

THOMAS ELY LIMITED
COMPANY NUMBER 00753078

FINANCIAL STATEMENTS

31 MARCH 2002



THOMAS ELY LIMITED

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THOMAS ELY LIMITED

COMPANY INFORMATION
31 MARCH 2002

DIRECTORS

Mrs K N Corbett
T M Ely-Corbett

SECRETARY

Miss J Mountford

REGISTERED OFFICE

Ely House
Somerford
Willenhall
West Midlands
WV13 3DT

ACCOUNTANTS

Mazars Neville Russell
The Broadway
Dudley
West Midlands
DY1 4PY

THOMAS ELY LIMITED

REPORT OF THE DIRECTORS

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

REVIEW OF THE BUSINESS

The principal activity of the company throughout the year has continued to be that of funeral directors and monumental masons.

Both the level of business and the year-end financial position were satisfactory. The directors expect that the present level of activity will be sustained for the foreseeable future.

RESPONSIBILITIES OF THE DIRECTORS

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;
- comply with applicable accounting standards 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 presume that the company will continue in business.

The directors are responsible for maintaining 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.

RESULTS AND DIVIDENDS

The pre-tax profit for the year was £1,295.

During the year, dividends were paid on the ordinary share capital in the sum of £Nil compared with £10,000 for the previous year.

The retained profit for the year was credited to reserves.

DIRECTORS

The directors in office in the year and their beneficial interest in the issued share capital of the company were as follows:

	<u>Ordinary shares of £1 each</u>	
	2002	2001
T M Ely-Corbett	7,100	7,100
Mrs K N Corbett	-	-

In accordance with the articles of association, none of the directors are required to retire by rotation.

THOMAS ELY LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

ACCOUNTANTS

The accountants, Mazars Neville Russell, who were appointed during the year, have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming annual general meeting.

Approved by the Board on 8th August 2002
and signed on its behalf

A handwritten signature in cursive script, appearing to read 'J. Mountford'.

Miss J Mountford
Secretary

THOMAS ELY LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDING 31 MARCH 2002**

	Notes	2002 £	2001 £
TURNOVER	2	955,470	953,744
Cost of sales		<u>(735,806)</u>	<u>(697,215)</u>
GROSS PROFIT		219,664	256,529
Administration expenses		<u>(226,055)</u>	<u>(217,984)</u>
OPERATING (LOSS)/PROFIT	3	(6,391)	38,545
Profit on disposal fixed assets		<u>-</u>	<u>5,158</u>
(Loss)/profit on ordinary activities before interest		(6,391)	43,703
Interest receivable		<u>7,686</u>	<u>6,736</u>
Profit on ordinary activities before taxation		1,295	50,439
Tax on profit on ordinary activities	7	<u>(1,314)</u>	<u>(11,891)</u>
Profit on ordinary activities after taxation		(19)	38,548
Dividends paid and proposed on equity shares	8	<u>-</u>	<u>(10,000)</u>
RETAINED PROFIT FOR THE YEAR	21	<u>(19)</u>	<u>28,548</u>

The company's turnover and expenses all relate to continuing operations.

The company has no recognised gains or losses other than the results for the above financial period.

The profit for the year has been calculated on the historical cost basis.

THOMAS ELY LIMITED

BALANCE SHEET AT 31 MARCH 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Intangible assets	9	42,484	48,212
Tangible assets	10	<u>320,207</u>	<u>355,317</u>
		<u>362,691</u>	<u>403,529</u>
CURRENT ASSETS			
Stock and work in progress	11	22,071	27,338
Debtors	12	31,785	90,710
Cash at bank and in hand		<u>306,940</u>	<u>246,262</u>
		<u>360,796</u>	<u>364,310</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	13	<u>(327,261)</u>	<u>(333,154)</u>
NET CURRENT LIABILITIES		<u>33,535</u>	<u>31,156</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		396,226	434,685
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	14	<u>(29,391)</u>	<u>(64,808)</u>
PROVISION FOR LIABILITIES AND CHARGES	18	<u>(14,192)</u>	<u>(17,215)</u>
NET ASSETS		<u>352,643</u>	<u>352,662</u>
CAPITAL AND RESERVES			
Called up share capital	20	7,100	7,100
Revaluation reserve	21	39,600	39,600
Profit and loss account	21	<u>305,943</u>	<u>305,962</u>
TOTAL SHAREHOLDERS' FUNDS (Equity interest only)	22	<u>352,643</u>	<u>352,662</u>

BALANCE SHEET (Continued)

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THOMAS ELY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards.

Turnover

Turnover represents the amounts invoiced in respect of goods sold to Customers during the year, excluding value added tax.

Taxation

The charge for taxation is based on the profit for the year, at current rates of tax. Deferred tax is provided in respect of the tax effect of all timing differences, to the extent that it is probable that a liability will crystallise in the foreseeable future, at the rates expected to apply when the timing differences reverse.

