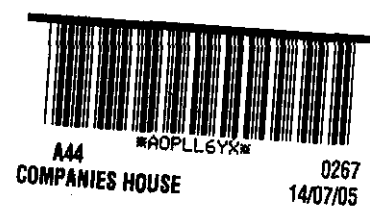

THE MANOR PARK CEMETERY COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2004**



THE MANOR PARK CEMETERY COMPANY LIMITED

COMPANY INFORMATION

DIRECTORS	A S Rutteman B T Cook A R Jeffryes N D Stephens (removed 13/1/2005)
SECRETARY	B T Cook
COMPANY NUMBER	8415
REGISTERED OFFICE	Sebert Road Forest Gate London E7 0NP
AUDITORS	Goodman Jones Chartered Accountants & Registered Auditors 29/30 Fitzroy Square London W1T 6LQ
BANKERS	Nat West Bank PLC 300 Romford Road Forest Gate London E7 9HF
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

The trading year at Manor Park Cemetery Company has again been satisfactory with a solid set of results for the financial year ending on 31 December 2004.

Results

Turnover rose from £853,562 in 2003 to £868,491, whilst Expenditure on Estate and Administration amounted to £774,275 (£763,662 in 2003).

Profit after taxation was £96,972 (£86,482 last year). Earnings per ordinary share were 12.62p compared with 11.25p in the previous year.

Subject to shareholders' approval of the dividend proposed, at the year end Shareholders' Funds stood at £1,375,945.

Final Dividend

The Directors recommend that a dividend of 10.5p per ordinary share (10p in 2003) be paid following the AGM on June 14 2005 to shareholders on the register at the close of business on May 23 2005, an increase in the dividend of 5% on the previous year.

If approved, the dividend will be paid immediately following the conclusion of the Annual General Meeting and will leave an amount of £16,274 to be transferred to reserves (£9,627 in 2003).

The ex-dividend date is 24 May 2005.

Trading Year

The proposed new machinery shed mentioned in last year's report was finally completed during the early part of 2004 and to it was added an elevated shelving area and equipment costing a further £10,000. The dilapidated small shed which formerly housed the gardening machinery was demolished and it is intended that the redevelopment of this site be commenced during 2005 as a new burial area.

With the needs of our elderly and disabled visitors to the chapels and to the grounds very much in mind, the public toilets at the rear of the crematorium were modernised and provided with disabled facilities. This gave the Company the opportunity to improve some of the interior of the crematorium and works are still in progress. By early 2005 there will also be an ashes collection point for the public and a new mess room and cloakroom for the crematorium staff. To date the cost of these works is around £30,000. At the same time, air conditioning equipment was installed in both chapels at a cost of £6,369.

The site of the conifer hedge felled in 2003 has now been landscaped and the remaining ground turfed for burial space - indeed some plots have already been purchased in this quiet corner of the estate grounds.

An unexpected cost to the Company resulted from a summer storm which destroyed a considerable quantity of standard roses in our memorial gardens. However the owners were quickly informed of the damage and were able to rest assured that their memorial would be replanted in the autumn in the colour and variety of their choice.

THE MANOR PARK CEMETERY COMPANY LIMITED

CHAIRMAN'S STATEMENT (continued)

As reported by the previous Chairman, this Company does not follow the national ratio of cremations to burials (approximately 70:30), and in the past, the Company's ratio of business was nearer 50:50. Your Board has long been aware that land available for burial is a diminishing asset and that the Company must look to cremations for its future. I am pleased to report that this year we saw a 11.75% increase in cremations carried out, which equated to a business split of 62:38, indicating a welcome closing of the discrepancy with the national average.

Future Outlook

In December 2004 DEFRA (the Department for the Environment, Food and Rural Affairs) announced that by the year 2012 all crematoria would have to comply with legislation to achieve a 50% reduction in emissions of mercury (the majority of which comes from the cremation process on dental fillings), with total removal by 2020. In essence, this requires crematoria to install expensive and very large (room-sized) equipment to eliminate this pollution. Present prototypes of this machinery are excessively cumbersome, but it is hoped that in time the design of the equipment will be improved both as to its effectiveness and its size. Nevertheless, it should be appreciated that there will be a considerable cost impact. Current estimates are for machinery to cost over £300,000 to service one cremator, plus the additional expense of providing an appropriate room to house this equipment.

It is largely for this reason that the Board felt it prudent to prepare for this expenditure by a larger retention from profit than might have seemed necessary. As a balancing note to the above, I would remind shareholders that all crematoria are facing the same dilemma and I can report that the first quarter of 2005 has been very encouraging.

I should like to close this report with a personal expression of my gratitude and appreciation for the dedication, support and loyalty shown during the year by the existing staff, fellow directors and shareholders - to you all a sincere vote of thanks.

Angela Rutteman
Chairman

THE MANOR PARK CEMETERY COMPANY LIMITED

DIRECTORS' REPORT For the year ended 31 December 2004

The directors present their report and the financial statements for the year ended 31 December 2004.

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 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 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.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £96,972 (2003 - £86,482) .

The directors recommend a final dividend of £80,698 (2003 - £76,855) .

