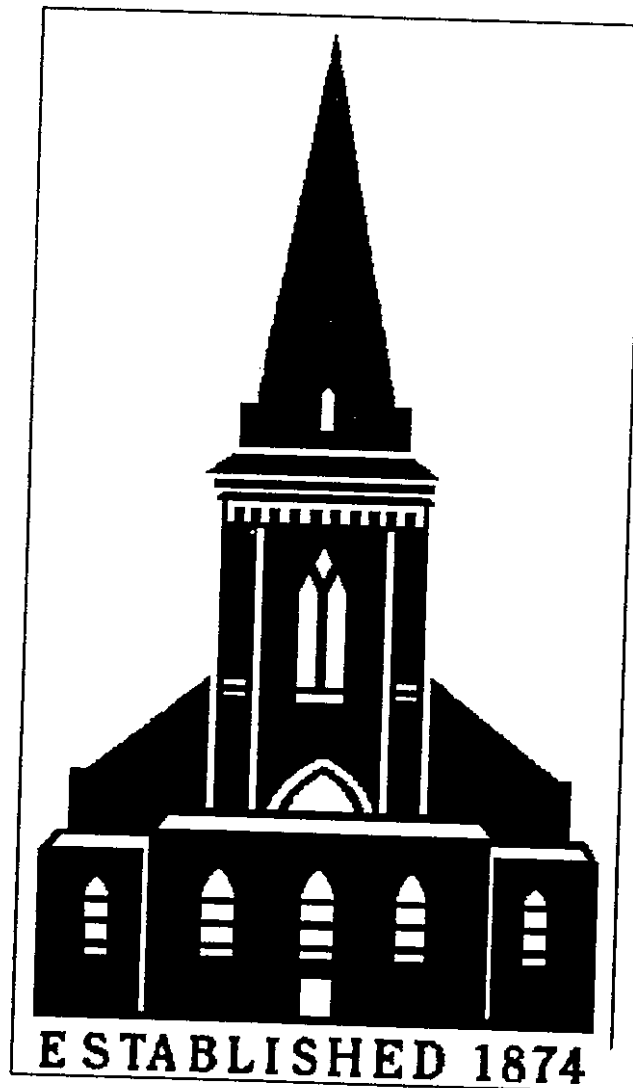


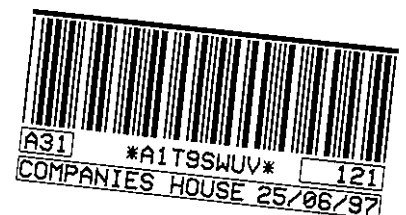
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**THE MANOR PARK CEMETERY
COMPANY LIMITED**

