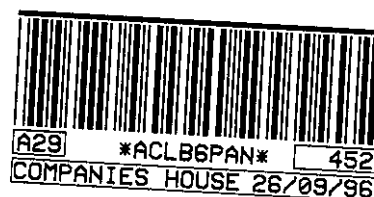


2427464

Just Wills Plc

Report and Financial Statements

Year Ended
31 March 1996



BDO

BDO Stoy Hayward
Chartered Accountants

JUST WILLS PLC

Annual report and financial statements for the year ended 31 March 1996

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Directors

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Directors

J F de Frias
A E de Frias
S J de Frias
J J de Frias

Secretary and registered office

A E de Frias, Kingsway House, 123-125 Goldsworth Road, Woking, Surrey GU21 1LR

Company number

2427464

Auditors

BDO Stoy Hayward, 2/10 Bridge Street, Reading, Berkshire RG1 2LU

JUST WILLS PLC

Report of the directors for the year ended 31 March 1996

The directors present their report together with the audited financial statements for the year ended 31 March 1996.

Results and dividends

The profit and loss account is set out on page 3 and shows the profit for the year.

The directors do not recommend the payment of a dividend.

Principal activities, trading review and future developments

The company's principal activities are to provide a home visit will writing service and the sales of will writing franchises.

Despite the recession experienced in the last period, the directors are pleased to report that the company has traded profitably this year and they anticipate continued growth in the forthcoming years.

Fixed assets

The movements in fixed assets during the year are shown in note 9 to the financial statements.

Charitable donations

Charitable donations of £60 (1995 : £540) were made during the year.

Directors

The directors of the company during the year were:

Mr J F de Frias (Chairman)
Mrs A E de Frias
Ms S J de Frias (appointed 29 May 1996)
Mr J J de Frias (appointed 29 May 1996)

None of the directors has an interest in the ordinary share capital of the company. The interests of the directors in the parent company are given in the directors report of that company.

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

JUST WILLIS PLC

Report of the directors for the year ended 31 March 1996 (*Continued*)

Directors' responsibilities (*continued*)

- 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.

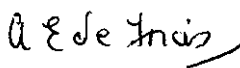
Close company

The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

By order of the Board



A E de Frias
Secretary

Date: 23/8/96

JUST WILLIS PLC

Profit and loss account for the year ended 31 March 1996

	Note	1996	1995
		£	£
Turnover	2	253,033	204,142
Cost of sales		56,255	40,245
Gross profit		196,778	163,897
Distribution costs		16,914	19,000
Selling expenses		25,547	19,415
Establishment expenses		46,943	47,077
Administrative expenses		87,872	62,964
		177,276	148,456
Other operating income	4	12,250	21,122
Operating profit		31,752	36,563
Interest payable	5	14,903	8,966
Profit on ordinary activities before and after taxation	6	16,849	27,597
Accumulated losses brought forward		(70,983)	(98,580)
Accumulated losses carried forward		(54,134)	(70,983)

All recognised gains and losses are included in the profit and loss account.

All amounts relate to continuing activities.

The notes on pages 7 to 12 form part of these financial statements.

JUST WILLS PLC

Statement of total recognised gains and losses for the year ended 31 March 1996

	1996 £	1995 £
Statement of total recognised gains and losses		
Profit for the financial year	16,849	27,597
Unrealised surplus on revaluation	5,000	18,399
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	21,849	45,996
	<hr/>	<hr/>
Note of historical cost profits and losses		
Reported profit on ordinary activities before taxation	16,849	27,597
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	(597)	-
Realisation of property revaluation gains of previous year	6,507	-
	<hr/>	<hr/>
Historical cost profit on ordinary activities before and after taxation	22,759	27,597
	<hr/>	<hr/>

JUST WILLS PLC

Balance sheet at 31 March 1996

	Note	£	1996 £	£	1995 £
Fixed assets					
Tangible assets	9		89,931		79,719
Current assets					
Stocks	10	5,892		6,663	
Debtors	11	103,994		64,282	
Cash at bank and in hand		39		189	
			109,925		71,134
Creditors: amounts falling due within one year	12	102,362		79,642	
Net current assets/(liabilities)			7,563		(8,508)
Total assets less current liabilities			97,494		71,211
Creditors: amounts falling due after more than one year	13		34,738		23,795
Capital and reserves					
Called up share capital	15	100,000		100,000	
Revaluation reserve	17	16,890		18,399	
Profit and loss account		(54,134)		(70,983)	
Equity shareholders' funds			62,756		47,416
			97,494		71,211

The financial statements were approved by the Board on 23/8/96.