Tangible fixed assets

Depreciation is provided at rates calculated to write off the cost or valuation, less estimated residual value of each asset over the expected useful life at the following annual values:

Plant and Machinery	-	15% reducing balance
Motor Vehicles	-	25% reducing balance

Freehold buildings are depreciated over their estimated remaining useful life at 2% per annum.

Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the estimated useful life of the asset.

Pension Costs

The company makes pension contributions to employees individual pension schemes. Contributions to such schemes are charged to the profit and loss account in the period to which they relate.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Costs includes direct materials, labour and manufacturing overheads incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less further costs to completion and selling costs.

Deferred taxation

Deferred taxation is provided on the liability method on all timing differences which are expected to reverse in the future, calculated at the rate at which it is estimated the tax will be payable.

Goodwill

Goodwill represents the excess of cost of acquisition over the fair value of the separable net assets of businesses acquired. Goodwill is amortised through the profit and loss account in equal instalments over 20 years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**

2 TURNOVER

The turnover and loss before taxation for the year was derived from the company's principal activity.

The analysis of turnover by geographical area is as follows:

	2002 £	2001 £
United Kingdom	<u>955,470</u>	<u>953,744</u>

3 OPERATING LOSS

The operating loss is stated after charging:

Amortisation of goodwill	5,728	5,728
Depreciation of tangible fixed assets:		
- owned	16,853	13,306
- held under finance lease or hire purchase agreements	36,654	14,626
Staff costs (note 5)	321,669	311,680
Operating lease rentals:		
- other assets	1,500	1,500
Accountant's remuneration:	<u>4,333</u>	<u>4,333</u>

4 INTEREST PAYABLE

Bank loans and overdrafts repayable within five years:
Finance charges payable under finance leases and hire
purchase contracts

(5,446)	(3,514)
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Less: Bank interest receivable

(5,446)	(3,514)
7,686	10,250

<u>2,240</u>	<u>6,736</u>
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THOMAS ELY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**

	2002 £	2001 £
5 STAFF COSTS		
Wages and salaries	291,120	283,561
Social security costs	27,463	25,127
Pension costs	3,086	2,992
	<u>321,669</u>	<u>311,680</u>

The average number of persons employed by the company during the period was as follows:

Management	3	3
Administration	4	4
General	11	11
	<u>18</u>	<u>18</u>

6 DIRECTORS REMUNERATION

Remuneration:

- for services as a director	93,152	83,662
- pension contributions to money purchase schemes	2,490	2,992
	<u>95,642</u>	<u>86,654</u>

During the year one director accrued benefits under money purchase pension schemes.

	2002 £	2001 £
7 TAXATION		
Corporation tax:		
- current year at 20% (2001 at 20%)	4,295	(857)
- prior year	42	257
Transfer to/(from) deferred tax	(3,023)	12,491
	<u>1,314</u>	<u>11,891</u>

THOMAS ELY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**

	2002 £	2001 £
8 DIVIDENDS		
Ordinary shares: - dividends paid	-	10,000

9 INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 April 2000 and 31 March 2001	114,563
Amortisation:	
At 1 April 2000	66,351
Charge for the year	5,728
At 31 March 2001	72,079
Net book values:	
At 31 March 2001	48,212
At 31 March 2002	42,484

Goodwill arose on the purchases of W E Jones, the monumental mason division in 1989 and is being amortised over 20 years. In the opinion of the directors, this represents a prudent estimate of the period over which the company will derive direct economic benefit from the business acquired.

THOMAS ELY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**

10 TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Plant & machinery £	Motor vehicles £	Total £
COST				
At 1 April 2001	146,927	88,660	252,666	488,253
Additions	-	1,621	21,481	23,102
Disposals	-	-	(21,295)	(21,295)
	<u>146,927</u>	<u>90,281</u>	<u>252,852</u>	<u>490,060</u>
DEPRECIATION				
At 1 April 2001	1,645	59,428	71,863	132,936
Charge for the year	1,645	4,332	47,530	53,507
On disposals	-	-	(16,590)	(16,590)
	<u>3,290</u>	<u>63,760</u>	<u>102,803</u>	<u>169,853</u>
NET BOOK VALUE				
31 March 2002	<u>143,637</u>	<u>26,521</u>	<u>150,049</u>	<u>320,207</u>
31 March 2001	<u>145,282</u>	<u>29,232</u>	<u>180,803</u>	<u>355,317</u>

The freehold land and buildings were revalued in 1978 by £39,600. The comparable amounts based on the historical cost basis are as follows:

	2002 £	2001 £
Historical cost and net book value	<u>107,327</u>	<u>107,327</u>

The total net book value of tangible fixed assets includes £109,964 (2001: £161,379) in respect of assets held under finance lease and hire purchase contracts.

