

NEW ENGLAND FUNERAL TRUST
MASSACHUSETTS DIVISION
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2004

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MASSACHUSETTS DIVISION
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DANIEL P. McGRATH

Certified Public Accountant


INDEPENDENT ACCOUNTANTS' REPORT

To the Trustees
New England Funeral Trust
Massachusetts Division
Weymouth, Massachusetts

I have audited the accompanying statement of net assets available for the trust beneficiaries of the New England Funeral Trust (Massachusetts Division) as of June 30, 2004, and the related statement of changes in net assets available for the trust beneficiaries for the year ended June 30, 2004. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for trust beneficiaries of the New England Funeral Trust (Massachusetts Division) as of June 30, 2004, and the changes in net assets available for trust beneficiaries for the year ended June 30, 2004, in conformity with generally accepted accounting principles.


Daniel P. McGrath
Certified Public Accountant

August 5, 2005

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NEW ENGLAND FUNERAL TRUST
MASSACHUSETTS DIVISION
 STATEMENTS OF NET ASSETS
 AVAILABLE FOR TRUST BENEFICIARIES
 JUNE 30, 2004

ASSETS:

Cash and cash equivalents	\$ 201,328
Interest and dividends receivable	1,111,812
Investments: (Note 3)	
Certificate of Deposit Fund	97,789,212
Money Market Funds	1,246,854
Asset Manager Fund	4,329,399
Short - term Bond Fund	1,800,574
Massachusetts Tax Free Money Market Fund	1,721,005
Massachusetts Tax Free Municipal Fund	1,564,924
Advisor Growth Opportunity Fund	779,062
Advisor Balanced Fund	<u>342,873</u>
Total Investments	<u>109,573,903</u>
LIABILITIES	<u>---</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 110,887,043</u>

See Notes to Financial Statements.

NEW ENGLAND FUNERAL TRUST
MASSACHUSETTS DIVISION
STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR TRUST BENEFICIARIES
YEAR ENDED JUNE 30, 2004

ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
Prereed contract contributions	\$ 18,662,763
Interest and dividend income	3,064,726
Net increase (decrease) in aggregate current market value of investments	<u>417,976</u>
Total additions	\$ <u>22,145,465</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
Payments to trust beneficiaries	21,466,078
Trustee fees	269,630
Administrative fees	<u>657,018</u>
Total deductions	<u>22,392,726</u>
RESULTING IN A NET INCREASE IN NET ASSETS AVAILABLE FOR TRUST BENEFICIARIES	(247,261)
NET ASSETS AVAILABLE FOR TRUST BENEFICIARIES, BEGINNING OF YEAR	<u>111,134,304</u>
NET ASSETS AVAILABLE FOR TRUST BENEFICIARIES, END OF YEAR	<u>\$ 110,887,043</u>

See Notes to Financial Statements.

NEW ENGLAND FUNERAL TRUST
MASSACHUSETTS DIVISION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2004

Note 1 - Description of Plan

The following description of the New England Funeral Trust Preneed Funeral Plan provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General - The Plan is a Pre-need funeral trust plan. In a funeral trust arrangement the purchaser of a pre-need funeral contract pays the funeral contract price to the funeral establishment who, in turn, deposits the payment in a trust account of a Massachusetts Bank. A trustee manages the money for the benefit of a named beneficiary. At the death of the named beneficiary, the money in the trust is used to pay for the funeral goods and services specified in the pre-need funeral contract.

Participation Accounts - A separate account is maintained by the trust administrator for each plan participant. The participants' accounts are increased by any contributions made by the participants and investment earnings. The accounts are decreased with any investment losses and trust administration fees.

Termination - State regulations permit the purchaser of a pre-need funeral contract to cancel the arrangement at any time by sending written notice of such cancellation to the funeral establishment. The purchaser will receive a refund of the account balance including accumulated investment earnings less any trust administration fees.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the trust have been prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates.

Valuation of Investments

All investments are stated at fair value as determined by the quoted market price. Cost on disposition of securities is computed by using average unit cost. Securities transactions are recorded on the trade date.

NEW ENGLAND FUNERAL TRUST
MASSACHUSETTS DIVISION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2004

Note 3 - Investments

Aggregate costs of investments at June 30, 2004, are as follows:

Certificate of Deposit Fund	\$ 97,789,212
Money Market Fund	1,246,854
Asset Manager Fund	4,110,856
Massachusetts Tax Free Money Market Fund	1,749,544
Short-term Bond Fund	1,721,005
Massachusetts Tax Free Municipal Fund	1,448,691
Growth Opportunity Fund	1,004,540
Advisor Balanced Fund	<u>358,948</u>
	 \$ <u>109,429,650</u>

The following is a general description of the plan investments:

The Fidelity Money Market Fund invests in The Fidelity Money Market Trust: U.S. Government Portfolio. This Fund purchases obligations issued, or guaranteed as to principal and interest by the U.S. Government, its agencies or instrumentalities. This trust seeks to maintain a stable net asset value of \$1.00 per share. The fund is not insured or guaranteed by the U.S. Government.

The Massachusetts Municipal Tax Free Bond Fund invests in the Fidelity Massachusetts Tax Free High Yield Portfolio. This Fund seeks current income exempt from regular Federal Income Tax and Massachusetts municipal bonds with the average maturity of fifteen years or more, in general. The fund prospectus should be reviewed for further information on investments in this fund.

The Certificate of Deposit Fund invests in certificates of deposit issued by banking and savings institutions domiciled in the United States. All issuers of the certificates of deposit carry insurance issued by an agency of the United States Government. The certificates have varying maturities to ensure account liquidity. A portion of this fund is held in a money market account by the Trustee for liquidity purposes.

The Asset Manager Fund invests in the Fidelity Asset Manager Fund. This Fund invests in a diversification of stocks, corporate and government bonds and foreign and domestic short term instruments. The investment objective of the fund is high total return. The funds net asset value per share fluctuates. The shares of this fund are not insured by any government agency. Investments in the shares offered by this fund involve investment risks, including the possible loss of principal. The fund prospectus should be reviewed for further information on investments in this fund.

NEW ENGLAND FUNERAL TRUST
MASSACHUSETTS DIVISION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2004

Note 3 - Investments (Continued)

The Short Term Bond Fund invests in the Fidelity Short Term Bond Fund. This fund invests in a broad range of fixed income securities. Primarily short term Corporate Bonds with a dollar weighted average maturity of three years or less. The shares of this fund are not insured by any government agency. Investments in the shares offered by this fund involve investment risks, including the possible loss of principal. The fund prospectus should be reviewed for further information on investments in this fund.

The Growth Opportunity Fund invests in the Fidelity Growth Opportunities Fund. This fund invests in common stocks and securities convertible into common stocks. This fund seeks to provide capital growth to the investor. The fund may also invest in foreign securities and preferred stocks and bonds that may produce capital growth. The shares of this fund are not insured by any government agency. Investments in the shares offered by this fund involve investment risks, including the possible loss of principal. The fund prospectus should be reviewed for further information on investments in this fund.

The Advisor Balanced Fund invests in the Fidelity Advisor Balanced Fund. This fund invests in common stocks and bonds. This fund seeks to provide capital growth and income to the investor. The fund may also invest in foreign securities and preferred stocks and bonds that may produce capital growth and income. The shares of this fund are not insured by any government agency. Investments in the shares offered by this fund involve investment risks, including the possible loss of principal. The fund prospectus should be reviewed for further information on investments in this fund.