

REGISTRAR'S COPY

COMPANY

NUMBER: 2427464

JUST WILLS PLC (AMENDED)

Report and Financial Statements

Period Ended

31 May 2004



JUST WILLS PLC (AMENDED)

Annual report and financial statements for the period ended 31 May 2004

Contents

Directors

Page:

1	Report of the directors
3	Report of the independent auditors
5	Profit and loss account
6	Note of historical cost profits and losses
7	Balance sheet
8	Cash flow statement
9	Notes forming part of the financial statements

Directors

A D D Crichton
N J M Bell
D J McMaster
E J Varley
S Whale

Secretary and registered office

Company Secretary: Caversham Secretaries, Malzard House, 15 Union Street, St Helier, Jersey,
Channel Islands, JE4 8TY

Registered Office: 3 Bentinck Mews, London, W1U 2AH

Company number

2427464

Auditors

BDO Stoy Hayward LLP, Kings Wharf, 20-30 Kings Road, Reading, Berkshire, RG1 3EX

JUST WILLS PLC (AMENDED)

Report of the directors for the period ended 31 May 2004

The directors present their report together with the audited financial statements for the period ended 31 May 2004.

Results and dividends

The profit and loss account is set out on page 5 and shows the result for the period.

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 result for the period and anticipate growth in the future.

There have been no events since the balance sheet date which materially affect the position of the company.

Creditors payment policy

The majority of suppliers to the company 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 company.

The number of average days purchases of the company represented by trade creditors at 31 May 2004 was 46 (2003 - 20).

Directors

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

	Ordinary shares of £1 each	
	2004	2003
A D D Crichton	-	-
N J M Bell	-	-
D J McMaster	-	-
E J Varley (appointed 21 August 2003)	-	-
S Whale	-	-

The interests of the directors in the ordinary share capital of its immediate parent company, The Universal Trust Corporation and its ultimate parent company Caversham Holdings Limited, are shown in the financial statements of those companies.

Subsequent to the year-end 5,000 ordinary shares were issued to D J McMaster.

JUST WILLS PLC (AMENDED)

Report of the directors for the period ended 31 May 2004 (*Continued*)

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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

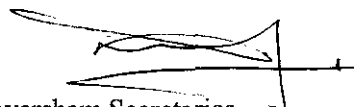
The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

Auditors

On 31 December 2003, BDO Stoy Hayward, the company's auditors, transferred its business to BDO Stoy Hayward LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. Accordingly BDO Stoy Hayward resigned as auditors on that date and the directors appointed BDO Stoy Hayward LLP as its successor. A resolution to reappoint BDO Stoy Hayward LLP as auditors will be proposed at the next annual general meeting.

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



Caversham Secretaries
Secretary

Date: 26 January 2005

JUST WILLS PLC (AMENDED)

Report of the independent auditors

To the shareholders of Just Wills Plc

We have audited the financial statements of Just Wills plc on pages 5 to 16 which have been prepared under the accounting policies set out on pages 9 and 10.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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.

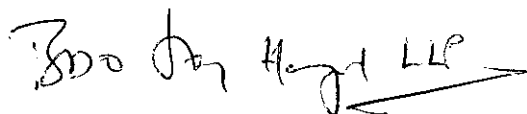
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

JUST WILLS PLC (AMENDED)

Report of the independent auditors (*Continued*)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 May 2004 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'BDO Stoy Hayward LLP', with a long horizontal line extending to the right.

BDO STOY HAYWARD LLP

Chartered Accountants

and registered Auditors

Reading

Date: 20 January 2005.

