\_\_\_\_

ADDRESS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Check One**

- Current Report January 1, 2012 to December 31, 2012
- Final Report Period Beginning \_\_\_\_\_ to Period Ending \_\_\_\_\_
- OTHER Period Beginning \_\_\_\_\_ to Period Ending \_\_\_\_\_

**IMPORTANT**

1. This report must be filed with the Cemetery and Funeral Bureau on or before May 1, 2013. The fee for timely filing is \$200.00.
2. Any report received or postmarked after May 1, 2013, will be deemed to be late. The fee for late filing is \$300.00
3. A final preneed trust fund report is required upon the transfer of license or cessation of business. A final report, and the applicable report fee, must accompany the Application for Assignment of Funeral Directors License. Reporting forms will be mailed upon request.
4. Two (2) or more funeral directors who utilize a common trust fund may cause the trustees of the fund to file one (1) combined report. A combined report must disclose each funeral director's summary of trust transactions (page 4) separately. The fee for timely filing of a combined report is \$200.00 and for a late report is \$300.00.

**FOR OFFICIAL USE ONLY**

Reviewer: _____	Date Received: _____
	__p/c __b/c __m/o __csh
Date: _____	Amount: _____
	Receipt No: _____

*(Read the instructions beginning on Page 8 before completing this report)*

## QUESTIONNAIRE

1. Type of Business Organization:

Individual  Partnership  Corporation

2. Are you also a licensed cemetery certificate of authority?

YES  NO

3. Is this trust active (i.e., receiving payments and/or adding new trustors)?

YES  NO

**If yes, please attach a blank copy of the current trust agreement to this report.**

4. How are trust funds invested?

Individual Passbooks  Commingled Savings  
 Commingled Investments  Other (Explain)

5. Is the entire corpus returned upon revocation?

YES  NO (If NO, please explain.)

6. Are requests for revocation honored within 15 days?

YES  NO (If NO, please explain.)

8. Were any investments in default for more than sixty days (60) days?

YES  NO (If YES, please explain.)

9. Have individual beneficiary ledger accounts been established?

YES  NO (If NO, please explain.)

10. Do actual expenses exceed the 4% allowable annual trust administration fee limitation?

YES  NO (If YES, please detail on page 5 an explain.)

11. Have all funds collected been deposited into trust within thirty (30) days?

YES  NO (If NO, please explain.)

12. List all trustees and include each individual's residence or business address and telephone numbers (not the funeral establishment address and telephone number). Identify any and all relationships with individual trustees who are designated as NON-FIRM MEMBERS, including business and personal relationships.

	<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>
a.	_____	_____	(____)_____
	(Firm Member or Non-Firm Member)		
b.	_____	_____	(____)_____
	(Non-Firm Member)		
c.	_____	_____	(____)_____
	(Non-Firm Member)		
d.	_____	_____	(____)_____
	(Non-Firm Member)		
e.	_____	_____	(____)_____
	(Non-Firm Member)		

13. How are the trustees selected?

- (a)  By the licensee
- (b)  By the depositor
- (c)  Other (Please explain) \_\_\_\_\_

14. Where, **in California**, are the books and records of the trust funds are available for inspection or audit by the Cemetery and Funeral Bureau?

Name of Custodian: \_\_\_\_\_

Name of Entity or Location: \_\_\_\_\_

Address: \_\_\_\_\_ City \_\_\_\_\_ ZIP \_\_\_\_\_

15. Who prepared this report?

Name: \_\_\_\_\_ Telephone:(\_\_\_\_)\_\_\_\_\_

Address: \_\_\_\_\_ City \_\_\_\_\_ ZIP \_\_\_\_\_

16. Who is the authorized contact person to whom questions regarding the contents of this report should be directed.

Name: \_\_\_\_\_ Telephone:(\_\_\_\_)\_\_\_\_\_

**SUMMARY OF TRUST TRANSACTIONS**

	<b>CORPUS</b>	<b>INCOME/ EXPENSE</b>	<b>TOTAL</b>
Beginning Balance	_____	_____	_____
<b>ADD:</b>			
Corpus Received this Period	+ _____		+ _____
Income Earned this Period		+ _____	+ _____
<b>SUBTRACT:</b>			
Funds From Corpus Applied to:			
Serviced Accounts	- _____		- _____
Canceled Accounts	- _____		- _____
Funds From Income Applied to:			
Serviced Accounts		- _____	- _____
Canceled Accounts		- _____	- _____
Annual Administration Fees		- _____	- _____
Revocation Fees		- _____	- _____
ENDING BALANCES:	= _____	= _____	= _____
ENDING BALANCE BASED UPON 12/31/12 MARKET VALUATION			= _____

