

# **REGISTRAR'S COPY**

**COMPANY**

**NUMBER: 2427464**

**JUST WILLS PLC**

Report and  
Financial Statements

Year Ended  
31 May 2005



**BDO**

**BDO Stoy Hayward**  
Chartered Accountants

# **JUST WILLS PLC**

## **Annual report and financial statements for the year ended 31 May 2005**

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### **Contents**

Directors

### **Page:**

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

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### **Directors**

A D D Crichton  
D J McMaster  
E J Varley  
S Whale

### **Secretary and registered office**

Marylebone Management Services Limited, 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 WILLIS PLC

### Report of the directors for the year ended 31 May 2005

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The directors present their report together with the audited financial statements for the year ended 31 May 2005.

#### Results and dividends

The profit and loss account is set out on page 5 and shows the result 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 pleased with the improvement in the company's performance in the year.

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 2005 was 72 (2004 - 54).

#### 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	
	2005	2004
A D D Crichton	-	-
N J M Bell (resigned 16 May 2005)	-	-
D J McMaster	-	-
E J Varley	-	-
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.

## **JUST WILLS PLC**

### **Report of the directors for the year ended 31 May 2005 (*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 LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

#### **By order of the Board**



Marylebone Management Services Limited  
Secretary

Date: 22/12/05

## JUST WILLS PLC

### Report of the independent auditors

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#### 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 8 and 9.

#### *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.

It is our responsibility to form an independent opinion, based on our audit, on these revised financial statements and to report our opinion to you. We are also required to report whether in our opinion the original financial statements failed to comply with the requirements of the Companies Act 1985 in the respects identified by the directors.

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.

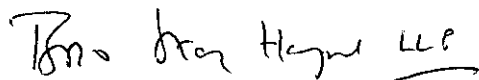
**JUST WILLS PLC**

**Report of the independent auditors (*Continued*)**

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*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 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**BDO STOY HAYWARD LLP**

*Chartered Accountants  
and registered Auditors*  
Reading

Date: 22/12/05

# JUST WILLIS PLC

## Profit and loss account for the year ended 31 May 2005

		Year ended 31 May 2005		14 month period ended 31 May 2004	
	Note	£	£	£	£
<b>Turnover</b>	2		487,765		430,677
Cost of sales			96,329		82,822
			<hr/>		<hr/>
<b>Gross profit</b>			391,436		347,855
Distribution costs		-		239	
Selling expenses		25,178		51,861	
Establishment expenses		40,646		59,287	
Administrative expenses		484,522		715,706	
			<hr/>	<hr/>	
			(550,346)		(827,093)
<b>Other operating income</b>			4,344		4,841
			<hr/>		<hr/>
<b>Operating loss</b>	5		(154,566)		(474,397)
Interest receivable			182		259
Interest payable and similar charges	6		(3,100)		(325)
			<hr/>		<hr/>
<b>Loss on ordinary activities before taxation</b>			(157,484)		(474,463)
Taxation on loss from ordinary activities	7		-		(112)
			<hr/>		<hr/>
<b>Loss on ordinary activities after taxation and accumulated for the year</b>	14		(157,484)		(474,351)
			<hr/>		<hr/>

All amounts relate to continuing activities

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

The notes on pages 8 to 16 form part of these financial statements

# JUST WILLIS PLC

## Balance sheet at 31 May 2005

			2005		2004
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8		13,526		19,605
<b>Current assets</b>					
Debtors – due within 1 year	9	8,651		36,906	
Debtors – due after more than 1 year	9	155,501		28,820	
Cash at bank and in hand		44,039		153	
			208,191	65,879	
<b>Creditors: amounts falling due within one year</b>	10	290,185		253,214	
<b>Net current liabilities</b>			(81,994)	(187,335)	
<b>Total assets less current liabilities</b>			(68,468)	(167,730)	
<b>Creditors: amounts falling due after more than one year</b>	11		945,057	686,177	
			(1,013,525)	(853,907)	
<b>Capital and reserves</b>					
Called up share capital	13		100,000	100,000	
Revaluation reserve	14		-	2,134	
Profit and loss account	14		(1,113,525)	(956,041)	
<b>Equity shareholders' deficit</b>			(1,013,525)	(853,907)	

