

THOMAS ELY LIMITED
COMPANY NUMBER 00753078

FINANCIAL STATEMENTS

31 MARCH 2003



THOMAS ELY LIMITED

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THOMAS ELY LIMITED

COMPANY INFORMATION

31 MARCH 2003

DIRECTORS

Mrs K N Corbett (resigned 30/01/03)
T M Ely-Corbett

SECRETARY

Miss J Mountford

REGISTERED OFFICE

Ely House
Somerford
Willenhall
West Midlands
WV13 3DT

ACCOUNTANTS

Mazars
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 2003.

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 £55,899 (2002 £1,295).

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

The retained profit for the year was credited to reserves.

DIRECTORS

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

	<u>Ordinary shares of £1 each</u>	
	2003	2002
T M Ely-Corbett	7,100	7,100

In accordance with the articles of association, the director is not required to retire by rotation.

THOMAS ELY LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

ACCOUNTANTS

On the 1 September 2002 our auditors, Mazars Neville Russell, changed their name to Mazars. Mazars 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 27/8/ 2003
and signed on its behalf



Miss J Mountford
Secretary

THOMAS ELY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31 MARCH 2003

	Notes	2003 £	2002 £
TURNOVER	2	969,567	955,470
Cost of sales		(696,141)	(735,806)
GROSS PROFIT		273,426	219,664
Administration expenses		(227,076)	(226,055)
OPERATING (LOSS)/PROFIT	3	46,350	(6,391)
Profit on disposal fixed assets		2,787	-
(Loss)/profit on ordinary activities before interest		49,137	(6,391)
Interest receivable		6,762	7,686
Profit on ordinary activities before taxation		55,899	1,295
Tax on profit on ordinary activities	7	(13,108)	(1,314)
Profit on ordinary activities after taxation		42,791	(19)
Dividends paid and proposed on equity shares	8	-	-
RETAINED PROFIT FOR THE YEAR	21	42,791	(19)

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 2003

	Notes	2003 £	2002 £
FIXED ASSETS			
Intangible assets	9	36,755	42,484
Tangible assets	10	<u>306,762</u>	<u>320,207</u>
		<u>343,517</u>	<u>362,691</u>
CURRENT ASSETS			
Stock and work in progress	11	25,545	22,071
Debtors	12	32,673	31,785
Cash at bank and in hand		<u>332,351</u>	<u>306,940</u>
		390,569	360,796
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	13	<u>(323,917)</u>	<u>(327,261)</u>
NET CURRENT LIABILITIES		<u>66,652</u>	<u>33,535</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		410,169	396,226
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	14	-	(29,391)
PROVISION FOR LIABILITIES AND CHARGES	18	<u>(14,735)</u>	<u>(14,192)</u>
NET ASSETS		<u>395,434</u>	<u>352,643</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>348,734</u>	<u>305,943</u>
TOTAL SHAREHOLDERS' FUNDS (Equity interest only)	22	<u>395,434</u>	<u>352,643</u>

THOMAS ELY LIMITED

BALANCE SHEET (CONTINUED)

For the year ended 31 March 2003 the company was entitled to exemption from the requirement to have an audit under the provisions of sections 249A(1) of the Companies Act 1985.

No notice has been deposited with the company under section 249B(2) of that Act requiring an audit to be carried out.

The directors acknowledge their responsibility for:

- (a) ensuring the company keeps accounting records in accordance with section 221 of the Companies Act 1985; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit/loss for that financial year in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the accounting requirements of that Act relating to accounts so far as they are applicable to the company.

These accounts have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 27 / 8 / 2003
and signed on its behalf



T M Ely-Corbett
Director

THOMAS ELY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

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.

THOMAS ELY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

2 TURNOVER

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

The analysis of turnover by geographical area is as follows:

	2003 £	2002 £
United Kingdom	<u>969,567</u>	<u>955,470</u>

3 OPERATING LOSS

The operating loss is stated after charging:

Amortisation of goodwill	5,729	5,728
Depreciation of tangible fixed assets:		
- owned	29,375	16,853
- held under finance lease or hire purchase agreements	25,336	36,654
Staff costs (note 5)	322,353	321,669
Operating lease rentals:		
- other assets	1,500	1,500
Accountant's remuneration:	<u>4,500</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

(4,143) (5,446)

Less: Bank interest receivable

(4,143) (5,446)
6,665 7,686

2,522 2,240

THOMAS ELY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

	2003 £	2002 £
5 STAFF COSTS		
Wages and salaries	293,620	291,120
Social security costs	25,891	27,463
Pension costs	2,842	3,086
	<u>322,353</u>	<u>321,669</u>

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

Management	3	3
Administration	4	4
General	12	11
	<u>19</u>	<u>18</u>

6 DIRECTORS REMUNERATION

Remuneration:

- for services as a director	86,146	93,152
- pension contributions to money purchase schemes	2,842	2,490
	<u>93,157</u>	<u>95,642</u>

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

THOMAS ELY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

	2003 £	2002 £
7 TAXATION		
(a) Analysis of charge in year		
UK corporation tax on profits of the year	11,935	4,295
Adjustment in respect of previous years	630	42
	<hr/>	<hr/>
Total current tax (see (b) below)	12,565	4,337
Deferred tax:		
Origination and reversal of timing differences	543	(3,023)
	<hr/>	<hr/>
Tax on profit on ordinary activities	13,108	1,314
	<hr/>	<hr/>
(b) Factors affecting tax charge for the year		
Profit/(loss) on ordinary activities before tax	55,899	1,295
	<hr/>	<hr/>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2002 20%)	10,620	259
Effects of:		
Expenses not deductible for tax purposes	497	173
Depreciation for year in excess of capital allowances	818	4,497
Marginal relief	-	(634)
Adjustment in respect of previous years	630	42
	<hr/>	<hr/>
Current tax charge for year (see (a) above)	12,565	4,337
	<hr/>	<hr/>

