

THE MANOR PARK CEMETERY COMPANY LIMITED 8415

BOARD OF DIRECTORS

Chairman

Richard S. Heaver F.C.A.
Dennis R. Jeffryes
Brian J. Birdsall

Superintendent

Brian O. Kuhrt

COMPANY INFORMATION

Secretary
Registered Office
Solicitors
Auditors
Bankers
Stockbrokers
Registered in England

Richard S. Heaver F.C.A.
Sebert Road, Forest Gate, London E7 ONP
Bankes Ashton
Milne & Co.
National Westminster Bank PLC
James Capel & Co.
Company Number 8415

NOTICE OF MEETING

Notice is hereby given that the One Hundred and Twenty-second Annual General Meeting of THE MANOR PARK CEMETERY COMPANY LIMITED will be held at the Registered Offices of the Company, Sebert Road, Forest Gate, London E7 ONP, on Wednesday 12th June 1996 at 2 p.m. for the following purposes:

1. To receive the Company's Financial Statements for the year ended 31st December 1995 together with the Report of the Directors and Auditors thereon.
2. To declare a dividend.
3. To re-elect the following Director retiring in accordance with the Articles of Association:

Mr. B.O. Kuhrt

4. To re-appoint Milne & Co., Chartered Accountants, to act as Auditors to the Company.
5. To authorise the Directors to fix the remuneration of the Auditors.

The Share Transfer Books of the Company will be closed from 19th May to 15th June 1996, both dates inclusive.

Any Member of the Company entitled to attend and vote at the above Meeting may appoint another person (whether a Member or not) as his proxy to attend and on a poll, to vote on his behalf, in accordance with Section 372 of the Companies Act, 1985. Instruments appointing proxies must be deposited at the Registered Offices of the Company not less than forty-eight hours before the time fixed for holding the Meeting.

By order of the Board

R. S. Heaver
R.S. Heaver.
Secretary.

CONTENTS

	Pages
1 Board of Directors	7
Company Information	8/10
Notice of Meeting	
Contents	11
2/3 Chairman's Statement	
4/5 Report of the Directors	
6 Profit and Loss Account	12
	Balance Sheet
	Notes forming part of the Financial Statements
	Statement of Directors' Responsibilities
	Report of the Auditors
	Ten Year Summary



THE MANOR PARK CEMETERY COMPANY LIMITED

CHAIRMAN'S STATEMENT

My first report to you is very much overshadowed by the circumstance giving rise to my appointment as Chairman. I wrote to you last October advising of the sad and untimely death of our former Chairman, John Jeffryes. John was a member of the Board for some 38 years and was appointed as Chairman in 1990. Throughout all of the time that he was involved with the Company he worked with tremendous enthusiasm towards maintaining and improving the service that we offer and he will be sorely missed. It is my hope and intention that the projects that were started under his direction will be brought to a successful conclusion and will serve as a lasting memorial to a very good friend and colleague.

The accompanying financial statements show that the company had another successful year. Turnover increased by £36,600 to a record level of £630,760 and our Estate and Administration Expenses were held at approximately the same level as in the previous year. This enabled the Company to achieve a profit before tax amounting to £141,429 compared with a profit of £158,353 in 1994 which included a surplus of some £67,000 on the sale of our shareholding in Great Southern Group. Ignoring the 1994 share sale windfall, the profit in 1995 was the highest that the Company has achieved in its 122 years of trading.

We are embarking on a number of projects that will involve the expenditure of substantial sums out of our retained reserves. Your Board take the view, however, that these reserves are adequate and that it is appropriate to maintain the dividend at 8p per share, on the capital that was increased by the scrip issue in 1994. The dividend will absorb a total of £61,484 leaving £43,635 of the profit after tax to be retained in reserves.

As mentioned above, the Company is currently involved in a number of expensive projects. One of these is the replacement of our cremators - a requirement imposed upon us by the Environmental Protection Act. We have considered tenders from a number of cremator manufacturers and have decided to install a single electric cremator to replace the two gas operated cremators that we have used for the past 40 years. The decision is bold in that we are replacing two cremators with one and we are acquiring the first electric cremator to be installed in England (although there are working installations of electric cremators in Scotland). The new cremator should be put into place within the next few months and we are currently considering plans to upgrade the ancillary facilities including staff rooms, toilets and waiting rooms. We also intend to look at our Chapel furnishings and decorations with a view to updating these. Our level of business is such that we cannot justify the cost and use of two cremators and we shall need to plan our operating strategy carefully to ensure that the new single cremator is used efficiently. The total cost of the equipment and related works is likely to be of the order of £275,000. Another project, nearing completion, is the development of new roads and paths to facilitate access to the new lawn grave area to which reference was made in last years Chairman's statement. This work will cost in the region of £50,000.