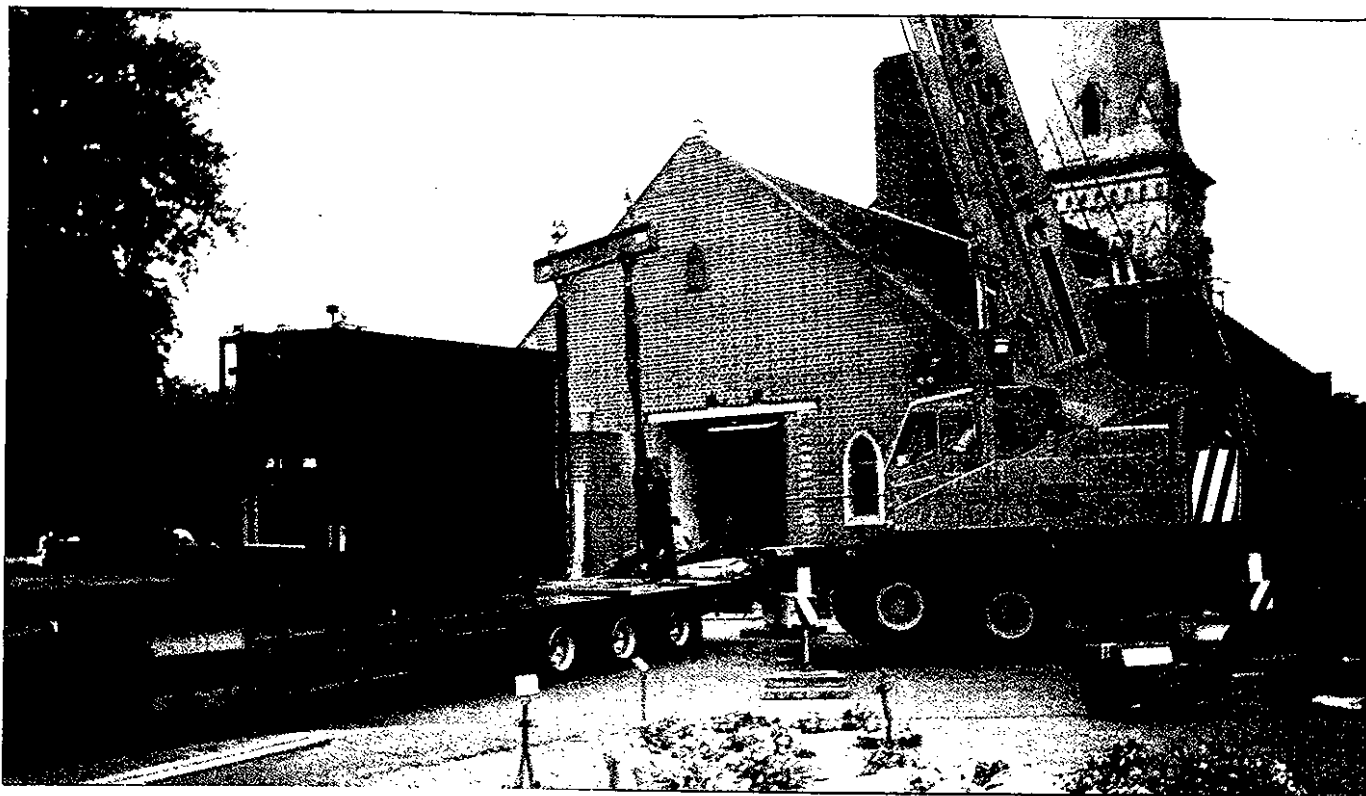
**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1996**