THOMAS ELY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

	2003 £	2002 £
8 DIVIDENDS		
Ordinary shares: - dividends paid	<u>-</u>	<u>-</u>
9 INTANGIBLE FIXED ASSETS		
		Goodwill £
Cost		
At 1 April 2002 and 31 March 2003		<u>114,563</u>
Amortisation:		
At 1 April 2002		72,079
Charge for the year		<u>5,729</u>
At 31 March 2003		<u>77,808</u>
Net book values:		
At 31 March 2002		<u>42,484</u>
At 31 March 2003		<u>36,755</u>

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 2003**

10 TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Plant & machinery £	Motor vehicles £	Total £
COST				
At 1 April 2002	146,927	90,281	252,852	490,060
Additions	-	630	81,595	82,225
Disposals	(23,514)	-	(63,503)	(87,017)
	<u>123,413</u>	<u>90,911</u>	<u>270,944</u>	<u>485,268</u>
DEPRECIATION				
At 1 April 2002	3,290	63,760	102,803	169,853
Charge for the year	1,645	3,976	49,086	54,707
On disposals	-	-	(46,054)	(46,054)
	<u>4,935</u>	<u>67,736</u>	<u>105,835</u>	<u>178,506</u>
NET BOOK VALUE				
31 March 2003	<u>118,478</u>	<u>23,175</u>	<u>165,109</u>	<u>306,762</u>
31 March 2002	<u>143,637</u>	<u>26,521</u>	<u>150,049</u>	<u>320,207</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:

	2003 £	2002 £
Historical cost and net book value	<u>83,813</u>	<u>107,327</u>

The total net book value of tangible fixed assets includes £76,007 (2002 £109,964) 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 2003**

	2003 £	2002 £
11 STOCKS		
Finished goods and goods for re-sale	<u>25,545</u>	<u>22,071</u>
12 DEBTORS		
Due within one year:		
Trade debtors	19,757	21,595
Related party debtor (note 24)	4,924	4,424
Prepayments and accrued income	5,583	5,766
Corporation tax repayable	-	-
Other debtors	<u>2,409</u>	<u>-</u>
	<u>32,673</u>	<u>31,785</u>
13 CREDITORS		
Amounts falling due within one year:		
Obligations under finance leases and hire purchase contracts (note 15)	29,242	35,599
Trade creditors	262,300	267,592
Corporation tax	11,935	4,295
Other taxes and social security costs	14,142	13,448
Accruals and deferred income	6,041	6,070
Directors' loan account	<u>257</u>	<u>257</u>
	<u>323,917</u>	<u>327,261</u>
14 CREDITORS		
Amounts falling due after one year:		
Obligations under finance leases and hire purchase contracts (note 15)	<u>-</u>	<u>29,391</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

	2003 £	2002 £
15 OBLIGATIONS UNDER HIRE PURCHASE AND FINANCE LEASE CONTRACTS		
Amounts payable within:		
One year	32,694	39,744
One to two years	-	32,841
Two to five years	-	-
	<u>32,694</u>	<u>72,585</u>
Less: Finance charges allocated to future periods	(3,452)	(7,595)
	<u>29,242</u>	<u>64,990</u>
Obligations are shown as:		
Falling due within one year	29,242	35,599
Falling due after more than one year	-	29,391
	<u>29,242</u>	<u>64,990</u>

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:

	2003 £	2002 £
Operating leases in respect of land and buildings which expire:		
After five years	<u>1,500</u>	<u>1,500</u>

THOMAS ELY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

	2003 £	2002 £
17 SECURED LIABILITIES		
The following liabilities are secured:		
Obligations under finance leases and hire purchase contracts	<u>29,242</u>	<u>64,990</u>

18 PROVISION FOR LIABILITIES AND CHARGES

	Deferred taxation £
Balance at 31 March 2002	14,192
Released to profit and loss account	<u>543</u>
Balance at 31 March 2003	<u>14,735</u>

19 DEFERRED TAXATION

	2003 Provision made £	2003 Full potential liability £	2002 Provision made £	2002 Full potential liability £
Accelerated capital allowances	<u>14,735</u>	<u>14,735</u>	<u>14,192</u>	<u>14,192</u>

THOMAS ELY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

20 CALLED UP SHARE CAPITAL

	No.	2003 £	No.	2002 £
Authorised:				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000
Alloted, called up and fully paid:				
Ordinary shares of £1 each	7,100	7,100	7,100	7,100

21 MOVEMENTS ON RESERVES

	Profit & loss account £	Revalua- tion reserve £	Total £
Balance at 31 March 2002	305,943	39,600	345,543
Retained profit for the period	42,791	-	42,791
Balance at 31 March 2003	348,734	39,600	388,334

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

	2003 £	2002 £
(Loss)/profit for the financial year	42,791	(19)
Dividends paid and proposed	-	-
Net (decrease)/increase in shareholders' funds for the year	42,791	(19)
Opening shareholders' funds	352,643	352,662
Closing shareholders' funds	395,434	352,643

THOMAS ELY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

	2003 £	2002 £
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>4,424</u>	<u>(500)</u>	<u>4,924</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:

	2003 £	2002 £
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.