Both of the above projects were started when John Jeffryes was Chairman and they are, I know, proceeding along the lines that he envisaged.

We are constantly examining our plant and equipment and it is likely that we shall have to incur further costs in replacing our mechanical digger and purchasing further Estate plant. In view of the level of expense that we are currently considering it is likely that these acquisitions will be deferred to next year.

THE MANOR PARK CEMETERY COMPANY LIMITED

CHAIRMAN'S STATEMENT (continued)

Last year's statement referred to the appointment of two additional key members of our staff - an Estate Supervisor with horticultural and organisational ability and a Deputy Superintendent with administrative experience and computer skills. Both these individuals have now been with us for over a year and I am delighted to report that they have each made positive and welcome contributions towards the success of the Company's operations. The Estate grounds are now in much better order than previously and continue to improve as is testified by the compliments paid by visiting members of the public. To provide even greater control over the quality of Estate maintenance our contracted-out grass cutting arrangements have been terminated and we have recruited additional gardening staff to carry out this work ourselves. The Deputy Superintendent has put a great deal of effort into comprehensive mapping of grave spaces and has also been responsible for development of the remaining part of our computer system, which is now fully operational.

Whereas my specific comments above relate to two new members of our management staff I wish also to record, on behalf of my fellow Directors and all other shareholders, my gratitude to our Superintendent and all the other members of our staff for their loyalty, zeal and dedication. I believe that there is a continuing growth of goodwill in our small team and I have every reason to hope and believe that this will continue. This will certainly be a difficult year for the company with considerable upheaval associated with the new developments to which I have previously referred. I believe that we will emerge from it with a stronger, well organised Company in good shape to face the future.

Your Board of Directors has traditionally comprised a number of individuals with complementary business, professional and technical skills and the death of John Jeffryes has depleted our number and resources. We intend to consider the future composition of the Board although we do not see a need for an immediate or hasty decision on this matter.

Finally, it is appropriate for me to comment on developments within our particular sphere of activity. Many of these have been reported in the Press, including:

The continuing impact of the Environmental Protection Act.

The acquisition of a substantial part of the U.K. funeral industry by Service Corporation International (SCI).

The financial encouragement, from Central Government, for Local Authorities to sell off their crematoria.

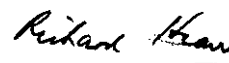
The formation of a number of new companies to acquire or build private crematoriums.

The opening of new 'one stop' funeral shops.

The publication of a 'Charter for the Bereaved'.

Some of these have a visible impact on the Company whilst others are less apparent. Compliance with the Environmental Protection Act will involve us in considerable expense but will hopefully bring an improvement to the environment and more efficient operating conditions. Funeral Directors owned by SCI, particularly those previously owned by the Plantsbrook Group, are responsible for a reasonable proportion of our ongoing orders. Private acquisition of crematoriums previously owned by Local Authorities will probably mean that these will be commercially developed at a greater pace than hitherto. This should not affect our Company greatly as there is already substantial private competition in the area. The new crematoria being developed now are generally being built in areas that were previously poorly served. The impact of 'one stop' shops and the 'Charter for the Bereaved' has yet to be seen. I view all of these developments without complacency but with the knowledge that we are doing a great deal, and spending a lot of time and money, to maintain our position as an efficient independent operation. I know, without doubt, that the facilities that we offer are being constantly improved and I believe that this will enable the Company to continue to be the successful organisation that it undoubtedly is.

RICHARD HEAVER
Chairman



THE MANOR PARK CEMETERY COMPANY LIMITED

REPORT OF THE DIRECTORS

The Directors present the ONE HUNDRED AND TWENTY-SECOND ANNUAL REPORT and FINANCIAL STATEMENTS for the financial year ended 31st December 1995.

PRINCIPAL ACTIVITY

The principal activity of the Company is the operation of a Cemetery and Crematorium with all the appropriate facilities and services for the disposal and commemoration of the dead.