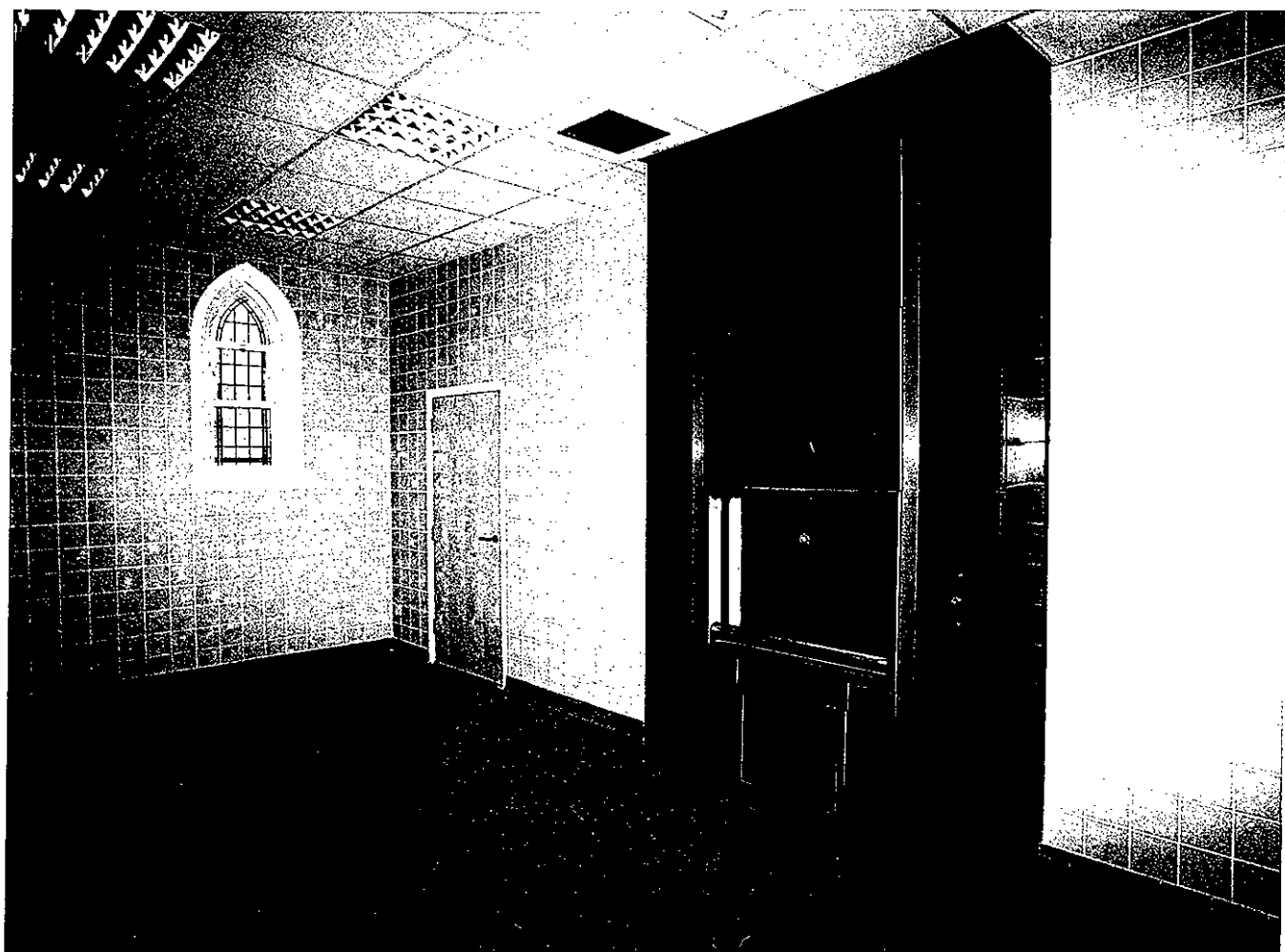
Manor Park Cemetery & Crematorium



THE MANOR PARK CEMETERY COMPANY LIMITED



The new cremator is off-loaded



..... and installed

THE MANOR PARK CEMETERY COMPANY LIMITED

BOARD OF DIRECTORS

Chairman	Richard S. Heaver F.C.A. Dennis R. Jeffryes Brian J. Birdsall Angela S. Rutteman B.A. Brian O. Kuhrt
Superintendent	

COMPANY INFORMATION

Secretary	Richard S. Heaver F.C.A.
Registered Office	Sebert Road, Forest Gate, London E7 ONP
Solicitors	Banks Ashton
Auditors	Milne & Co.
Bankers	National Westminster Bank PLC
Stockbrokers	James Capel & Co.
Registered in England	Company Number 8415

NOTICE OF MEETING

Notice is hereby given that the One Hundred and Twenty-third 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 11th June 1997 at 2 p.m. for the following purposes:

1. To receive the Company's Financial Statements for the year ended 31st December 1996 together with the Report of the Directors and Auditors thereon.
2. To declare a dividend.
3. To re-elect the following Directors retiring in accordance with the Articles of Association:
Mr. D.R. Jeffryes
Mrs.A.S. Rutteman B.A. (elected since the last Annual General Meeting)
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 18th May to 14th June 1997, 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.

R. S. Heaver
By order of the Board
R.S. Heaver.
Secretary.

CONTENTS

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Contents	Report of the Auditors
2/4 Chairman's Statement	13 Ten Year Summary
5/6 Report of the Directors	
7 Profit and Loss Account	

THE MANOR PARK CEMETERY COMPANY LIMITED

CHAIRMAN'S STATEMENT

This is my second report to you although the first only covered the short period from October to December 1995 following the death of John Jeffryes. A great deal happened within the company during 1996 and since, and I have commented on this in some detail below. Some of the events reflect periods of considerable activity, some relate to personnel and some have involved important policy decisions.

The bare financial facts are that the Company has had another successful year. Turnover showed only a modest increase, from £630,760 to £634,879 but we were able to contain our expenses so that the operating profit improved by £8,239 to which must be added the investment income of £44,572, giving a total profit, before taxation, of £137,511, only just below that for the previous year. Deduction of the Corporation Tax charge of £34,819 (1995 - £36,310) leaves a profit of £102,692 (1995 - £105,119) and your Board are recommending an unchanged dividend of 8.0p per share which absorbs £61,484 of the profit. Taking into account the fact that we were closed for two weeks when the new cremator was installed this is clearly a satisfactory result.