JUST WILLS PLC (AMENDED)**Profit and loss account for the period ended 31 May 2004**

		14 month period ended 31 May 2004		Year ended 31 March 2003	
	Note	£	£	£	£
Turnover	2		430,677		276,051
Cost of sales			82,822		114,812
			<hr/>		<hr/>
Gross profit			347,855		161,239
Distribution costs		239		5,617	
Selling expenses		51,861		35,687	
Establishment expenses		59,287		54,792	
Administrative expenses		715,706		491,039	
		<hr/>		<hr/>	
			(827,093)		(587,135)
Other operating income			4,841		-
			<hr/>		<hr/>
Operating loss	5		(474,397)		(425,896)
Interest receivable			259		84
Interest payable and similar charges	6		(325)		(1,490)
			<hr/>		<hr/>
Loss on ordinary activities before taxation			(474,463)		(427,302)
Taxation on loss from ordinary activities	7		(112)		(3,072)
			<hr/>		<hr/>
Loss on ordinary activities after taxation and accumulated for the period	14		(474,351)		(424,230)
			<hr/>		<hr/>

All amounts relate to continuing activities

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

There were no movements on shareholders' funds apart from the result for the period

The notes on pages 9 to 16 form part of these financial statements

JUST WILLIS PLC (AMENDED)**Note of historical cost profits and losses for the period ended 31 May 2004**

	14 month period ended 31 May 2004 £	Year ended 31 March 2003 £
Note of historical cost profits and losses		
Reported loss on ordinary activities before taxation	(474,463)	(427,302)
Difference between an historical cost depreciation charge and the actual depreciation charge for the period calculated on the revalued amount	-	60
Historical cost loss on ordinary activities before taxation	(474,463)	(427,242)
Retained historical cost loss for the period after taxation	(474,351)	(424,170)

The notes on pages 9 to 16 form part of these financial statements

JUST WILLS PLC (AMENDED)

Balance sheet at 31 May 2004

	Note	31 May 2004		31 March 2003	
		£	£	£	£
Fixed assets					
Tangible assets	8		19,605		-
Current assets					
Debtors	9	65,726		10,225	
Cash at bank and in hand		153		81	
		65,879		10,306	
Creditors: amounts falling due within one year	10	253,214		389,862	
Net current liabilities			(187,335)		(379,556)
Total assets less current liabilities			(167,730)		(379,556)
Creditors: amounts falling due after more than one year	11		686,177		-
			(853,907)		(379,556)
Capital and reserves					
Called up share capital	13	100,000		100,000	
Revaluation reserve	14	2,134		2,134	
Profit and loss account	14	(956,041)		(481,690)	
Equity shareholders' deficit			(853,907)		(379,556)
			(853,907)		(379,556)

The financial statements were approved by the Board on 20 January 2005.



D J McMaster
Director

The notes on pages 9 to 16 form part of these financial statements

JUST WILLS PLC (AMENDED)

Cash flow statement for the period ended 31 May 2004

	Note	14 month period ended 31 May 2004 £	Year ended 31 March 2003 £
Net cash inflow/(outflow) from operating activities	19	22,382	(17,361)
Returns on investments and servicing of finance			
Interest received		259	84
Interest paid		(13)	-
Interest element of finance lease rental payments		(312)	(1,490)
Net cash outflow from returns on investments and servicing of finance		(66)	(1,406)
Taxation			
UK corporation tax		3,184	(3,072)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(24,185)	(2,410)
Receipts from sale of tangible fixed assets		-	8,730
Net cash (outflow)/inflow from capital expenditure and financial investment		(24,185)	6,320
Net cash inflow/(outflow) before financing		1,315	(15,519)
Financing			
Capital element of finance lease rental payments		(701)	(12,678)
Increase/(decrease) in cash	20,21	614	(28,197)

The notes on pages 9 to 16 form part of these financial statements

JUST WILLS PLC (AMENDED)

Notes forming part of the financial statements for the period ended 31 May 2004

1 Accounting policies

The financial statements have been prepared under the historical cost convention 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. 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:

Leasehold improvements	- 33.3% straight line
Fixtures and fittings	- 33.3% 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.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on the revaluation surplus for plant & machinery unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

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.

JUST WILLS PLC (AMENDED)

Notes forming part of the financial statements for the period ended 31 May 2004 (*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.