REVIEW OF DEVELOPMENTS

The state of the Company's affairs is as set out in the Financial Statements on Pages 6 to 10. The profit for the year before tax amounted to £141,429 (1994 - £158,353) and taxation for the year amounted to £36,310 (1994 - £38,071) leaving a net profit after tax amounting to £105,119 (1994 - £120,282).

Detailed comments on the year's operations are included in the Chairman's Statement.

DIVIDEND

The Directors recommend the payment of a Dividend of 8p per share, payable on 12th June 1996, compared with an ordinary dividend of 5p and a special dividend of 3p paid in the previous year, leaving £43,635 (1994 - £58,798) of 1995 profits attributable to shareholders retained in reserves.

SHARE CAPITAL

There were no alterations to Share Capital in the year (in 1994 there was a bonus issue of four shares for each share held).

FIXED ASSETS

Movements in Fixed Assets are shown in note 4 to the Financial Statements. In the Directors' opinion, the value of land and buildings as shown in the Balance Sheet is not substantially different from the market value on 31st December 1995, although it is intended to obtain a formal professional valuation of land and buildings during 1996.

INSURANCE OF OFFICERS

The Company purchases insurance for its officers, against liabilities in relation to the Company. The premium cost charged against profit in the year amounted to £1,530 (1994 - £1,500).

FUTURE DEVELOPMENTS

An order has been placed for a new Cremator to replace the two existing Cremators and plans are being drawn up for Chapel alterations to accommodate the new Cremator and to extensively improve the present facilities. Work on a new road and pathways required to develop the new Lawn Grave area is proceeding. It is anticipated that the total cost of all of these, including the related irrecoverable VAT, will be in the region of £325,000.

THE MANOR PARK CEMETERY COMPANY LIMITED

REPORT OF THE DIRECTORS (continued)

DIRECTORS

The Directors who served during 1995, and their interests in the Shares of the Company were as shown below. In accordance with Articles No.90 and 95 of the Company's Articles of Association, Mr. B.O. Kuhrt retires as a Director of the Company, and, being eligible, offers himself for re-election.

	Number of 25p shares held as at		Nature of interest
	1st January 1995	31st December 1995	
Mr. D.R. Jeffryes	128,940	128,940	Beneficial
Mr. D.R. Jeffryes	47,500	47,500	Trustee
Mr. J.R. Jeffryes (died 10th October 1995)*	59,640	59,640	Beneficial
Mr. B.O. Kuhrt	8,795	8,795	Beneficial
Mr. R.S. Heaver, F.C.A.	45,455	32,455	Beneficial
Mr. B. Birdsall	11,730	11,730	Beneficial

*Notes - The 31st December 1995 Shareholding includes shares held by and for the benefit of Mrs. S.K. Jeffryes, the widow of Mr. J.R. Jeffryes.

As far as the Directors are aware at 20th March 1996, only the holding of D.R. Jeffryes amounted in aggregate to a 10% or more beneficial interest in the share capital of the Company.

CHARITABLE & POLITICAL CONTRIBUTIONS

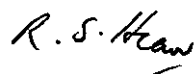
During the year the Company contributed £500 to charitable organisations (1994 - £17) and made no contributions to political parties (1994 - nil).

AUDITORS

A resolution will be proposed at the Annual General Meeting that Milne & Co, Chartered Accountants be re-appointed as auditors.

By Order of the Board

R.S. Heaver



Secretary

Sebert Road,
Forest Gate,
London E7 ONP.

20th March 1996.

THE MANOR PARK CEMETERY COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1995

	Notes	1995 £	1994 £
TURNOVER	1		
Sale of private graves, interment fees etc.		396,760	376,040
Crematorium fees		<u>234,000</u>	<u>218,120</u>
		630,760	594,160
 ESTATE AND ADMINISTRATIVE EXPENSES		 546,060	 551,150
 OPERATING PROFIT		 <u>84,700</u>	 <u>43,010</u>
Income from investments		33,462	28,921
Other interest receivable		22,415	19,391
Profit on sale of investments		852	67,031
 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	 <u>141,429</u>	 <u>158,353</u>
Tax on Profit on Ordinary Activities	5	36,310	38,071
 PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		 <u>105,119</u>	 <u>120,282</u>
 PROPOSED DIVIDEND AT 8.0p per share(1994 - 8.0p per share)		 61,484	 61,484
 RETAINED PROFIT FOR YEAR		 <u>£ 43,635</u>	 <u>£ 58,798</u>
 STATEMENT OF RETAINED PROFITS			
RETAINED PROFIT FOR YEAR		43,635	58,798
RETAINED PROFITS AT 1ST JANUARY 1995		827,913	765,715
AMORTISATION OF REVALUATION SURPLUS 10		<u>4,820</u>	<u>3,400</u>
 RETAINED PROFITS AT 31ST DECEMBER 1995		 <u>£ 876,368</u>	 <u>£827,913</u>

The difference between the result as disclosed in the Profit and Loss Account (as set out above) and the result on an unmodified historical cost basis is not material.

