

**Just Wills plc**

**Report and Financial Statements**

**Year Ended  
31 March 2000**



**BDO Stoy Hayward**  
Chartered Accountants

# **JUST WILLS PLC**

## **Annual report and financial statements for the year ended 31 March 2000**

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#### *Directors*

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### **Directors**

J F de Frias  
A E de Frias  
S J Macwhinnie

### **Secretary and registered office**

A E de Frias, Bowman House, 2/10 Bridge Street, Reading, Berkshire RG1 2LU

### **Company number**

2427464

### **Auditors**

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

## **JUST WILLS PLC**

### **Report of the directors for the year ended 31 March 2000**

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The directors present their report together with the audited financial statements for the year ended 31 March 2000.

#### **Results and dividends**

The profit and loss account is set out on page 4 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. The directors are satisfied with the results for the year and anticipate a continuing improvement in the forthcoming year.

#### **Charitable donations**

Charitable donations of £Nil (1999 - £115) were made during the year.

#### **Creditors payment policy**

The majority of suppliers to the group are of a long standing nature and mutually acceptable payment terms have been established over the relationship period. Generally, payments are made between 30 and 60 days from the month of delivery.

In certain transactions payment terms will be agreed with suppliers as part of the overall terms of the transaction, and will be adhered to by the group.

#### **Directors**

The directors of the company during the year and their beneficial interests in the ordinary share capital of the company were:

	Ordinary shares of £1 each	
	2000	1999
J F de Frias (Chairman)	1	-
A E de Frias	-	-
S J Macwhinnie	-	-

The interests of the directors in the parent company are given in the directors report of that company.

## JUST WILLS PLC

### Report of the directors for the year ended 31 March 2000 *(Continued)*

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#### 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 departure disclosed and explained in the financial statements; and
- 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.

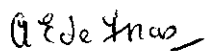
#### Close company

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: 31.01.00

## JUST WILLS PLC

### Report of the auditors

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#### To the shareholders of Just Wills plc

We have audited the financial statements on pages 4 to 14 which have been prepared under the accounting policies set out on pages 8 and 9.

#### *Respective responsibilities of directors and auditors*

As described on page 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.

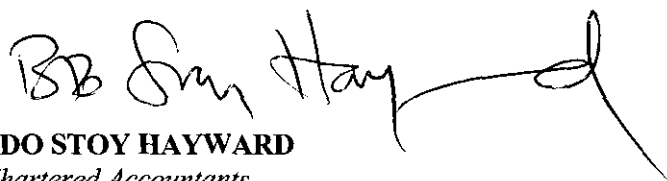
#### *Basis of opinion*

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes 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 misstatement, 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 the company's affairs as at 31 March 2000 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: 4 October 2000

# JUST WILLS PLC

## Profit and loss account for the year ended 31 March 2000

	Note	2000		1999	
		£	£	£	£
<b>Turnover</b>	2		225,337		273,045
Cost of sales			41,383		46,604
			<hr/>		<hr/>
<b>Gross profit</b>			183,954		226,441
Distribution costs		22,520		24,690	
Selling expenses		32,956		32,877	
Establishment expenses		16,432		20,880	
Administrative expenses		94,414		127,239	
		<hr/>		<hr/>	
			166,322		205,686
			<hr/>		<hr/>
<b>Operating profit</b>	5		17,632		20,755
Interest receivable			-		87
Interest payable and similar charges	6		(9,963)		(7,868)
			<hr/>		<hr/>
<b>Profit on ordinary activities before taxation</b>			7,669		12,974
Taxation on profit on ordinary activities	7		3,111		-
			<hr/>		<hr/>
<b>Profit on ordinary activities after taxation and retained for the year</b>			4,558		12,974
Accumulated losses brought forward			(22,149)		(35,123)
			<hr/>		<hr/>
<b>Accumulated losses carried forward</b>			(17,591)		(22,149)
			<hr/>		<hr/>

All amounts relate to continuing activities

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

The movement in shareholders' funds is represented by the retained profit for the year

The notes on pages 8 to 14 form part of these financial statements

# JUST WILLS PLC

## Note of historical cost profits and losses for the year ended 31 March 2000

	2000 £	1999 £
<b>Note of historical cost profits and losses</b>		
Reported profit on ordinary activities before taxation	7,669	12,974
Difference between an historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	663	663
	<hr/>	<hr/>
<b>Historical cost profit on ordinary activities before taxation</b>	<b>8,332</b>	<b>13,637</b>
	<hr/>	<hr/>
<b>Retained historical cost profit for the year after taxation</b>	<b>5,221</b>	<b>13,637</b>
	<hr/>	<hr/>