THOMAS ELY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**

	2002 £	2001 £
11 STOCKS		
Finished goods and goods for re-sale	<u>22,071</u>	<u>27,338</u>
12 DEBTORS		
Due within one year:		
Trade debtors	21,595	50,570
Other debtors (note 24)	4,424	34,683
Prepayments and accrued income	5,766	4,600
Corporation tax repayable	-	857
	<u>31,785</u>	<u>90,710</u>
13 CREDITORS		
Amounts falling due within one year:		
Obligations under finance leases and hire purchase contracts (note 15)	35,599	43,468
Trade creditors	267,592	278,584
Corporation tax	4,295	-
Other taxes and social security costs	13,448	4,805
Accruals and deferred income	6,070	6,040
Directors' loan account	257	257
	<u>327,261</u>	<u>333,154</u>
14 CREDITORS		
Amounts falling due after one year:		
Obligations under finance leases and hire purchase contacts (note 15)	<u>29,391</u>	<u>64,808</u>

THOMAS ELY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**

	2002 £	2001 £
15 OBLIGATIONS UNDER HIRE PURCHASE AND FINANCE LEASE CONTRACTS		
Amounts payable within:		
One year	39,744	48,881
One to two years	32,841	39,635
Two to five years	-	32,798
	<hr/>	<hr/>
	72,585	121,314
Less: Finance charges allocated to future periods	(7,595)	(13,040)
	<hr/>	<hr/>
	64,990	108,274
	<hr/>	<hr/>
Obligations are shown as:		
Falling due within one year	35,599	43,468
Falling due after more than one year	29,391	64,806
	<hr/>	<hr/>
	64,990	108,274
	<hr/>	<hr/>

16 OTHER FINANCIAL COMMITMENTS

At the end of the year the company has commitments under operating leases to make the following payments during the following year:

	2002 £	2001 £
Operating leases in respect of land and buildings which expire:		
After five years	1,500	1,500
	<hr/>	<hr/>

THOMAS ELY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**

	2002 £	2001 £
17 SECURED LIABILITIES		
The following liabilities are secured:		
Obligations under finance leases and hire purchase contracts	<u>64,990</u>	<u>108,274</u>
18 PROVISION FOR LIABILITIES AND CHARGES		
		Deferred taxation
		£
Balance at 31 March 2001		17,215
Released to profit and loss account		(3,023)
Balance at 31 March 2002		<u>14,192</u>
19 DEFERRED TAXATION		
	2002	2001
	Full	Full
	Provision	Provision
	made	made
	potential	potential
	liability	liability
	£	£
Accelerated capital allowances	<u>14,192</u>	<u>17,215</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002

20 CALLED UP SHARE CAPITAL

	No.	2002 £	No.	2001 £
Authorised:				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Alloted, called up and fully paid:				
Ordinary shares of £1 each	7,100	7,100	7,100	7,100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

21 MOVEMENTS ON RESERVES

	Profit & loss account £	Revalua- tion reserve £	Total £
Balance at 31 March 2001	305,962	39,600	345,562
Retained profit for the period	(19)	-	(19)
	<u> </u>	<u> </u>	<u> </u>
Balance at 31 March 2002	305,943	39,600	345,543
	<u> </u>	<u> </u>	<u> </u>

**22 STATEMENT OF MOVEMENT IN
SHAREHOLDERS' FUNDS**

	2002 £	2001 £
(Loss)/profit for the financial year	(19)	38,548
Dividends paid and proposed	-	(10,000)
	<u> </u>	<u> </u>
Net (decrease)/increase in shareholders' funds for the year	(19)	28,548
Opening shareholders' funds	352,662	324,114
	<u> </u>	<u> </u>
Closing shareholders' funds	352,643	352,662
	<u> </u>	<u> </u>

THOMAS ELY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

	2002 £	2001 £
23 CAPITAL COMMITMENTS		
Capital expenditure contracted for but not provide at year end	<u>Nil</u>	<u>Nil</u>
Capital expenditure authorised by directors but not contracted for	<u>Nil</u>	<u>Nil</u>

24 RELATED PARTY TRANSACTIONS

Name and relationship:	Nature of transaction	Amount	Repaid in year	Amount out-standing	
Black Sheep Properties Ltd Associated company	Loan	<u>34,683</u>	<u>30,259</u>	<u>4,424</u>	Debit

Black Sheep Properties Ltd is associated by way of the common control of Mr T M Ely-Corbett, director of Thomas Ely Limited.

During the year, the directors lent money to the company on an interest free basis. The amounts outstanding on the loans were as follows:

	2002 £	2001 £
T M Ely- Corbett	<u>257</u>	<u>257</u>

25 CONTROLLING PARTY

The controlling party is Mr T M Ely-Corbett, director and majority shareholder.