Total Number of Trustors at the Beginning of the Year	= _____
<b>ADD:</b> New Trustors	+ _____
<b>SUBTRACT:</b> Serviced Accounts	- _____
Canceled Accounts	- _____
Total Number of Trustors at the End of the Year	= _____

**ADMINISTRATION FEE SUMMARY**

	<b><u>AMOUNT</u></b>
<b>INVESTMENT FEES</b> .....	_____
<b>FILING FEES</b> .....	_____
<b>ATTORNEY FEES</b> .....	_____
<b>BOOKKEEPING FEES</b> .....	_____
<b>AUDITING FEES</b> .....	_____
<b>ADMINISTRATIVE FEES</b> .....	_____
<b>TRUSTEE FEES</b> .....	_____
_____ .....	_____
_____ .....	_____
<b>TOTAL ADMINISTRATION EXPENSES INCURRED THIS PERIOD</b> .....	_____
<b>TOTAL ADMINISTRATION FEES RECOVERED THIS PERIOD</b> .....	_____
<b>EXCESS AMOUNT WITHDRAWN OR &lt;UNRECOVERED EXPENSES ACCRUED&gt;</b> .....	_____

NOTE: The annual trust administration fee may not exceed 4% of the 2012 year end balance of corpus plus all prior year's accumulated income, and may only be recovered from the income received during the 2012 reporting period. (16 CCR § 1265 (eff. 2/11//90)).

**Trust Fund Investments**

**A. Individual Passbooks (List by Financial Institution):**

FINANCIAL INSTITUTION & LOCATION	NO. OF ACCTS	AVERAGE INT. RATE	AMOUNT
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
<b>A1 Total Income Earned this Period</b>	_____		
<b>A2 Total Ending Corpus</b>	_____		

**B. Commingled Checking and/or Savings Accounts (List by Financial Institution):**

FINANCIAL INSTITUTION & LOCATION	ACCOUNT NUMBER	AMOUNT	ANNUAL RETURN
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
<b>B1 Total Income Earned this Period</b>	_____		
<b>B2 Total Ending Corpus Listed this Period</b>	_____		

**C. Commingled Investments (Bonds, Trust Deeds, Guaranteed Securities, etc.):**

Attach a detailed schedule of assets showing the original cost and fair market value as of 12/31/12 or fiscal year end. Provide an income statement that includes realized gains and losses.

**VERIFICATIONS**

(BOTH VERIFICATIONS ARE REQUIRED, EXCEPT AS NOTED IN THE INSTRUCTIONS)

**1. OWNER, PARTNERS, OR CORPORATE OFFICERS:**

I/We hereby certify or declare under penalty of perjury, under the laws of the State of California, that, to the best of my/our knowledge and belief, the foregoing report, including all attachments thereto, is complete, true and correct.

1. Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

2. Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

Name of the Funeral Establishment: \_\_\_\_\_

License Number: FD- \_\_\_\_\_

(BOTH VERIFICATIONS ARE REQUIRED, EXCEPT AS NOTED IN THE INSTRUCTIONS)

**B. TRUSTEES:**

I/We hereby certify or declare under penalty of perjury, under the laws of the State of California, that, to the best of my/our knowledge and belief, the foregoing report, including all attachments thereto, is complete, true and correct.

1. Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

2. Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

(BOTH VERIFICATIONS ARE REQUIRED, EXCEPT AS NOTED IN THE INSTRUCTIONS)

## **INSTRUCTIONS**

(These instructions may be detached and disposed of or retained after completion of the report.)  
(Do not return the instructions with the completed report:)

### **PAGE 1.**

1. Check whether this is a current or final report
2. If the report covers a period other than a calendar year, please indicate in the space provided what period is covered.

### **PAGES 2 – 3.**

1. Answer all questions and provide all required information. Provide explanations as required and/or necessary.

ITEM 3. Attach a copy of the current trust agreement to the report if the trust is active. The trust will be considered active if corpus payments are being received and/or new trustors are being added.