The notes on pages 8 to 14 form part of these financial statements

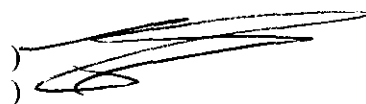
# JUST WILLS PLC

## Balance sheet at 31 March 2000

	Note	2000	1999
		£	£
<b>Fixed assets</b>			
Tangible assets	8	83,138	98,928
<b>Current assets</b>			
Stocks	9	5,821	5,974
Debtors	10	75,239	90,980
Cash at bank and in hand		8,158	38
		<u>89,218</u>	<u>96,992</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>58,819</u>	<u>76,572</u>
<b>Net current assets</b>		<u>30,399</u>	<u>20,420</u>
<b>Total assets less current liabilities</b>		<u>113,537</u>	<u>119,348</u>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>14,238</u>	<u>24,607</u>
<b>Capital and reserves</b>			
Called up share capital	13	100,000	100,000
Revaluation reserve	14	16,890	16,890
Profit and loss account		(17,591)	(22,149)
<b>Equity shareholders' funds</b>		<u>99,299</u>	<u>94,741</u>
		<u>113,537</u>	<u>119,348</u>

The financial statements were approved by the Board on 31/03/00

J F de Frias



) Directors

A E de Frias

) A E de Frias

The notes on pages 8 to 14 form part of these financial statements



# JUST WILLIS PLC

## Cash flow statement for the year ended 31 March 2000

	Note	2000	1999
		£	£
<b>Net cash inflow from operating activities</b>	17	48,292	12,453
<b>Returns on investments and servicing of finance</b>			
Interest received	-		87
Interest paid	(2,325)		(425)
Interest element of finance lease rental payments	(6,153)		(7,443)
<b>Net cash outflow from returns on investments and servicing of finance</b>		(8,478)	(7,781)
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets	(1,122)		(5,730)
Sale of tangible fixed assets	-		12,750
<b>Net cash (outflow)/inflow from capital expenditure and financial investment</b>		(1,122)	7,020
<b>Net cash inflow before financing</b>		38,692	11,692
<b>Financing</b>			
Capital element of finance lease rental payments	(22,592)		(33,718)
<b>Net cash outflow from financing</b>		(22,592)	(33,718)
<b>Increase /(decrease) in cash</b>	18, 19	16,100	(22,026)

The notes on pages 8 to 14 form part of these financial statements

# JUST WILLS PLC

## Notes forming part of the financial statements for the year ended 31 March 2000

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### 1 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the transitional arrangements which have been followed this year on adopting Financial Reporting Standard 15 "Tangible Fixed Assets", 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.

#### *Tangible fixed assets*

The company is adopting FRS 15 this year. In future, all additions to tangible fixed assets will be stated at cost. Where existing unimpaired tangible fixed assets are stated at valuation the company has taken advantage of the transitional arrangements in FRS 15 to retain these book values. Where an asset that was previously revalued is disposed of, its book value is eliminated and an appropriate transfer made from the revaluation reserve to the profit and loss reserve.

#### *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

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

#### *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 completion and 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.

# JUST WILLS PLC

## Notes forming part of the financial statements for the year ended 31 March 2000 (Continued)

### 1 Accounting policies (continued)

#### *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.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

#### *Pension costs*

Contributions to the company's defined contribution scheme are charged to the profit and loss account in the year in which they become payable.

### 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.

### 3 Employees

	2000 £	1999 £
Staff costs for all employees (including directors) consist of:		
Wages and salaries	40,982	74,871
Social security costs	6,668	7,032
Pension costs	9,951	7,980
	<hr/>	<hr/>
	57,601	89,883
	<hr/>	<hr/>
The average weekly number of employees during the year was as follows:	2000 Number	1999 Number
Management	2	3
Administration	2	2
	<hr/>	<hr/>
	4	5
	<hr/>	<hr/>

# JUST WILLS PLC

Notes forming part of the financial statements for the year ended 31 March 2000 (*Continued*)

<b>4 Directors' emoluments</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Remuneration	31,152	54,450
Benefits in kind	6,582	8,861
Pension contributions	5,962	6,900
	<u>43,696</u>	<u>70,211</u>
	<b>2000</b>	<b>1999</b>
	<b>Number</b>	<b>Number</b>
Number of directors for whom contributions are made to a pension scheme	2	3
<b>5 Operating profit</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
This has been arrived at after charging/(crediting):		
Depreciation	23,026	22,826
Auditors' remuneration - audit services	3,025	2,750
- other services	850	780
Profit on sale of fixed assets	(1,483)	(4,136)
	<u></u>	<u></u>
<b>6 Interest payable and similar charges</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Bank overdraft	2,325	425
Finance lease and hire purchase contracts	7,638	7,443
	<u>9,963</u>	<u>7,868</u>
<b>7 Taxation on profit from ordinary activities</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
UK corporation tax	3,111	-
	<u></u>	<u></u>

# JUST WILLS PLC

## Notes forming part of the financial statements for the year ended 31 March 2000 (Continued)

<b>8 Tangible assets</b>	<b>Plant and machinery £</b>	<b>Office equipment £</b>	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<i>Cost or valuation</i>					
At beginning of year	50,832	21,351	9,765	63,667	145,615
Additions	-	-	-	19,254	19,254
Disposals	-	-	-	(19,228)	(19,228)
At end of year	<b>50,832</b>	<b>21,351</b>	<b>9,765</b>	<b>63,693</b>	<b>145,641</b>
<i>Depreciation</i>					
At beginning of year	16,153	4,623	1,358	24,553	46,687
Provided for the year	5,563	1,281	586	15,596	23,026
Disposals	-	-	-	(7,210)	(7,210)
At end of year	<b>21,716</b>	<b>5,904</b>	<b>1,944</b>	<b>32,939</b>	<b>62,503</b>
<i>Net book value</i>					
At 31 March 2000	<b>29,116</b>	<b>15,447</b>	<b>7,821</b>	<b>30,754</b>	<b>83,138</b>
At 31 March 1999	34,679	16,728	8,407	39,114	98,928

The company has taken advantage of the transitional provisions in FRS15 this year to retain the existing book values including those of its unimpaired tangible fixed assets which were previously stated at valuation.