Our new electric cremator was duly installed - the two gas fired cremators originally installed in 1955 being replaced by one cremator. We do not carry out sufficient volume of cremations to justify the installation of two cremators, particularly when considering the cost of the new advanced equipment. The photographs included with these accounts give an indication of the nature of the work but we also took a bold decision to strip out the whole of the inside of the rear of the crematorium to upgrade all of the facilities. We are very proud of the results which reflect considerable credit on our builders - Goodey Construction Company, our Architects - Critchell Harrington & Partners Limited and our cremator suppliers - Parkgrove 2000 Limited, as well as sundry supporting firms providing ancillary services. The work included the installation of proper staff rest facilities, including a shower, the installation of a waiting room for the use of funeral directors, including a drinks machine, the creation of a small chapel of rest and a substantial upgrade of the committal room with modern ceiling and lighting and tiled walls and floor - as shown in the lower photograph in these accounts. This room can be entered by mourners who may wish to view, or even participate in, the last rites of the cremation. The whole area is modern, clean, light and airy and we are delighted to show the results to many visitors from the public and our trade colleagues. The new cremator has worked well although there have been one or two technical hitches that can be expected with such new technology. A report from the Federation of British Cremation Authorities has earned us a commendatory letter including one or two comments that we have taken up with the cremator manufacturer and our technical advisors. We are in the process of renewing our annual operating licence with our Local Authority. We completely stripped and upgraded the public waiting room and this work, the particular responsibility of Angela Rutteman, has been completed and represents a real improvement on the previous area.

The roads and paths to the new lawn grave area have now been completed and this area of some 5 acres will shortly be brought into use.

Our total capital expenditure in the year can be summarised as follows:-

New electric cremator, including new mains electrical supply from main gate to crematorium	200,813
Improvements to cremator building	67,083
Waiting room upgrade	7,299
Fees for Architect and technical advisors	16,284
New pulverisor	9,341
Trolley for Chapel of Rest	498
Roads and pathways for new lawn grave area	50,772
Showers and radiators for staff mess huts	3,400
Computer (burial package software)	4,996
New Estate equipment and additions:	
Oil tank	1,387
5 mowers	2,430
Dumper	2,879
Dumper shed	3,701
Mini-excavator	9,988
Strimmers	447
Trailer	550
Blower	215
Sundry	1,142
	<u>£383,225</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

CHAIRMAN'S STATEMENT (continued)

These figures generally include the whole of the 17.5% VAT that we are unable to recover because of the particular VAT system peculiar to our industry.

It will be apparent, from the considerable expenditure on Estate equipment, that the decision to replace external contractors with our own staff is still being implemented. A new charge-hand has just been appointed and I have every hope and expectation that the improvement in Estate standards will continue. We are certainly now receiving a great deal of written and verbal praise from the public in relation to the improved state of the grounds and I consider that the Estate has never been in such good condition. As mentioned in the accounts we have now decided to press on with the complete upgrade of our two Chapels at a cost of around £40,000. Angela Rutteman has assumed responsibility for this project. It is our intention to bring the Chapels up to date and to improve the ambience of the whole area.

We operate in a highly competitive area and there is a constant need for us to look critically at the quality of our services and facilities and to relate these to the prices that we can charge. We have been advised that our near neighbour, The City of London Crematorium, has recently imposed a substantial increase in its price for an adult cremation to £235. We have decided to retain our price at £195, even though we are spending a great deal in upgrading our cremation and burial facilities. It is our view that the price for a cremation is high enough and we hope that our decision will enable us to remain very competitive. Our stance will depend very much on the support of local Undertakers and we intend to give them sufficient quality and quantity of promotional material to assist in furthering our cause. Some four years ago we decided to change our pricing policy for rose leasing as we were, at that time, charging and renewing on a four yearly basis. We considered then, and now, that this was too high and the periods were, therefore, extended to ten years. This means that for the next five years or so our revenue from this source will be somewhat reduced, and our overall profit budget for the current year is lower than it has been for some years. We hope that the various steps that we have taken will give an improvement to our hopes and expectations.