J F de Frias

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) Directors

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A E de Frias

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A E de Frias

The notes on pages 7 to 12 form part of these financial statements.

JUST WILLIS PLC

Cash flow statement for the year ended 31 March 1996

	Note	1996	1995
		£	£
Net cash inflow from operating activities	20	27,630	19,102
Returns on investments and servicing of finance			
Interest paid		(3,283)	(2,486)
Interest element of finance lease rental payments		(11,620)	(6,480)
Net cash outflow from returns on investment and servicing of finance		(14,903)	(8,966)
Investing activities			
Payments to acquire tangible fixed assets		(39,204)	(28,136)
Sale of tangible fixed assets		14,748	754
Net cash (outflow) from investing activities		(24,456)	(27,382)
Net cash inflow/(outflow) before financing		(11,729)	(17,246)
Financing			
Inception of new finance leases		34,991	22,090
Capital element of finance lease rental payments		(24,977)	(16,510)
Net cash (outflow)/inflow from financing	21	10,014	5,580
Decrease in cash and cash equivalents	22	(1,715)	(11,666)

The notes on pages 7 to 12 form part of these financial statements.

JUST WILLS PLC

Notes forming part of the financial statements for the year ended 31 March 1996

1 Accounting policies

The financial statements have been prepared under the historical cost convention as modified by the alternative accounting rules and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents the invoiced amount of goods sold and services provided less refunds and net of value added tax.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets, over their expected useful lives. It is calculated at the following rates:

Plant and machinery	- 6%-20% straight line
Office equipment	- 6% straight line
Fixtures and fittings	- 6% straight line
Motor vehicles	- 25% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is calculated as the cost of purchase on a first in first out basis. Net realisable value is based on estimated selling price less further costs to disposal.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, except that no provision is made where it can be reasonably foreseen that such deferred taxation will not be payable in the future.

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between their capital and interest components using the straight line method. The interest is charged to the profit and loss account. The capital part reduces the amounts payable to the lessor.

2 Turnover and profit

The company's turnover and profit before taxation for the year arose wholly from its principal activity, conducted entirely in the United Kingdom.

JUST WILLIS PLC

Notes forming part of the financial statements for the year ended 31 March 1996 (*Continued*)

3 Employees

	1996 £	1995 £
Staff costs for all employees, including directors, consist of:		
Wages and salaries	41,208	23,611
Social security costs	3,424	1,377
	<u>44,632</u>	<u>24,988</u>

The average weekly number of employees during the year was as follows:

	Number	Number
Management	2	2
Administration	2	2
	<u>4</u>	<u>4</u>

4 Other operating income

	£	£
Management charges to other group undertakings	12,250	21,122
	<u>12,250</u>	<u>21,122</u>

5 Interest payable

Bank overdraft	3,283	2,486
Finance lease and hire purchase contracts	11,620	6,480
	<u>14,903</u>	<u>8,966</u>

6 Profit on ordinary activities before taxation

This is arrived at after charging/(crediting):

Depreciation	15,997	19,266
Auditors' remuneration - audit services	2,350	2,250
- other services	950	1,885
Profit on sale of fixed assets	2,262	193
Operating leases rental - buildings	23,829	24,750
- machinery	2,678	-
	<u>45,075</u>	<u>48,344</u>

Depreciation includes £9,374 (1995 : £16,539) charged on assets held under finance leases and hire purchase contracts.

JUST WILLS PLC

Notes forming part of the financial statements for the year ended 31 March 1996 (*Continued*)

7	Directors' emoluments	1996 £	1995 £
	Remuneration	26,208	12,875
	Benefits in kind	9,395	767
		<hr/>	<hr/>
		35,603	13,642
		<hr/>	<hr/>
	Emoluments of:		
	Chairman	17,880	6,167
	Highest paid director	17,723	6,708
		<hr/>	<hr/>

8 Taxation on profit on ordinary activities

No provision has been made for UK corporation tax due to the availability of losses for taxation purposes.

9	Tangible assets	Plant and machinery £	Office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
	<i>Cost</i>					
	At beginning of year	24,935	14,411	5,144	54,359	98,849
	Additions	18,250	1,264	-	19,690	39,204
	Disposals	(14,300)	-	-	(29,364)	(43,664)
	Revaluation	-	-	-	5,000	5,000
	Transfer from group company	-	-	-	1,000	1,000
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	At end of year	28,885	15,675	5,144	50,685	100,389
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<i>Depreciation</i>					
	At beginning of year	-	-	-	19,130	19,130
	Provided for the year	2,427	899	309	12,362	15,997
	Disposals	(572)	-	-	(24,097)	(24,669)
	Revaluation	-	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	At end of year	1,855	899	309	7,395	10,458
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<i>Net book value</i>					
	At 31 March 1996	27,030	14,776	4,835	43,290	89,931
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	At 31 March 1995	24,935	14,411	5,144	35,229	79,719
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Included in the total net book value of tangible fixed assets held at 31 March 1996 was £53,206 (1995 : £53,059) in respect of assets held under finance lease and hire purchase contracts.