ITEM 12. The “trustee” must be either a bank or trust company authorized to act as a trustee in California; or not less than three (3) individuals. Only one of the individual trustees may be an employee, partner, officer, owner, director or agent of the funeral director. If friends and/or family of the trustor/depositor are appointed trustees on individual passbook-type accounts, please indicate that fact in this section.

List all trustees and their individual addresses and telephone numbers. Do not use the funeral director’s address and telephone number for the non-firm member trustees.

A change in trustees is required to be reported within thirty (30) days after the effective date of change on a Notification of Change form accompanied by the required \$50.00 fee.

ITEM 14. Indicate who is responsible for maintaining the trust books and records in California and where those records are maintained. If they are maintained at the funeral establishment, you need only enter the words “on site” on the line asking for the name of the entity or location. If the books and records are maintained at a location other than the funeral establishment, enter the appropriate information.

ITEM 15. Indicate who prepared the report and how that person may be contacted.

ITEM 16. Indicate the name and telephone number of the contact person who is authorized to answer questions regarding the report. If this is the person who prepared the report, simply indicate “Same as above.”



PAGE 4.

1. The beginning balances should match the prior year's ending balances. If these figures do not match, attach a detailed explanation with supporting documentation.
2. "Income Earned this Period." Is the amount of gross income or earnings derived from all trust investments listed on Page 6.
3. "Funds From income Applied to: Canceled Accounts," is the total amount of income, both accumulated and current, refunded to the trustor upon revocation.
4. "Funds From Income Applied to: Annual Trust Administration Fees," is the total amount of current year's income withdrawn for the annual trust administration fee as detailed on Page 5.
5. "Funds From Income Applied to: Revocation Fees," is the total amount of income, both accumulated and current, retained as a revocation fee upon cancellation of an individual trustor account.

PAGE 5.

1. Detail all actual expenses attributable to the administration of the trust and enter the total as "Total Administrative Expenses Incurred This Period."
2. Enter the total amount withdrawn from the current year's income for recovery of the annual administration fee as "Total Administration Fees Recovered This Period."

**The total annual trust administration fee withdrawal may not exceed 4% of the year end balance of corpus plus prior year's accumulated income, and may only be recovered from current year's income.**

To calculate the total allowable withdrawal add the total beginning balance (the prior year's ending balance) from Page 4. to the corpus received this period, also from Page 4., and multiply the result by .04.

3. Subtract the Total Administration Fee Recovered from the Total Administration Expenses Incurred and enter the difference as accrued unrecovered expenses or as an excess withdrawal (where the allowable total withdrawal exceeds actual expenses incurred).

PAGE 6.

1. Provide a detail of trust investment as indicated.

PAGE 7.

1. Verification A must be completed for all reports, except combined reports filed pursuant to 16 CCR § 1269(f).

This verification shall be completed and signed by the owner, the partners or, in the case of a corporation, two (2) officers thereof, including the president or vice-president and one other officer of the corporation.

2. Verification B must be completed for all reports, including combined reports filed pursuant to 16 CCR § 1269(f), except as provided below.

This verification shall be completed and signed by two (2) individual, non-firm member trustees, if individuals act as trustee; or by an authorized representative of the institutional trustee if a bank or trust company acts as trustee.

In cases where individual passbook-type accounts are used, and the depositor and /or family, or friends of the depositor, act as trustees, along with one member for the firm, Verification B is not required.

3. In cases where trust funds have been commingled for purposes of investment, this report shall be prepared by a **Certified Public Account or a Public Accountant**, currently licenses in the State of California. An independent audit report certifying compliance with the provisions of Article 9, Chapter 12, Division 3 of the Business and Professions Code and with the provisions of Title 16, Chapter 12, Article 8 of the California Code of Regulations, must accompany this report. **In addition, any findings of noncompliance with existing law regarding preneed trust funds must be identified by the auditor in a separate report for review and action by the Board.** Audits and reports of noncompliance shall be filed simultaneously. (Refer to Business and Professions Code § 7737.3 and California Code of Regulations § 1269(d))

**Both verifications discussed above must also be completed.**

NOTE: If any explanations are necessary, please use additional pages and attach them to the report.