
THE MANOR PARK CEMETERY COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2002**



THE MANOR PARK CEMETERY COMPANY LIMITED

COMPANY INFORMATION

DIRECTORS	B J Birdsall (resigned 12/6/02) A S Rutteman B T Cook A R Jeffryes N D Stephens
SECRETARY	B T Cook
COMPANY NUMBER	8415
REGISTERED OFFICE	Sebert Road Forest Gate London E7 0NP
AUDITORS	Sterling Milne LLP Chartered Accountants & Registered Auditors Dartel House High Street Horley Surrey RH6 7BN
SOLICITORS	Ashton Graham 81 Guildhall Street Bury St Edmunds Suffolk IP33 1PZ

THE MANOR PARK CEMETERY COMPANY LIMITED

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THE MANOR PARK CEMETERY COMPANY LIMITED

CHAIRMAN'S STATEMENT

I am pleased to report that in a climate of economic downturn and global anxieties, the Company had another profitable year. Trading income was very similar to last year with income from the sale of private graves, interment fees and cremation fees standing at £764,678 (2001 - £748,731). The expenditure on Estate and Administration amounted to £675,856 (2001 - £677,840). Pre-tax profit was £107,799 against £106,533 last year and the after taxation profit was £86,765 (2001 - £87,195).

The Board decided this year that, in order to show a fairer profit in this and in future years those amounts received in advance for digging fees on reserved graves should be carried forward and recognised as income when the interment takes place.

The previous practice over many years was to take such income into current year profits, but good accounting practice states that such income should be carried forward. The result is, given the number of years that the previous system prevailed, to provide for £25,980 to be carried forward, rather than included as profit. Of this amount, £17,650 relates to prior years and in accordance with normal accounting principles the adjustment has been made by way of a prior year adjustment. The comparative figures for the previous year have been restated. Additionally, as predicted in my 2001 Annual Report, the depletion of the liquid reserves following the purchase of the new Shelton cremator, coupled with the historically low interest rates, has resulted in interest received this year being almost halved, from £31,430 in 2001 to £18,977 in 2002.

Having considered these factors, the Board proposes for your approval at the AGM a final dividend of 9p per Ordinary Share (2001 9p). This is the same as that declared last year, and although there remains a surplus (£17,595) to be added to reserves, the effect of the Prior Year Adjustment mentioned above is to maintain a level of reserves almost identical to those reported at the end of 2001. Your Board considers that with retained profits of £997,684 this is an appropriate course of action. The dividend is payable on 18 June 2003 to shareholders on the register at the close of business on 26 May 2003.

Expenditure was well contained over the year, but increasingly the Company has to contend with repairs and maintenance costs relating to a business that has been running for 129 years. Keeping the buildings safe and attractive involved the commission of a planned maintenance survey. This highlighted those matters that needed to be dealt with promptly and others which could be considered as part of a rolling plan. As a result, specialist stone restorers were employed during the summer months and scaffold was erected on the chapel buildings. The Kent ragstone of our trademark steeple, which was built in Victorian times, was expertly restored at a cost in excess of £17,000. Repairs to the mess huts were undertaken "in house", and new toilet facilities built.

THE MANOR PARK CEMETERY COMPANY LIMITED

CHAIRMAN'S STATEMENT

Sadly too we have had to contend with the scourge of vandalism and this year, following damage to some of the leaded light chapel windows, the decision was taken to restore these and to have every window protected with polycarbonate sheeting. Trespass and vandalism are constant causes of anxiety, distress and frustration. Following discussion with the local police force and with our security providers, your Board has reluctantly decided that a closed circuit television system should be installed to protect the estate grounds, the memorials and its buildings. The projected date for the CCTV installation is early in 2003.