It is relevant to make the point that the capital expenditure of £383,225, referred to above, has all been funded from our own resources. This does, of course, deplete our income from invested funds but it also means that we have no borrowing. This is another reason for the lower budget this year and we shall be spending the £40,000 on Chapel refurbishment from our own resources but this will still leave us with the better part of £500,000 in overall liquid funds as a reserve for the future - the result of praiseworthy conservation policies pursued by past Chairmen.

I come now to the personnel section of my report. During 1996 two long serving members of our staff were diagnosed as having life threatening diseases involving protracted medical treatment. They are now both back at work and we are, of course, hopeful that the treatment will prove to be successful. I am sure that you will agree that the Board decision to maintain these staff members on full pay, not just contractual sick pay, throughout their illness was the correct and humane policy to follow. In September of 1996 I was diagnosed as having prostate cancer, for which I have since been receiving treatment. The prognosis, in my own case, is not so hopeful but I am still here working at a job that I enjoy and I hope that it will continue in that vein. In January 1997 Brian Birdsall was diagnosed as having pernicious anaemia and he has received appropriate treatment for this - here again with the hope that this will be successful and that he will be able to continue to make his considerable contribution to the running of our company.

A sorry chapter of ill health, which I hope will abate in the coming year.

Brian Kuhrt, our long serving Superintendent, has decided that he would like to take early retirement to move away to another area. Brian has been with the company for 35 years, the last 27 of these as Superintendent and we shall clearly miss his cheerful disposition, application and knowledge of the job. I will comment on this at greater length in my report next year but I can advise you that Norman Stephens, our Deputy Superintendent, has agreed to take over the position at the end of the year. Norman has been with us since early 1995 and has demonstrated excellent qualities that convince us that he will be the right man for the job. We will shortly be seeking a new Deputy Superintendent to strengthen our staff. You will see from the enclosed papers that we intend to strengthen the Board, by the addition of Brian Cook - a fellow Chartered Accountant who lives in the same town as me and who I feel will be admirably suitable to understudying my financial role and, indeed, contributing to it from his own experience. He has already attended the last two Board Meetings and I, and my colleagues, are delighted to commend him to you.

THE MANOR PARK CEMETERY COMPANY LIMITED

CHAIRMAN'S STATEMENT (continued)

We have also "lined up" a very suitable person, who has expressed his willingness to stand as Non-Executive Chairman, in the event that I cannot continue with my duties. Angela Rutteman, the daughter of Dennis Jeffryes, has been a Director since October 1996 and is making a valuable contribution to the management and progress of the company. It should, therefore, be apparent that your Board are cognisant of the potential problems that could come from the matters previously referred to and I trust that the various steps that we are taking will deal with these. We consider the holding of qualifying shares as a pre-requisite for invitation to join the Board to be no longer essential and there is clearly a need to provide greater flexibility as regards Director's numbers. The annexed agenda for a short EGM to be held prior to the AGM is intended to address these matters as well as dealing with the appointment of Brian Cook.

Last year's report referred to the revaluation of the company's land and buildings but our professional valuer recommended that this should be deferred until the Chapel alterations and cremator installation had been completed. This has now been done and I have asked the valuer to proceed so that it should be possible to incorporate the revised figures into the 1997 accounts.

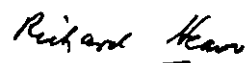
Finally I would like to express the views of your Board, in relation to our responsibility as the company managers. We consider that we owe a duty of care and responsibility to the following (although not necessarily in the order given).

Our shareholders, including in particular, the major shareholders of the Jeffryes family - direct descendants of the founder some 120 years or so ago.

Our staff who labour with good heart and spirit in all weathers, dealing with people at the limit of their emotions.

The public who are entitled to a fair value service, relative to an emotive situation.

We believe that we manage to combine these responsibilities and fully intend that this will continue within the competitive background previously referred to. We are grateful for the continued support of all our staff and hope that the spirit of camaraderie and co-operation - that has been built up over the last few years - will continue to see us through some difficult and challenging days to come.