The financial statements were approved by the Board on 22/12/05



D J McMaster  
Director

The notes on pages 8 to 16 form part of these financial statements



# JUST WILLIS PLC

## Cash flow statement for the year ended 31 May 2005

	Note	Year ended 31 May 2005 £	14 month period ended 31 May 2004 £
<b>Net cash inflow from operating activities</b>	20	52,665	22,382
<b>Returns on investments and servicing of finance</b>			
Interest received		182	259
Interest paid		-	(13)
Interest element of finance lease rental payments		-	(312)
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>		182	(66)
<b>Taxation</b>			
UK corporation tax		-	3,184
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		(2,495)	(24,185)
<b>Net cash inflow before financing</b>		50,352	1,315
<b>Financing</b>			
Capital element of finance lease rental payments		-	(701)
<b>Increase in cash</b>	21,22	50,352	614

The notes on pages 8 to 16 form part of these financial statements

# JUST WILLS PLC

## Notes forming part of the financial statements for the year ended 31 May 2005

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### 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:

#### *Going concern*

These financial statements have been prepared on a going concern basis as it is the director's opinion that the company will have sufficient resources to meet its liabilities as these fall due for the foreseeable future. Shale Investments Limited, a company controlled by A D D Crichton, a director of the company has given the following undertakings:

- It will not call in the amount due to it of £945,057 (see note 11), until such time as the company is able to settle this amount; and
- It will continue to support the company to the extent necessary to enable liabilities to be met as they fall due.

#### *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:

Leasehold improvements	- 33.3% straight line
Fixtures and fittings	- 33.3% straight line
Office equipment	- 33.3% straight line

#### *Impairment of fixed assets*

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 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 pension scheme are charged to the profit and loss account in the year in which they become payable.

# JUST WILLS PLC

## Notes forming part of the financial statements for the year ended 31 May 2005 (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 year arose wholly from its principal activity, conducted entirely in the United Kingdom.

### 3 Employees

	Year ended 31 May 2005 £	14 month period ended 31 May 2004 £
Staff costs for all employees (including directors) consist of:		
Wages and salaries	159,585	423,858
Social security costs	31,369	45,297
Pension costs	7,524	5,308
	<u>198,478</u>	<u>474,463</u>

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

	Year ended 31 May 2005 Number	14 month period ended 31 May 2004 Number
Management	4	4
Administration	15	12
	<u>19</u>	<u>16</u>

# JUST WILLIS PLC

## Notes forming part of the financial statements for the year ended 31 May 2005 (Continued)

### 4 Directors' emoluments

	Year ended 31 May 2005 £	14 month period ended 31 May 2004 £
Remuneration	61,689	165,264
Benefits in kind	2,379	2,243
Pension contributions	7,524	5,308
	<u>71,592</u>	<u>172,815</u>
	Year ended 31 May 2005 Number	14 month period ended 31 May 2004 Number
Number of directors for whom contributions are made to a pension scheme	2	2

### 5 Operating loss

	Year ended 31 May 2005 £	14 month period ended 31 May 2004 £
This has been arrived at after charging:		
Depreciation	8,574	4,580
Auditors' remuneration - audit services	5,200	5,000
- other services	1,560	1,500
Hire of office equipment - operating leases	14,279	21,904

### 6 Interest payable and similar charges

	Year ended 31 May 2005 £	14 month period ended 31 May 2004 £
Bank overdraft	-	13
Finance lease and hire purchase contracts	-	312
Other interest	3,100	-
	<u>3,100</u>	<u>325</u>

# JUST WILLS PLC

## Notes forming part of the financial statements for the year ended 31 May 2005 (Continued)

### 7 Taxation on loss from ordinary activities

	Year ended 31 May 2005 £	14 month period ended 31 May 2004 £
<i>Current tax</i>		
UK corporation tax on result of the year	-	-
Adjustment in respect of previous periods	-	(112)
	<hr/>	<hr/>
Total current tax	-	(112)
	<hr/>	<hr/>

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

	Year ended 31 May 2005 £	14 month period ended 31 May 2004 £
Loss on ordinary activities before taxation	(157,484)	(474,463)
	<hr/>	<hr/>
Loss on ordinary activities at the lower rate of corporation tax in the UK of 19% (2004 - 19%)	(29,922)	(90,148)
Effect of:		
Expenses not deductible for tax purposes	1,079	4,009
Depreciation in excess of capital allowances	850	870
Unused tax losses carried forward	27,993	78,314
Group relief surrendered	-	6,955
Adjustment in respect of prior periods	-	(112)
	<hr/>	<hr/>
Tax charge for the year	-	(112)
	<hr/>	<hr/>

#### *Factors affecting future tax charge*

The company has tax losses of approximately £920,000 (2004 - £773,000) available to carry forward for offset against future taxable profits, subject to the agreement of the Inland Revenue.