None of the company's activities were acquired or discontinued during 1995 or 1994.

The Company has no recognised gains or losses in 1995 or 1994 other than the profits shown above.

THE MANOR PARK CEMETERY COMPANY LIMITED

BALANCE SHEET AT 31ST DECEMBER 1995

		1995		1994	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4	524,520		510,331	
Investments	6	480,520		354,119	
CURRENT ASSETS					
Debtors	7	36,237		37,868	
Investments		351,680		469,657	
Cash at bank and in hand		<u>24,632</u>		<u>15,539</u>	
		412,549		523,064	
CREDITORS					
Due within one year	8	<u>142,746</u>		<u>158,137</u>	
NET CURRENT ASSETS			269,803		364,927
TOTAL ASSETS LESS CURRENT LIABILITIES			1,274,843		1,229,377
Creditor due after one year	8		(3,159)		(1,652)
			<u>£1,271,684</u>		<u>£1,227,725</u>
PROVISION FOR LIABILITIES AND CHARGES					
Deferred taxation	5		3,034		3,358
			<u>£1,274,718</u>		<u>£1,231,083</u>
CAPITAL and RESERVES					
Called up Share Capital	9		192,139		192,139
Revaluation Reserve	10		206,211		211,031
Profit and Loss Account - retained profits			<u>876,368</u>		<u>827,913</u>
Equity Shareholders' Funds	11		<u>£1,274,718</u>		<u>£1,231,083</u>

Approved by the Board on 20th March 1996

RICHARD S. HEAVER (Chairman)

DENNIS R. JEFFRYES

Directors

THE NOTES SET OUT ON PAGES 8, 9 AND 10
FORM PART OF THESE FINANCIAL STATEMENTS

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. STATEMENT OF ACCOUNTING POLICIES

- (a) The financial statements have been prepared under the historical cost convention as modified to include the revaluation of freehold land, buildings and roadways.
- (b) Turnover is the amount (exclusive of value added tax) received by the company in respect of interments and cremations, although the company has a commitment to maintain certain memorials for a number of years.
- (c) It is company policy to maintain its buildings to the highest standards but, in order to recognise that buildings have a limited life which may be affected by environmental changes and to allow for the reduction in value of land arising from the sale of private burial grounds, depreciation of land and buildings is on a straight line basis calculated at 1.5% per annum in compliance with SSAP 12. Depreciation of other fixed assets is on a straight line basis calculated at annual rates estimated to write off the cost of each asset over its useful life. (see note 4).
- (d) Deferred taxation is provided under the liability method on the difference between the tax and book written down value of fixed assets subject to capital allowances, with the exception of land. Deferred taxation is not provided in respect of land subject to capital allowances since there is no intention of disposing of these assets.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION.

	1995	1994
	£	£
The profit is stated after:		
Charging:		
Directors' emoluments:		
Fees	29,186	29,300
Management remuneration	72,586	68,981
Pension contributions	20,610	15,502
Auditors' remuneration	2,520	2,400
Operating lease rental - plant and equipment	171	-
Depreciation	19,372	15,834
Crediting:		
Investment income:		
From Listed investments	13,090	9,283
From Unlisted investments	20,372	19,638
Other interest receivable	<u>22,415</u>	<u>19,391</u>

3. STAFF COSTS (INCLUDING DIRECTORS)

The average number of employees (including Directors) during the year was 21 (1994-20). Due to the size of the company there is no formal classification of duties. Their total remuneration was:

Wages and Salaries	273,514	240,191
Social Security costs	26,177	23,586
Other pension costs	<u>23,980</u>	<u>16,182</u>
Directors' remuneration, excluding pension contributions:		
Chairmen	25,325	22,250
Highest paid	25,200	22,406
Other directors - in the following bands		
£20,001 - £25,000	1	1
£15,001 - £20,000	1	1
£10,001 - £15,000	1	1

The company operates defined contribution pension schemes for the directors. The assets of the scheme are held separately from those of the company in independently administered funds. The pension costs charge represents contributions payable by the company to the funds and amounted to £20,610 (1994: £15,502).