RICHARD HEAVER
Chairman

THE MANOR PARK CEMETERY COMPANY LIMITED

REPORT OF THE DIRECTORS

The Directors present the ONE HUNDRED AND TWENTY-THIRD ANNUAL REPORT and FINANCIAL STATEMENTS for the financial year ended 31st December 1996.

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 7 to 11. The profit for the year before tax amounted to £137,511 (1995 - £141,429) and taxation for the year amounted to £34,819 (1995 - £36,310) leaving a net profit after tax amounting to £102,692 (1995 - £105,119).

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

DIVIDEND

The Directors recommend the payment of an unchanged Dividend of 8p per share, payable on 11th June 1997, leaving £41,208 (1995 - £43,635) of 1996 profits attributable to shareholders retained in reserves.

SHARE CAPITAL

There were no alterations to Share Capital in the year.

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 1996, although it is intended to obtain a formal professional valuation of land and buildings during 1997.

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 £1,538 (1995 - £1,530).

FUTURE DEVELOPMENTS

Detailed plans for the refurbishment of the two chapels are being considered, these are likely to include new carpets, chairs, lights and furnishings as well as complete redecoration. The total cost, inclusive of irrecoverable VAT, will probably be of the order of £40,000.

THE MANOR PARK CEMETERY COMPANY LIMITED

REPORT OF THE DIRECTORS (continued)

DIRECTORS

The Directors who served during 1996, 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. D.R. Jeffryes and Mrs. A.S. Rutteman retire as Directors of the Company, and, being eligible, offers themselves for re-election.

	Number of 25p shares held as at		Nature of interest
	1st January 1996	31st December 1996	
Mr. D.R. Jeffryes	128,940	128,940	Beneficial
Mr. D.R. Jeffryes	47,500	47,500	Trustee
Mr. B.O. Kuhrt	8,795	8,795	Beneficial
Mr. R.S. Heaven, F.C.A.	45,455	32,455	Beneficial
Mr. B. Birdsall	11,730	11,730	Beneficial
Mrs. A.S. Rutteman B.A. (appointed 10/10/1996)	35,535	35,535	Beneficial

As far as the Directors are aware at 12th March 1997, 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

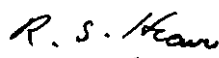
During the year the Company contributed £300 to charitable organisations (1995 - £500) and made no contributions to political parties.

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. Heaven



Secretary

Sebert Road,
Forest Gate,
London E7 ONP.

12th March 1997.

THE MANOR PARK CEMETERY COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1996

	Notes	1996 £	1995 £
TURNOVER	1		
Sale of private graves, interment fees etc.		411,702	396,760
Crematorium fees		<u>223,177</u>	<u>234,000</u>
		634,879	630,760
 ESTATE AND ADMINISTRATIVE EXPENSES		 541,940	 546,060
 OPERATING PROFIT		 <u>92,939</u>	 <u>84,700</u>
Income from investments		32,951	33,462
Other interest receivable		11,621	22,415
Profit on sale of investments		-	852
 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	 <u>137,511</u>	 <u>141,429</u>
Tax on Profit on Ordinary Activities	5	34,819	36,310
 PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		 <u>102,692</u>	 <u>105,119</u>
 PROPOSED DIVIDEND AT 8.0p per share (1995 - 8.0p per share)		 <u>61,484</u>	 <u>61,484</u>
 RETAINED PROFIT FOR YEAR		 <u>£ 41,208</u>	 <u>£ 43,635</u>
 STATEMENT OF RETAINED PROFITS			
RETAINED PROFIT FOR YEAR		41,208	43,635
RETAINED PROFITS AT 1ST JANUARY 1996		876,368	827,913
AMORTISATION OF REVALUATION SURPLUS 10		<u>6,459</u>	<u>4,820</u>
 RETAINED PROFITS AT 31ST DECEMBER 1996		 <u>£924,035</u>	 <u>£876,368</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 1996 or 1995.

The Company has no recognised gains or losses in 1996 or 1995 other than the profits shown above.