Within the office our burial records have been copied onto micro-film. These priceless archives are our only record of all the burials at Manor Park Cemetery, the first of which took place in 1887, and are recorded in enormous, heavy, handwritten books, bound in pigskin. The lack of any duplicate record and the time that has to be expended manually leafing through the many thousands of entries has been of considerable concern for some time. These records are currently being transferred to disk, with the advantage that not only is there an immediate duplicate of the records, but data can be checked speedily through the computer system and the staff no longer have the task of manhandling awkward, cumbersome and weighty tomes.

After the AGM last year, Brian Birdsall bade farewell to the Company. He has had many roles during his association with the Company, joining in 1990 as Estates Manager, taking over Chairmanship for the period 1998 - 2001 and continuing his Board membership in June 2001 with particular responsibility for the installation of the Shelton gas cremator. His commitment, expertise and hands-on approach have been invaluable and we wish him every happiness in his retirement.

This has involved the remainder of the Board in an increased workload and I would like to thank my colleagues for their hard work and support in this.

I believe that the year 2003 will continue to offer challenges to the Company. The total number of funerals conducted to date is some 5% higher than the comparable period last year and income from our core trading activities shows a slight increase. Such statistics however have to be treated with a degree of circumspection and time will tell.

Finally, I cannot close without expressing personally and on your behalf, my appreciation to our staff for their splendid efforts over the past year. Their hard work, dedication and skills are major factors determining the success or failure of the Company's trading throughout the year. With them I look forward with confidence to the challenges and opportunities that lie ahead.

Angela Rutteman
Chairman

THE MANOR PARK CEMETERY COMPANY LIMITED

DIRECTORS' REPORT For the year ended 31 December 2002

The directors present their report and the financial statements for the year ended 31 December 2002.

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 state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 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 and other irregularities.

PRINCIPAL ACTIVITIES

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.

DIVIDEND

The Directors recommend the payment of a dividend of 9p per share, payable on 18 June 2003, giving rise to a surplus transferred to Reserves of £17,595.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of 25p each	
	<u>31/12/02</u>	<u>1/1/02</u>
B J Birdsall (resigned 12/6/02)	-	13,668
A S Rutteman	85,598	85,598
B T Cook	6,340	6,340
A R Jeffryes	83,314	83,314
N D Stephens	3,055	3,055

THE MANOR PARK CEMETERY COMPANY LIMITED

DIRECTORS' REPORT For the year ended 31 December 2002

AUDITORS

The auditors, Sterling Milne LLP, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on

21 May 2003

and signed on its behalf.


B T Cook
Secretary

THE MANOR PARK CEMETERY COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE MANOR PARK CEMETERY COMPANY LIMITED

We have audited the financial statements of The Manor Park Cemetery Company Limited for the year ended 31 December 2002 set out on pages 7 to 15. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention and the accounting policies set out on page 10.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report and the Chairman's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 judgements 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.

THE MANOR PARK CEMETERY COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE MANOR PARK CEMETERY COMPANY LIMITED

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Sterling Milne LLP

23/5/03

Sterling Milne LLP

Chartered Accountants
Registered Auditors

Dartel House
High Street
Horley
Surrey
RH6 7BN

THE MANOR PARK CEMETERY COMPANY LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 31 December 2002

	Note	2002 £	As restated 2001 £
TURNOVER	1	764,678	748,731
Administrative expenses		(675,856)	(677,840)
OPERATING PROFIT	2	88,822	70,891
Profit on disposal of investments		-	4,212
Interest receivable		18,977	31,430
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		107,799	106,533
TAX ON PROFIT ON ORDINARY ACTIVITIES	4	(21,034)	(19,338)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		86,765	87,195
DIVIDENDS		(69,170)	(69,170)
RETAINED PROFIT FOR THE FINANCIAL YEAR	12	£ 17,595	£ 18,025

The notes on pages 10 to 15 form part of these financial statements.

THE MANOR PARK CEMETERY COMPANY LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES For the year ended 31 December 2002

	2002 £	As restated 2001 £
PROFIT FOR THE FINANCIAL YEAR	86,765	87,195
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>86,765</u>	<u>£ 87,195</u>
Prior year adjustment	(17,650)	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST FINANCIAL STATEMENTS	<u>£ 69,115</u>	

The notes on pages 10 to 15 form part of these financial statements.