2 Turnover and result

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

3 Employees

	14 month period ended 31 May 2004 £	Year ended 31 March 2003 £
Staff costs for all employees (including directors) consist of:		
Wages and salaries	423,858	171,884
Social security costs	45,297	14,270
Pension costs	5,308	6,667
	<hr/>	<hr/>
	474,463	192,821
	<hr/>	<hr/>

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

	14 month period ended 31 May 2004 Number	Year ended 31 March 2003 Number
Management	4	3
Administration	12	4
	<hr/>	<hr/>
	16	7
	<hr/>	<hr/>

JUST WILLIS PLC (AMENDED)Notes forming part of the financial statements for the period ended 31 May 2004 (*Continued*)**4 Directors' emoluments**

	14 month period ended 31 May 2004 £	Year ended 31 March 2003 £
Remuneration	165,264	90,600
Benefits in kind	2,243	9,059
Compensation for loss of office	-	44,197
Pension contributions	5,308	6,667
	<u>172,815</u>	<u>150,523</u>
	14 month period ended 31 May 2004 Number	Year ended 31 March 2003 Number
Number of directors for whom contributions are made to a pension scheme	2	1

5 Operating loss

	14 month period ended 31 May 2004 £	Year ended 31 March 2003 £
This has been arrived at after charging:		
Depreciation	4,580	3,619
Auditors' remuneration - audit services	5,000	4,500
- other services	1,500	875
Loss on sale of fixed assets	-	36,255
Hire of office equipment – operating leases	21,904	18,098

6 Interest payable and similar charges

	14 month period ended 31 May 2004 £	Year ended 31 March 2003 £
Bank overdraft	13	-
Finance lease and hire purchase contracts	312	1,490
	<u>325</u>	<u>1,490</u>

JUST WILLIS PLC (AMENDED)

Notes forming part of the financial statements for the period ended 31 May 2004 (*Continued*)

7 Taxation on loss from ordinary activities

	14 month period ended 31 May 2004 £	Year ended 31 March 2003 £
<i>Current tax</i>		
UK corporation tax on result of the period	-	(3,072)
Adjustment in respect of previous periods	(112)	-
	<hr/>	<hr/>
Total current tax	(112)	(3,072)
	<hr/>	<hr/>

The tax assessed for the period is different from the standard rate of corporation tax in the UK. The differences are explained below:

	14 month period ended 31 May 2004 £	Year ended 31 March 2003 £
Loss on ordinary activities before taxation	(474,463)	(427,302)
	<hr/>	<hr/>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 19% (31 March 2003 - 19%)	(90,148)	(81,187)
Effect of:		
Expenses not deductible for tax purposes	4,009	1,222
Depreciation in excess of capital allowances	870	6,474
Unused tax losses carried forward	78,314	70,486
Group relief surrendered	6,955	-
Other items	-	(67)
Adjustment in respect of prior periods	(112)	-
	<hr/>	<hr/>
Tax charge for the period	(112)	(3,072)
	<hr/>	<hr/>

Factors affecting future tax charge

The company has tax losses of approximately £800,000 (31 March 2003 - £370,977) available to carry forward for offset against future taxable profits, subject to the agreement of the Inland Revenue.

JUST WILLS PLC (AMENDED)

Notes forming part of the financial statements for the period ended 31 May 2004 (Continued)

8 Tangible assets	Leasehold improvements £	Fixtures and fittings £	Total £
<i>Cost</i>			
Additions in the period and at end of period	12,217	11,968	24,185
<i>Depreciation</i>			
Provided for the period and at end of period	2,772	1,808	4,580
<i>Net book value</i>			
At 31 May 2004	9,445	10,160	19,605

9 Debtors	2004 £	2003 £
Trade debtors	36,633	4,817
Amounts due from other group undertakings	28,820	-
Other debtors	273	5,408
	65,726	10,225

All amounts shown under debtors fall due for payment within one year.