THE MANOR PARK CEMETERY COMPANY LIMITED

BALANCE SHEET AT 31ST DECEMBER 1996

		1996		1995	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4	876,309		524,520	
Investments	6	494,397		480,520	
CURRENT ASSETS					
Debtors	7	35,419		36,237	
Investments		29,130		351,680	
Cash at bank and in hand		<u>29,876</u>		<u>24,632</u>	
		94,425		412,549	
CREDITORS					
Due within one year	8	<u>146,181</u>		<u>142,746</u>	
NET CURRENT (LIABILITIES) ASSETS		(51,756)		269,803	
TOTAL ASSETS LESS CURRENT LIABILITIES		1,318,950		1,274,843	
Creditor due after one year	8	-		(3,159)	
		<u>£1,318,950</u>		<u>£1,271,684</u>	
PROVISION FOR LIABILITIES AND CHARGES					
Deferred taxation	5	(3,024)		3,034	
		<u><u>£1,315,926</u></u>		<u><u>£1,274,718</u></u>	
CAPITAL and RESERVES					
Called up Share Capital	9	192,139		192,139	
Revaluation Reserve	10	199,752		206,211	
Profit and Loss Account - retained profits		<u>924,035</u>		<u>876,368</u>	
Equity Shareholders' Funds	11	<u><u>£1,315,926</u></u>		<u><u>£1,274,718</u></u>	

Approved by the Board on 12th March 1997

RICHARD S. HEAVER (Chairman)

DENNIS R. JEFFRYES

R. S. Heaver

)
) Directors

THE NOTES SET OUT ON PAGES 9, 10 AND 11
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

	1996	1995
The profit is stated after:	£	£
Charging:		
Directors' emoluments:		
Fees	31,000	29,186
Management remuneration	64,283	72,586
Pension contributions	13,836	20,610
Pension to widow of former Director	3,750	-
Auditors' remuneration	2,646	2,520
Operating lease rental - plant and equipment	805	171
Depreciation	31,436	19,372
Crediting:		
Investment income:		
From Listed investments	12,625	13,090
From Unlisted investments	20,326	20,372
Other interest receivable	<u>11,621</u>	<u>22,415</u>

3. STAFF COSTS (INCLUDING DIRECTORS)

The average number of employees (including Directors) during the year was 22 (1995 - 21). Due to the size of the company there is no formal classification of duties. Their total remuneration was:

Wages and Salaries	299,580	273,514
Social Security costs	27,715	26,177
Other pension costs	<u>21,891</u>	<u>23,980</u>
Directors' remuneration, excluding pension contributions:		
Chairmen	32,200	25,325
Other directors - in the following bands		
£25,001 - £30,000	1	1
£20,001 - £25,000	1	1
£15,001 - £20,000	-	1
£10,001 - £15,000	1	1
£ 1,001 - £ 5,000	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 £13,836 (1995: £20,610).

Certain employees have personal pension schemes and the company contributes 5% of their earnings, annually, to these schemes. Contributions in 1996, in respect of 3 employees, amounted to £ 2,745 (1995: £2,070).

An ex-gratia pension of £1,560 per annum is payable to a former employee for the remainder of his life, guaranteed for five years from January 1995. An ex-gratia pension at the rate of £5,000 per annum is payable to the widow of a former Director. Both of these pensions are allowable deductions for Corporation Tax purposes.

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

Defined contributions for directors	13,836	20,610
Contributions to staff personal pension schemes	2,745	2,070
Pension to widow of former Director	3,750	-
Ex gratia pension to former employee	<u>1,560</u>	<u>1,300</u>
	<u>£21,891</u>	<u>£23,980</u>
Pension premiums prepaid at 31/12/1996 amounted to	<u>£10,952</u>	<u>£ 9,669</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 1996	535,499	108,473	13,864	73,250	731,086
Additions	143,120	217,923	-	22,182	383,225
At 31st December 1996	<u>678,619</u>	<u>326,396</u>	<u>13,864</u>	<u>95,432</u>	<u>1,114,311</u>
At Valuation	500,000	-	-	-	500,000
At cost	<u>178,619</u>	<u>326,396</u>	<u>13,864</u>	<u>95,432</u>	<u>614,311</u>
	<u>678,619</u>	<u>326,396</u>	<u>13,864</u>	<u>95,432</u>	<u>1,114,311</u>

