

# The Avalon Trustee Company Limited

## ABBREVIATED ACCOUNTS

for the year ended

30 June 2004



# The Avalon Trustee Company Limited

## ABBREVIATED ACCOUNTS

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AUDITOR'S REPORT TO THE AVALON TRUSTEE COMPANY LIMITED PURSUANT  
TO  
SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 30 June 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with section 247B 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 the director and the auditors**

The director is responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

  
BAKER TILLY

Registered Auditor  
Chartered Accountants  
Brazennose House  
Lincoln Square  
Manchester M2 5BL

21.3.08

# The Avalon Trustee Company Limited

## ABBREVIATED BALANCE SHEET

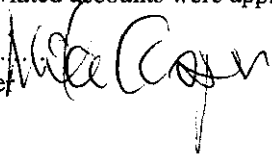
30 June 2004

	Notes	2004 £	2003 £
<b>FIXED ASSETS</b>	<b>1</b>		
Tangible assets		2,449,505	1,916,790
Investments		609,260	580,648
		<u>3,058,765</u>	<u>2,497,438</u>
<b>CURRENT ASSETS</b>			
Debtors	<b>2</b>	267,126	170,544
Cash at bank and in hand		1,755,827	1,149,510
		<u>2,022,953</u>	<u>1,320,054</u>
CREDITORS amounts falling due within one year		116,278	163,148
NET CURRENT ASSETS		<u>1,906,675</u>	<u>1,156,906</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,965,440</u>	<u>3,654,344</u>
CREDITORS amounts falling due after more than one year		4,142,775	3,101,483
PROVISIONS FOR LIABILITIES AND CHARGES		4,173	3,756
		<u>818,492</u>	<u>549,105</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	<b>3</b>	64,334	64,334
Share premium account		6,666	6,666
Revaluation reserve		735,661	352,858
Profit and loss account		11,831	125,247
SHAREHOLDERS' FUNDS		<u>818,492</u>	<u>549,105</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved and signed by the director on 21.3.05

Mr M Cooper



# The Avalon Trustee Company Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

The financial statements consolidate the assets, liabilities and income and expenditure of The Avalon Funeral Trust, a trust whose assets are held separately to those of the company under custody of the Capita IRG Trustees Limited in their capacity of custodian trustees. Note 22 to the accounts summarises assets held on this basis. The directors consider this treatment appropriate in view of the provisions of FRS 5.

### CASH FLOW STATEMENT

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

### TURNOVER

Turnover is the total amount receivable by the company for services provided excluding VAT and trade discounts.

Turnover for plan sales is recognised immediately and offset by the cost of providing the service, as agreed with the relevant funeral director. Each year until the funeral is performed, the investment income and increased cost of the future funeral are accrued and recognised in the profit and loss account.

The accumulated amounts due to each funeral director are shown gross on the balance sheet as "Obligations to Funeral Directors".

### TANGIBLE FIXED ASSETS

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer Equipment	-	15%
Motor Vehicles	-	33 1/3%

Depreciation has not been charged on freehold properties as the residual value of the buildings is higher than the cost.

### INVESTMENT PROPERTIES

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

# The Avalon Trustee Company Limited

## ACCOUNTING POLICIES

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### OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

### PENSION COSTS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. *Deferred tax is measured on a non-discounted basis.*

# The Avalon Trustee Company Limited

## NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 30 June 2004

### 1 FIXED ASSETS

	Tangible Assets £	Investments £	Total £
Cost or valuation			
At 1 July 2003	1,969,075	580,648	2,549,723
Additions	165,026	344,453	509,479
Disposals	—	(155,815)	(155,815)
Revaluation	382,803	—	382,803
At 30 June 2004	<u>2,516,904</u>	<u>769,286</u>	<u>3,286,190</u>
Depreciation and amounts written off			
At 1 July 2003	52,285	—	52,285
Charge for year	15,114	160,026	175,140
At 30 June 2004	<u>67,399</u>	<u>160,026</u>	<u>227,425</u>
Net book value			
At 30 June 2004	<u>2,449,505</u>	<u>609,260</u>	<u>3,058,765</u>
At 30 June 2003	<u>1,916,790</u>	<u>580,648</u>	<u>2,497,438</u>

### 2 DEBTORS

Debtors include amounts of £34,855 (2003 - £58,131) falling due after more than one year.

### 3 SHARE CAPITAL

	2004 £	2003 £
Authorised:		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid:		
64,334 Ordinary shares of £1 each	<u>64,334</u>	<u>64,334</u>