The historical cost net book values of the revalued assets are as follows:

	<b>Plant &amp; machinery £</b>	<b>Office equipment £</b>	<b>Motor vehicle £</b>
Cost at 1 April 1999 and at 31 March 2000	24,935	14,410	13,564
Accumulated depreciation based on historical cost	(7,480)	(4,325)	(13,564)
Historical cost net book value	<b>17,455</b>	<b>10,085</b>	-
Accumulated depreciation as at 31 March 1999	(5,984)	(3,460)	(13,564)

Included in the total net book value of tangible fixed assets held at 31 March 2000 was £40,346 (1999 - £54,436) in respect of assets held under finance lease and hire purchase contracts. The related depreciation charge for the year was £11,735 (1999 - £17,977).

**JUST WILLS PLC****Notes forming part of the financial statements for the year ended 31 March 2000 (Continued)**

<b>9 Stocks</b>	<b>2000 £</b>	<b>1999 £</b>
Stationery	<u>5,821</u>	<u>5,974</u>

There is no material difference between the replacement cost of stocks and the amounts stated above.

<b>10 Debtors</b>	<b>2000 £</b>	<b>1999 £</b>
Trade debtors	47,463	61,313
Amounts due from parent undertaking	24,823	22,234
Prepayments and accrued income	<u>2,953</u>	<u>7,433</u>
	<u>75,239</u>	<u>90,980</u>

Amounts included in debtors fall due for payment within one year, other than amounts due from the parent undertaking.

<b>11 Creditors: amounts falling due within one year</b>	<b>2000 £</b>	<b>1999 £</b>
Bank overdraft	-	7,980
Trade creditors	16,997	21,711
Taxation and social security	17,893	14,465
Obligations under finance leases and hire purchase contracts	13,781	22,490
Directors' loan accounts	1,716	3,645
Corporation tax	3,111	-
Accruals and deferred income	<u>5,321</u>	<u>6,281</u>
	<u>58,819</u>	<u>76,572</u>

# JUST WILLS PLC

Notes forming part of the financial statements for the year ended 31 March 2000 (*Continued*)

12 Creditors: amounts falling due after more than one year	2000 £	1999 £
Obligations under finance leases and hire purchase contracts	14,238	22,005
Amount due to other group undertakings	-	2,602
	<u>14,238</u>	<u>24,607</u>

Obligations under finance leases and hire purchase contracts fall due as follows:

In more than one year but not more than two years	13,781	22,490
In more than two years but not more than five years	14,238	22,005
	<u>28,019</u>	<u>44,495</u>

13 Share capital	Authorised, called up and fully paid			
	2000 Number	1999 Number	2000 £	1999 £
Ordinary shares of £1 each	100,000	100,000	100,000	100,000

14 Revaluation reserve	£
At 1 April 1999 and 31 March 2000	<u>16,890</u>

## 15 Ultimate parent company

At 31 March 2000 the company's ultimate parent company was The Universal Trust Corporation, a company registered in England, which is the parent of both the smallest and largest groups of which the company is a member. Copies of the consolidated financial statements of The Universal Trust Corporation are available from Companies House.

## 16 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund (see note 3).

# JUST WILLIS PLC

Notes forming part of the financial statements for the year ended 31 March 2000 (Continued)

## 17 Reconciliation of operating profit to net cash inflow from operating activities

	2000 £	1999 £
Operating profit	17,632	20,755
Depreciation	23,026	22,826
Profit on sale of fixed assets	(1,483)	(4,136)
Decrease in stocks	153	852
Decrease/(increase) in debtors	15,741	(17,544)
Decrease in creditors	(6,777)	(10,300)
Net cash inflow from operating activities	48,292	12,453

## 18 Reconciliation of net cashflow to movement in net debt

	2000 £	£	1999 £	£
Increase/(decrease) in cash in the year	16,100		(22,026)	
Cash inflow from lease financing	22,592		33,718	
New finance leases	(6,116)		(26,846)	
Change in net debt		32,576		(15,154)
Net debt at 1 April 1999		(52,437)		(37,283)
Net debt at 31 March 2000		(19,861)		(52,437)

## 19 Analysis of changes in net debt

	1 April 1999 £	Cashflow £	Other non-cash changes £	31 March 2000 £
Cash at bank and in hand	38	8,120	-	8,158
Bank overdrafts	(7,980)	7,980	-	-
	(7,942)	16,100	-	8,158
Finance leases	(44,495)	22,592	(6,116)	(28,019)
	(52,437)	38,692	(6,116)	(19,861)