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>2004</u>	<u>2003</u>
A S Rutteman	89,131	86,464
B T Cook	9,874	7,207
A R Jeffries	89,847	84,180
N D Stephens	6,588	3,921

ADDITIONAL INFORMATION RE DIRECTORS

Mr N D Stephens was removed from the Board by ordinary resolution at an Extraordinary general meeting held on 13 January 2005.

THE MANOR PARK CEMETERY COMPANY LIMITED

DIRECTORS' REPORT
For the year ended 31 December 2004

AUDITORS

The auditors, Goodman Jones, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

DIVIDEND

The directors recommend the payment of a dividend of 10.5p per share, payable on 14 June 2005, giving rise to a surplus transferred to Reserves of £16,274.

This report was approved by the board on

18 May 2005

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 2004 set out on pages 7 to 15. These financial statements 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.

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.

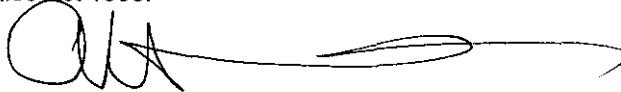
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

UNQUALIFIED 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 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Goodman Jones

Chartered Accountants
Registered Auditors

29/30 Fitzroy Square
London
W1T 6LQ

Date: 18th May 2005

THE MANOR PARK CEMETERY COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2004

	Note	2004 £	2003 £
TURNOVER	1, 2	868,491	853,562
Administrative expenses		<u>(774,275)</u>	<u>(763,622)</u>
OPERATING PROFIT	3	94,216	89,940
Profit on disposal of investments		7,076	-
Interest receivable		<u>22,461</u>	<u>19,435</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		123,753	109,375
TAX ON PROFIT ON ORDINARY ACTIVITIES	6	<u>(26,781)</u>	<u>(22,893)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		96,972	86,482
DIVIDENDS - On equity shares	7	<u>(80,698)</u>	<u>(76,855)</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR	15	<u><u>£ 16,274</u></u>	<u><u>£ 9,627</u></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2004 or 2003 other than those included in the profit and loss account.

The notes on pages 9 to 15 form part of these financial statements.

THE MANOR PARK CEMETERY COMPANY LIMITED

BALANCE SHEET
As at 31 December 2004

		2004		2003	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	8		880,601		893,383
Investments	9		300,000		150,000
			<u>1,180,601</u>		<u>1,043,383</u>
CURRENT ASSETS					
Debtors	10	80,722		55,553	
Investments	11	287,633		460,166	
Cash at bank		87,987		32,737	
		<u>456,342</u>		<u>548,456</u>	
CREDITORS: amounts falling due within one year	12	(222,074)		(195,525)	
NET CURRENT ASSETS			<u>234,268</u>		<u>352,931</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,414,869</u>		<u>1,396,314</u>
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	13		(38,924)		(36,643)
NET ASSETS			<u>£ 1,375,945</u>		<u>£ 1,359,671</u>
CAPITAL AND RESERVES					
Called up share capital	14		192,139		192,139
Revaluation reserve	15		147,257		153,740
Profit and loss account	15		1,036,549		1,013,792
SHAREHOLDERS' FUNDS - All Equity	16		<u>£ 1,375,945</u>		<u>£ 1,359,671</u>

The financial statements were approved by the board on

18 May 2005

and signed on its behalf.

Angela Rutteman

A S Rutteman
Director

A. R. Jeffries

A R Jeffries
Director

The notes on pages 9 to 15 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2004

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 applicable accounting standards.

1.2 Turnover

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

1.3 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

1.4 Revaluation of tangible fixed assets

As permitted by the transitional provisions of FRS 15 Tangible Fixed Assets 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.

1.5 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for timing differences arising on revaluations of fixed assets which are not intended to be sold and gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.6 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.7 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.

2. TURNOVER

The whole of the turnover is attributable to the operation of a cemetery and crematorium with all the appropriate facilities and services for the disposal and commemoration of the dead

All turnover arose within the United Kingdom.

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2004

3. OPERATING PROFIT

The operating profit is stated after charging:

	2004 £	2003 £
Depreciation of tangible fixed assets:		
- owned by the company	68,596	112,951
Auditors' remuneration	4,250	3,550
	<u>72,846</u>	<u>116,501</u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2004 £	2003 £
Wages and salaries	455,860	393,327
Other pension costs	38,633	31,956
	<u>£ 494,493</u>	<u>£ 425,283</u>

The average monthly number of employees, including directors, during the year was as follows:

	2004 No.	2003 No.
Directors	4	4
Office	4	4
Garden	10	8
Gravedigging	2	2
Cremation	2	2
Maintenance	2	2
	<u>24</u>	<u>22</u>

5. DIRECTORS' REMUNERATION

	2004 £	2003 £
Emoluments	£ 106,518	£ 96,702
Company pension contributions to money purchase pension schemes	£ 16,864	£ 15,695

During the year retirement benefits were accruing to 4 directors (2003 - 4) in respect of money purchase pension schemes.