JUST WILLS PLC

Notes forming part of the financial statements for the year ended 31 March 1996 (*Continued*)

10 Stocks	1996 £	1995 £
Stationery	5,892	6,663
11 Debtors		
Called up share capital unpaid	-	600
Trade debtors	75,598	43,917
Amounts due from parent undertakings	20,720	19,765
Prepayments/accrued income	7,676	-
	103,994	64,282
All amounts included in debtors fall due for payment within one year.		
12 Creditors: amounts falling due within one year		
Bank overdraft	15,238	13,673
Trade creditors	22,056	16,040
Other taxes and social security costs	22,708	13,433
Directors loan account	22,648	14,406
Accruals	3,625	4,990
Obligations under finance leases and hire purchase contracts (note 14)	16,087	17,100
	102,362	79,642
13 Creditors: amounts falling due after more than one year		
Obligations under finance leases and hire purchase contracts (note 14)	31,234	20,207
Amount due to group undertakings	3,504	3,588
	34,738	23,795
14 Obligations under finance leases and hire purchase contracts fall due as follows		
Within one year	16,087	17,100
Between two and five years	31,234	20,207
	47,321	37,307

JUST WILLS PLC

Notes forming part of the financial statements for the year ended 31 March 1996 (*Continued*)

15 Share capital

	Authorised, allotted & called up		Called up & fully paid	
	1996 £	1995 £	1996 £	1995 £
Ordinary shares of £1 each	100,000	100,000	100,000	99,400

16 Reconciliation of movements in shareholders funds

	1996 £	1995 £
Profit for the year	16,849	27,597
Revaluation reserve (note 17)	16,890	18,399
Opening shareholders' funds	29,017	1,420
Net assets at end of year	62,756	47,416

17 Revaluation reserve

	1996 £
At start of year	18,399
Revaluation in year - disposal	(6,509)
- revaluation of Land Rover	5,000
	16,890

18 Ultimate parent company

The ultimate parent company is The Universal Trust Corporation, a company registered in England.

The parent company has confirmed that it shall continue to provide such financial support as the company requires for its continued operations for a period of not less than one year from the date of approval of these financial statements.

19 Commitments under operating leases

As at 31 March 1996 the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings	
	1996 £	1995 £
Operating leases which expire:		
In two to five years	18,250	47,250

JUST WILLS PLC

Notes forming part of the financial statements for the year ended 31 March 1996 (*Continued*)

20 Reconciliation of operating profit to net cash inflow from operating activities

	1996 £	1995 £
Operating profit	31,752	36,563
Depreciation	15,997	19,267
Profit on sale of fixed assets	(2,262)	(193)
Decrease/(increase) in stocks	771	(1,415)
(Increase) in debtors	(40,712)	(27,763)
Increase/(decrease) in creditors	22,084	(7,357)
	<hr/>	<hr/>
Net cash inflow from operating activities	27,630	19,102
	<hr/>	<hr/>

21 Analysis of changes in financing during the year

	Finance lease obligations	
	1996 £	1995 £
Balance at beginning of year	37,307	31,727
Cash inflow from financing	10,014	5,580
	<hr/>	<hr/>
Balance at end of year	47,321	37,307
	<hr/>	<hr/>

22 Analysis of changes in cash and cash equivalents during the year

	1996 £	1995 £
Balance at beginning of year	(13,484)	(1,818)
Net cash outflow	(1,715)	(11,666)
	<hr/>	<hr/>
At end of year	(15,199)	(13,484)
	<hr/>	<hr/>

23 Analysis of the balances of cash and cash equivalents during the year

	1996 £	1995 £	Change in year £
Cash at bank	39	189	(150)
Bank overdraft	(15,238)	(13,673)	(1,565)
	<hr/>	<hr/>	<hr/>
	(15,199)	(13,484)	(1,715)
	<hr/>	<hr/>	<hr/>

JUST WILLS PLC

Report of the auditors

To the shareholders of Just Wills Plc

We have audited the financial statements on pages 3 to 12 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on pages 1 and 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 misstatements, 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO STOY HAYWARD

*Chartered Accountants
and Registered Auditors*
Reading

Date: 23/8/96