10 Creditors: amounts falling due within one year	2004 £	2003 £
Bank overdraft	6,466	7,008
Trade creditors	63,950	33,177
Amount due to the immediate parent undertaking	94,132	2,377
Amount due to other group undertakings	-	297,323
Taxation and social security	22,931	-
Obligations under finance leases and hire purchase contracts	-	701
Directors current accounts	13,879	-
Accruals and deferred income	51,856	49,276
	253,214	389,862

11 Creditors: amounts falling due after more than one year	2004 £	2003 £
Amount due to other group undertakings	686,177	-

JUST WILLIS PLC (AMENDED)

Notes forming part of the financial statements for the period ended 31 May 2004 (Continued)

12 Deferred taxation

At 31 May 2004, there was an unprovided deferred tax asset amounting to £156,215 (31 March 2003 - £74,632). The deferred tax asset has not been provided as there is currently insufficient evidence to suggest that the asset will be recoverable.

13 Share capital

	Authorised, called up and fully paid			
	2004 Number	2003 Number	2004 £	2003 £
Ordinary shares of £1 each	100,000	100,000	100,000	100,000

14 Reserves

	Revaluation reserve £	Profit and loss account £
At 1 April 2003	2,134	(481,690)
Loss for the period	-	(474,351)
At 31 May 2004	2,134	(956,041)

15 Commitment under operating leases

As at 31 May 2004, the company had annual commitments under non-cancellable operating leases as set out below:

	2004 Land and buildings £	2004 Other £	2003 Land and buildings £	2003 Other £
Operating leases which expire:				
In two to five years	-	16,785	-	16,785
Over five years	27,500	-	27,500	-
	27,500	16,785	27,500	16,785

16 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions with members of the group headed by The Universal Trust Corporation on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in those consolidated financial statements.

JUST WILLIS PLC (AMENDED)

Notes forming part of the financial statements for the period ended 31 May 2004 (*Continued*)

17 Ultimate parent company

At 31 May 2004 the company's immediate 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. The company's ultimate parent company is Caversham Holdings Limited, a company registered in Jersey.

Caversham Holdings Limited have agreed not to cash in the amount due to them of £686,177 (note 11) until such time as the company is able to settle this amount.

Caversham Holdings Limited has also agreed to provide financial support to the company to enable the company to continue trading for the foreseeable future and for at least twelve months from the date of approval of these financial statements.

18 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).

19 Reconciliation of operating loss to net cash inflow/(outflow) from operating activities

	14 month period ended 31 May 2004 £	Year ended 31 March 2003 £
Operating loss	(474,397)	(425,896)
Depreciation	4,580	3,619
Loss on sale of fixed assets	-	36,255
Decrease in stocks	-	5,738
(Increase)/decrease in debtors	(58,573)	26,304
Increase in creditors	550,772	336,619
	<hr/>	<hr/>
Net cash inflow/(outflow) from operating activities	22,382	(17,361)
	<hr/>	<hr/>

20 Reconciliation of net cashflow to movement in net debt

	14 month period ended 31 May 2004 £	Year ended 31 March 2003 £
Increase/(decrease) in cash in the period	614	(28,197)
Cash outflow from lease financing	701	12,678
	<hr/>	<hr/>
Change in net debt	1,315	(15,519)
Net debt at 1 April 2003	(7,628)	7,891
	<hr/>	<hr/>
Net debt at 31 May 2004	(6,313)	(7,628)
	<hr/>	<hr/>

JUST WILLS PLC (AMENDED)**Notes forming part of the financial statements for the period ended 31 May 2004 (*Continued*)****21 Analysis of changes in net debt**

	1 April 2003 £	Cashflow £	31 May 2004 £
Cash at bank and in hand	81	72	153
Bank overdrafts	(7,008)	542	(6,466)
	<u>(6,927)</u>	<u>614</u>	<u>(6,313)</u>
Finance leases	(701)	701	-
	<u>(7,628)</u>	<u>1,315</u>	<u>(6,313)</u>