Depreciation

At 1st January 1996	54,063	81,599	11,562	59,342	206,566
Charge for year	9,485	14,288	247	7,416	31,436
At 31st December 1996	<u>63,548</u>	<u>95,887</u>	<u>11,809</u>	<u>66,758</u>	<u>238,002</u>

Net Book Value

31st December 1996	<u>615,071</u>	<u>230,509</u>	<u>2,055</u>	<u>28,674</u>	<u>876,309</u>
31st December 1995	<u>£481,436</u>	<u>£26,874</u>	<u>£2,302</u>	<u>£13,908</u>	<u>£524,520</u>

	Historical Cost	Depreciation based on cost Opening Charge	Net Historical Closing cost value
For the freehold land, buildings and roadways included at cost or valuation:			
31st December 1996	336,056	70,766	262,273
31st December 1995	<u>192,936</u>	<u>67,731</u>	<u>122,170</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	7% to 15%	Fixtures and fittings	20.0%

At 31st December 1996 Capital Expenditure commitments were as follows -

Contracted for but not provided for in the accounts £2,855 (1995 - £30,000)

Authorised but not contracted for £- nil - (1995 - £280,000).

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1996	1995
The tax charge based on the profit for the year comprises:	£	£
Corporation tax at 24%/25% (1995 - 25%)	28,761	35,986
Transfer to deferred tax	<u>6,058</u>	<u>(324)</u>
	<u>34,819</u>	<u>36,310</u>
Tax liabilities are payable as follows:		
Corporation Tax payable 1st October 1997	6,844	15,103
Advance Corporation Tax payable 14th July 1997	<u>15,371</u>	<u>15,371</u>
Current Corporation Tax liability as Note 8	22,215	30,474
Corporation Tax payable 1st October 1997 as Note 8	-	<u>3,159</u>
	<u>£22,215</u>	<u>£33,633</u>
Deferred tax at 24% (1995 - 25%) comprises:		
Arising by reason of accelerated capital allowances	(18,395)	(12,337)
Advance Corporation Tax recoverable in future accounting periods	<u>15,371</u>	<u>15,371</u>
	<u>£ (3,024)</u>	<u>£3,034</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

	1996 £	1995 £
6. INVESTMENTS		
At cost:		
Listed	162,226	162,226
Unlisted (Government investments)	<u>332,171</u>	<u>318,294</u>
	494,397	480,520
Market value	<u>506,753</u>	<u>494,462</u>
7. DEBTORS		
Prepayments and accrued income	<u>35,419</u>	<u>36,237</u>
8. CREDITORS		
Due within one year:		
Trade creditors	11,725	3,078
Corporation Tax (Note 5)	22,215	30,474
Social security and other taxes	12,247	12,413
Accruals and deferred income	38,510	35,297
Proposed dividend	<u>61,484</u>	<u>61,484</u>
	146,181	142,746
Due after one year:		
Corporation Tax (Note 5)	<u>-</u>	<u>3,159</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 - 768,555 Ordinary Shares of 25p each	<u>192,139</u>	<u>192,139</u>
10. REVALUATION RESERVE		
Balance at 1st January 1996	206,211	211,031
Amortisation during the year	(6,459)	(4,820)
	<u>199,752</u>	<u>206,211</u>
Balance at 31st December 1996.		
11 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS		
Profit for the financial year after taxation	102,692	105,119
Dividend	<u>(61,484)</u>	<u>(61,484)</u>
	41,208	43,635
Shareholders' funds at 1st January 1996	<u>1,274,718</u>	<u>1,231,083</u>
Shareholders' funds at 31st December 1996	<u>1,315,926</u>	<u>1,274,718</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 7 to 11 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 9.

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 1996 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

14th May 1997.

THE MANOR PARK CEMETERY COMPANY LIMITED

TEN YEAR SUMMARY ENDED 31ST DECEMBER 1996

Year to 31st December	Turnover	Profits Before Tax	Tax	Profits after tax	Dividends	Profits retained	Earnings per share (Note 3)
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
1996	634,879	137,511	34,819	102,692	61,484	41,208	13.36

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 to 1996 are based on the new capital and are one-fifth of the figures that would have arisen in relation to the previous capital.