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2004

6. TAXATION

	2004 £	2003 £
Analysis of tax charge in year		
Current tax (see note below)		
UK corporation tax charge on profits of the year	24,623	28,973
Adjustments in respect of prior periods	(123)	(56)
Total current tax	<u>24,500</u>	<u>28,917</u>
Deferred tax		
Origination and reversal of timing differences	2,281	(6,024)
Total deferred tax (see note 13)	<u>2,281</u>	<u>(6,024)</u>
Tax on profit on ordinary activities	<u>£ 26,781</u>	<u>£ 22,893</u>

Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK applicable to the company (19%). The differences are explained below:

	2004 £	2003 £
Profit on ordinary activities before tax	123,753	109,375
Profit on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 19% (2003 - 19)	23,513	20,781
Effects of:		
Expenses not deductible for tax purposes	29	569
Capital allowances for period in excess of depreciation	1,081	7,499
Adjustment to provisional tax charge for prior periods	-	124
Adjustments to tax charge in respect of prior periods	(123)	(56)
Current tax charge for year (see note above)	<u>£ 24,500</u>	<u>£ 28,917</u>

There were no factors that may affect future tax charges.

7. DIVIDENDS

	2004 £	2003 £
On equity shares		
Total dividends proposed	<u>£ 80,698</u>	<u>£ 76,855</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2004

8. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery	Furniture, fittings and equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2004	758,913	603,774	209,776	1,572,463
Additions	-	53,608	2,206	55,814
At 31 December 2004	<u>758,913</u>	<u>657,382</u>	<u>211,982</u>	<u>1,628,277</u>
Depreciation				
At 1 January 2004	137,545	363,248	178,287	679,080
Charge for the year	11,384	50,414	6,798	68,596
At 31 December 2004	<u>148,929</u>	<u>413,662</u>	<u>185,085</u>	<u>747,676</u>
Net book value				
At 31 December 2004	<u>£ 609,984</u>	<u>£ 243,720</u>	<u>£ 26,897</u>	<u>£ 880,601</u>
At 31 December 2003	<u>£ 621,368</u>	<u>£ 240,526</u>	<u>£ 31,489</u>	<u>£ 893,383</u>

Cost or valuation at 31 December 2004 is as follows:

	Land and buildings £
At cost	416,371
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>£ 758,913</u>

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

	2004 £	2003 £
Cost	416,371	416,371
Accumulated depreciation	107,355	102,454
Net book value	<u>£ 309,016</u>	<u>£ 313,917</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2004

9. FIXED ASSET INVESTMENTS

	Trade invest- ments £
Cost	
At 1 January 2004	150,000
Additions	150,000
At 31 December 2004	<u>£ 300,000</u>

Unlisted investments

In the opinion of the directors the market value of the unlisted investments at 31 December 2004 was not less than their book cost.

10. DEBTORS

	2004 £	2003 £
Trade debtors	68,212	48,874
Prepayments and accrued income	12,510	6,679
	<u>£ 80,722</u>	<u>£ 55,553</u>

11. CURRENT ASSET INVESTMENTS

	2004 £	2003 £
Listed investments	-	54,460
Unlisted investments	287,633	405,706
	<u>£ 287,633</u>	<u>£ 460,166</u>

Listed investments

The market value of the listed investments at 31 December 2004 was £- (2003 - £61,536) .

12. CREDITORS:

Amounts falling due within one year

	2004 £	2003 £
Trade creditors	19,208	14,829
Corporation tax	23,792	28,142
Social security and other taxes	12,741	13,061
Proposed dividend	80,698	76,855
Accruals and deferred income	85,635	62,638
	<u>£ 222,074</u>	<u>£ 195,525</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2004

13. DEFERRED TAXATION

	2004 £	2003 £
At 1 January 2004	36,643	42,667
Charge for/(released during) the year	2,281	(6,024)
At 31 December 2004	<u>£ 38,924</u>	<u>£ 36,643</u>

The deferred tax provision is made up as follows:

	2004 £	2003 £
Accelerated capital allowances	38,924	36,643
	<u>£ 38,924</u>	<u>£ 36,643</u>

14. SHARE CAPITAL

	2004 £	2003 £
Authorised, allotted, called up and fully paid		
768,555 Ordinary shares of 25p each	<u>£ 192,139</u>	<u>£ 192,139</u>

15. RESERVES

Revaluation reserve	£	£
At 1 January 2004	153,740	160,223
Transfer to profit and loss account	(6,483)	(6,483)
At 31 December 2004	<u>£ 147,257</u>	<u>£ 153,740</u>
Profit and loss account	£	£
At 1 January 2004	1,013,792	997,682
Profit retained for the year	16,274	9,627
Transfer to revaluation reserve	6,483	6,483
At 31 December 2004	<u>£ 1,036,549</u>	<u>£ 1,013,792</u>

THE MANOR PARK CEMETERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2004

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Profit for the year	96,972	86,482
Dividends	(80,698)	(76,855)
	<u>16,274</u>	<u>9,627</u>
Opening shareholders' funds	1,359,671	1,350,044
Closing shareholders' funds	<u>£ 1,375,945</u>	<u>£ 1,359,671</u>

17. 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 £31,953 (2003 £25,276).