Certain employees have personal pension schemes and the company contributes 5% of their earnings, annually, to these schemes. Contributions in 1995, in respect of 3 employees, amounted to £2,070 (1994: £680).

An ex-gratia pension of £1,300 per annum is payable to a former employee for the remainder of his life, guaranteed for five years from January 1995. This pension is an allowable deduction for Corporation Tax purposes.

The figure for 'Other pension costs' noted above is made up as follows:

Defined contributions for directors	20,610	15,502
Contributions to staff personal pension schemes	2,070	680
Ex gratia pension to former employee	<u>1,300</u>	<u>-</u>
	<u>£23,980</u>	<u>£16,182</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

4. FIXED ASSETS

	Freehold land Buildings and Roadways £	Plant & Machinery £	Boundary Fencing £	Fixtures & Fittings £	Total £
Cost or valuation					
At 1st January 1995	527,291	90,431	13,864	67,232	698,818
Additions	8,208	18,042	-	8,073	34,323
Disposals	-	-	-	(2,055)	(2,055)
At 31st December 1995	<u>535,499</u>	<u>108,473</u>	<u>13,864</u>	<u>73,520</u>	<u>731,086</u>
At Valuation	500,000	-	-	-	500,000
At cost	<u>35,499</u>	<u>108,473</u>	<u>13,864</u>	<u>73,520</u>	<u>231,086</u>
	<u>535,499</u>	<u>108,473</u>	<u>13,864</u>	<u>73,520</u>	<u>731,086</u>
Depreciation					
At 1st January 1995	46,032	76,995	11,315	54,145	188,487
Charge for year	8,031	4,604	247	6,490	19,372
On Disposals	-	-	-	(1,293)	(1,293)
At 31st December 1995	<u>54,063</u>	<u>81,599</u>	<u>11,562</u>	<u>59,342</u>	<u>206,566</u>
Net Book Value					
31st December 1995	<u>£481,436</u>	<u>£26,874</u>	<u>£2,302</u>	<u>£13,908</u>	<u>£524,520</u>
31st December 1994	<u>£481,259</u>	<u>£13,436</u>	<u>£2,549</u>	<u>£13,087</u>	<u>£510,331</u>
For the freehold land, buildings and roadways included at valuation:	Historical Cost	Depreciation based on cost Opening	Charge	Closing	Net Historical cost value
31st December 1995	192,936	67,731	3,035	70,766	122,170
31st December 1994	<u>184,728</u>	<u>62,464</u>	<u>5,267</u>	<u>67,731</u>	<u>116,997</u>

Freehold land and buildings were professionally revalued as at December 1988. The basis of valuation was the current open market value assuming a willing buyer and a willing seller. No tax liability has been provided, or quantified, on the surplus arising since there is no intention to dispose of the land and buildings.

Depreciation is provided on revaluation value or cost of fixed assets at the following rates:

Freehold land, buildings and roadways	1.5%	Boundary fencing	7.5%
Plant and machinery	10% to 15%	Fixtures and fittings	20.0%

At 31st December 1995 Capital Expenditure commitments were as follows -

Contracted for but not provided for in the accounts £30,000 (1994 - £600)

Authorised but not contracted for £280,000 (1994 - £2,500).

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1995	1994
The tax charge based on the profit for the year comprises:	£	£
Corporation tax at 25% (1994- 25%)	35,986	38,016
Transfer (from)/to deferred tax	<u>324</u>	<u>(217)</u>
	36,310	37,799
Tax attributable to franked investment income	-	272
	<u>£36,310</u>	<u>£38,071</u>
Tax liabilities are payable as follows:		
Corporation Tax payable 1st October 1996	15,103	25,047
Advance Corporation Tax payable 14th July 1996	<u>15,371</u>	<u>15,371</u>
Current Corporation Tax liability as Note 8	30,474	40,418
Corporation Tax payable 1st October 1997 as Note 8	<u>3,159</u>	<u>1,652</u>
	<u>£33,633</u>	<u>£42,070</u>
Deferred tax at 25% (1994 - 25%) comprises:		
Arising by reason of accelerated capital allowances	(12,337)	(12,013)
Advance Corporation Tax recoverable in future accounting periods	<u>15,371</u>	<u>15,371</u>
	<u>£ 3,034</u>	<u>£3,358</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS

At cost:		
Listed	162,226	49,148
Unlisted (Government investments)	<u>318,294</u>	<u>304,971</u>
	<u>£480,520</u>	<u>£354,119</u>
Market value	<u>£494,462</u>	<u>£355,836</u>

7. DEBTORS.

Prepayments and accrued income	<u>£ 36,237</u>	<u>£ 37,868</u>
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8. CREDITORS

Due within one year:		
Trade creditors	3,078	9,449
Corporation Tax (Note 5)	30,474	40,418
Social security and other taxes	12,413	11,701
Accruals and deferred income	35,297	35,085
Proposed dividends	<u>61,484</u>	<u>61,484</u>
	<u>£142,746</u>	<u>£158,137</u>

Due after one year:		
Corporation Tax (Note 5)	<u>£ 3,159</u>	<u>£ 1,652</u>

There is a future commitment in respect of operating leases which is less than £1,000 per annum and is not, therefore, shown in detail.

9. SHARE CAPITAL

Authorised, issued and fully paid:		
At 1st January 1995 - 768,555 Ordinary Shares of 25p each	192,139	38,428
Bonus issue during year - 614,844 Ordinary Shares of 25p each (Note 10)	-	<u>153,711</u>
At 31st December 1995 - 768,555 Ordinary Shares of 25p each	<u>£ 192,139</u>	<u>£ 192,139</u>

10. REVALUATION RESERVE.

Balance at 1st January 1995	211,031	368,142
Amortisation during the year	(4,820)	(3,400)
Amount applied in payment for bonus shares (Note 9)	-	<u>(153,711)</u>
Balance at 31st December 1995	<u>£206,211</u>	<u>£211,031</u>

11 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

Profits for the financial year after taxation	105,119	120,282
Dividend	<u>(61,484)</u>	<u>(61,484)</u>
	43,635	58,798
Shareholders' funds at 1st January 1995	<u>1,231,083</u>	<u>1,172,285</u>
Shareholders' funds at 31st December 1995	<u>1,274,718</u>	<u>£1,231,083</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the company's state of affairs as at the end of the year and of its profit or loss for that period. In preparing those financial statements the directors are required to:

- * select suitable accounting policies and then apply them consistently.
- * make judgments and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- * prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

REPORT OF THE AUDITORS TO THE MEMBERS OF THE MANOR PARK CEMETERY COMPANY LIMITED

We have audited the financial statements on pages 6 to 10 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors.

As described on this page, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit of those statements and to report our opinion to you.

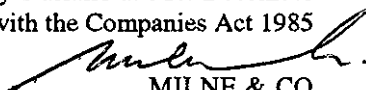
Basis of opinion.

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Company's affairs at 31st December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.


MILNE & CO
Registered Auditors
Chartered Accountants

59/61 The Broadway
Haywards Heath
West Sussex
RH16 3AS

20th March 1996.

THE MANOR PARK CEMETERY COMPANY LIMITED

TEN YEAR SUMMARY ENDED 31ST DECEMBER 1995

Year to 31st December	Turnover	Profits Before Tax	Tax	Profits after tax	Dividends	Profits retained	Earnings per share (Note 3)
1986	315,145	100,463	30,366	70,097	19,982	50,115	45.60
1987	337,514	85,587	23,218	62,369	23,057	39,312	40.57
1988	371,649	80,008	19,776	60,232	25,362	34,870	39.19
1989	382,830	103,324	25,696	77,628	29,974	47,654	50.50
1990	458,904	101,047	26,032	75,015	29,974	45,041	48.80
1991	512,852	122,322	31,325	90,997	33,816	57,181	59.20
1992	480,039	77,575	20,136	57,439	33,816	23,623	37.37
1993	554,048	138,177	34,873	103,304	38,428	64,876	67.21
1994	594,160	158,353	38,071	120,282	61,484	58,798	15.65
1995	630,760	141,429	36,310	105,119	61,484	43,635	13.68

Notes: 1. The dividend figures exclude the tax credit available to Shareholders.

2. The tax charge excludes prior year adjustments.

3. There was a bonus issue of four shares for every share held in 1994. The earnings per share figures for 1994 and 1995 are based on the new capital and are one-fifth of the figures that would have arisen in relation to the previous capital.