THE MANOR PARK CEMETERY COMPANY LIMITED

BALANCE SHEET As at 31 December 2002

	Note	£	2002 £	As restated 2001 £	£
FIXED ASSETS					
Tangible fixed assets	5		893,891		929,700
Investments	6		204,460		395,697
			<u>1,098,351</u>		<u>1,325,397</u>
CURRENT ASSETS					
Debtors	7	51,657		49,712	
Investments	8	382,616		128,782	
Cash at bank		16,335		3,365	
			<u>450,608</u>		<u>181,859</u>
CREDITORS: amounts falling due within one year	9	(156,246)		(134,437)	
			<u>294,362</u>		<u>47,422</u>
NET CURRENT ASSETS					
			294,362		47,422
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,392,713</u>		<u>1,372,819</u>
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	10		(42,667)		(40,368)
NET ASSETS			<u>£ 1,350,046</u>		<u>£ 1,332,451</u>
CAPITAL AND RESERVES					
Called up share capital	11		192,139		192,139
Revaluation reserve	12		160,223		166,705
Profit and loss account	12		997,684		973,607
SHAREHOLDERS' FUNDS			<u>£ 1,350,046</u>		<u>£ 1,332,451</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the board on 21 May 2003 and signed on its behalf.

Angela Rutteman

A S Rutteman
Director

B T Cook
B T Cook
Director

The notes on pages 10 to 15 form part of these financial statements.

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2002

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land buildings and roadways and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land and buildings	-	1.5%	straight line
Plant and machinery	-	15%	straight line
Fixtures, fittings and equipment	-	20%	straight line
Boundary fencing	-	7.5%	straight line

1.5 Revaluation of tangible fixed assets

As permitted by the transitional provisions of the Financial Reporting Standard for Smaller Entities (effective June 2002) the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued at December 1988 and will not update that valuation.

1.6 Reserve Graves

Where monies are received in respect of a grave reserved for future use, the sale is included in turnover. However, where the amount received includes an advance against future digging fees, proportion is carried forward to the year in which interment takes place.

This represents a change in the company's accounting policies. In the current year's accounts a total sum of £25,980 has been carried forward. Of this amount, £17,650 relates to prior years and £8,330 to the current year.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2002	2001
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	61,866	66,398
Auditors' remuneration	3,400	3,250
Pension costs	24,771	25,306
	<u> </u>	<u> </u>

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2002

3. DIRECTORS' REMUNERATION

	2002 £	2001 £
Aggregate emoluments	£ 116,873	£ 118,059

During the year retirement benefits were accruing to 5 directors (2001 - 5) in respect of money purchase pension schemes.

4. TAXATION

	2002 £	2001 £
Analysis of tax charge in year		
Current tax (see note below)		
UK corporation tax on profits of the year	17,025	12,626
Adjustments in respect of prior periods	1,710	-
Total current tax	18,735	12,626
Deferred tax		
Origination and reversal of timing differences	2,299	6,712
Total deferred tax (see note 10)	2,299	6,712
Tax on profit on ordinary activities	£ 21,034	£ 19,338

Factors affecting tax charge for year

Depreciation of assets not qualifying for capital allowances and disallowable items of expenditure amounted to £9,400. £210 of the charge to taxation relates to an adjustment to deferred taxation of prior years.

There were no factors that may affect future tax charges.

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2002

5. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery	Furniture, fittings and equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2002	697,538	549,478	197,646	1,444,662
Additions	-	19,120	6,937	26,057
At 31 December 2002	<u>697,538</u>	<u>568,598</u>	<u>204,583</u>	<u>1,470,719</u>
Depreciation				
At 1 January 2002	115,698	228,209	171,055	514,962
Charge for the year	10,463	41,034	10,369	61,866
At 31 December 2002	<u>126,161</u>	<u>269,243</u>	<u>181,424</u>	<u>576,828</u>
Net book value				
At 31 December 2002	<u>£ 571,377</u>	<u>£ 299,355</u>	<u>£ 23,159</u>	<u>£ 893,891</u>
At 31 December 2001	<u>£ 581,840</u>	<u>£ 321,269</u>	<u>£ 26,591</u>	<u>£ 929,700</u>

Cost or valuation at 31 December 2002 is as follows:

	Land and buildings £
At cost	354,996
At valuation:	
In December 1988 by members of the Royal Institution of Chartered Surveyors, on an open market value of existing use basis	342,542
	<u>£ 697,538</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2002 £	2001 £
Cost	354,996	354,996
Accumulated depreciation	97,553	93,574
Net book value	<u>£ 257,443</u>	<u>£ 261,422</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2002

6. FIXED ASSET INVESTMENTS

	Listed invest- ments £	Unlisted invest- ments £	Total £
Cost			
At 1 January 2002	54,460	341,237	395,697
Additions	-	7,746	7,746
Disposals	-	(198,983)	(198,983)
At 31 December 2002	<u>£ 54,460</u>	<u>£ 150,000</u>	<u>£ 204,460</u>

Listed investments

The market value of the listed investments at 31 December 2002 was £64,905 (2001 - £64,539) .

Unlisted investments

In the opinion of the directors the market value of the unlisted investments at 31 December 2002 was not less than their book cost.

7. DEBTORS

	2002 £	2001 £
Due within one year		
Trade debtors	43,910	37,279
Other debtors	7,747	12,433
	<u>£ 51,657</u>	<u>£ 49,712</u>

8. CURRENT ASSET INVESTMENTS

	2002 £	2001 £
Unlisted investments	<u>£ 382,616</u>	<u>£ 128,782</u>

9. CREDITORS: Amounts falling due within one year

	2002 £	As restated 2001 £
Trade creditors	13,602	10,591
Corporation tax	16,194	11,134
Social security and other taxes	9,479	19,080
Other creditors	116,971	93,632
	<u>£ 156,246</u>	<u>£ 134,437</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2002

10. DEFERRED TAXATION

	2002 £	2001 £
At 1 January 2002	40,368	33,656
Charge for the year	2,299	6,712
At 31 December 2002	<u>£ 42,667</u>	<u>£ 40,368</u>

The deferred tax provision is made up as follows:

	2002 £	2001 £
Accelerated capital allowances	42,667	40,368
	<u>£ 42,667</u>	<u>£ 40,368</u>

11. SHARE CAPITAL

	2002 £	2001 £
Authorised, allotted, called up and fully paid		
768,555 Ordinary shares of 25p each	<u>£ 192,139</u>	<u>£ 192,139</u>

12. RESERVES

	£	£
Revaluation reserve		
At 1 January 2002	166,705	173,188
Transfer to profit and loss account	(6,482)	(6,483)
At 31 December 2002	<u>£ 160,223</u>	<u>£ 166,705</u>
Profit and loss account		
At 1 January 2002	991,257	961,749
Prior year adjustment (note 13)	(17,650)	(12,650)
At 1 January 2002 as restated	973,607	949,099
Profit retained for the year	17,595	18,025
Transfer from revaluation reserve	6,482	6,483
At 31 December 2002	<u>£ 997,684</u>	<u>£ 973,607</u>

13. PRIOR YEAR ADJUSTMENT

As mentioned in note 1.6 there has been a change in the Company's accounting policies in that where the sale of a reserved grave space includes digging fees received in advance that proportion relating to the

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2002

digging fees is carried forward and recognised as income at the time the interment takes place. The proportion of the cumulative adjustment which relates to 2001 is £5,000 and the years prior to that, £12,650. Comparative figures in the Profit and Loss account and the Balance Sheet together with supporting notes have been restated.

14. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £24,771 (2001 £25,306).