# JUST WILLIS PLC

Notes forming part of the financial statements for the year ended 31 May 2005 (*Continued*)

## 8 Tangible assets

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Total £
<i>Cost</i>				
At 1 June 2004	12,217	11,968	-	24,185
Additions	-	-	2,495	2,495
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2005	<b>12,217</b>	<b>11,968</b>	<b>2,495</b>	<b>26,680</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 June 2004	2,772	1,808	-	4,580
Provided for the year	4,101	4,307	166	8,574
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2005	<b>6,873</b>	<b>6,115</b>	<b>166</b>	<b>13,154</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 May 2005	<b>5,344</b>	<b>5,853</b>	<b>2,329</b>	<b>13,526</b>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2004	9,445	10,160	-	19,605
	<hr/>	<hr/>	<hr/>	<hr/>

## 9 Debtors

	2005 £	2004 £
Trade debtors	<b>8,025</b>	36,633
Amounts due from other group undertakings	<b>155,501</b>	28,820
Other debtors	<b>626</b>	273
	<hr/>	<hr/>
	<b>164,152</b>	<b>65,726</b>
	<hr/>	<hr/>

With the exception of amounts due from other group undertakings, all amounts shown under debtors fall due for payment within one year.

# JUST WILLIS PLC

## Notes forming part of the financial statements for the year ended 31 May 2005 (Continued)

10 Creditors: amounts falling due within one year	2005 £	2004 £
Bank overdraft	-	6,466
Trade creditors	67,564	63,950
Amount due to the immediate parent undertaking	149,417	94,132
Taxation and social security	13,918	22,931
Directors current accounts	11,537	13,879
Other creditors	9,496	-
Accruals and deferred income	38,253	51,856
	<u>290,185</u>	<u>253,214</u>

11 Creditors: amounts falling due after more than one year	2005 £	2004 £
Amount due to other group undertakings	-	686,177
Other creditors (see note 17)	945,057	-
	<u>945,057</u>	<u>686,177</u>

### 12 Deferred taxation

At 31 May 2005, there was an unprovided deferred tax asset amounting to approximately £178,000 (2004 - £150,000). 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

	2005 Number	Authorised, called up and fully paid 2004 Number	2005 £	2004 £
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

### 14 Reserves

	Revaluation reserve £	Profit and loss account £
At 1 June 2004	2,134	(956,041)
Transfer to profit and loss account	(2,134)	-
Loss for the year	-	(157,484)
	<u>-</u>	<u>(1,113,525)</u>
At 31 May 2005	-	(1,113,525)

## JUST WILLIS PLC

### Notes forming part of the financial statements for the year ended 31 May 2005 (Continued)

#### 15 Reconciliation of movement in shareholders' funds

	2005 £	2004 £
Loss for the financial year	(157,484)	(474,351)
Revaluation reserve written off in the year	(2,134)	-
	<hr/>	<hr/>
Net reduction in shareholders' funds	(159,618)	(474,351)
Opening shareholders' funds	(853,907)	(379,556)
	<hr/>	<hr/>
Closing shareholders' funds	(1,013,525)	(853,907)
	<hr/>	<hr/>

#### 16 Commitment under operating leases

As at 31 May 2005, the company had annual commitments under non-cancellable operating leases as set out below:

	2005 Land and buildings £	2005 Other £	2004 Land and buildings £	2004 Other £
Operating leases which expire:				
In less than one year	-	24,134	-	-
In two to five years	-	-	-	16,785
Over five years	27,500	-	27,500	-
	<hr/>	<hr/>	<hr/>	<hr/>
	27,500	24,134	27,500	16,785
	<hr/>	<hr/>	<hr/>	<hr/>

#### 17 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.

The company entered into transactions with Shale Investments Limited, a company controlled by A D D Crichton, a director of the company. As at 31 May 2005, the company owed £945,057 to Shale Investments Limited.



## JUST WILLS PLC

### Notes forming part of the financial statements for the year ended 31 May 2005 (Continued)

#### 18 Ultimate parent company

At 31 May 2005 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.

#### 19 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).

#### 20 Reconciliation of operating loss to net cash inflow from operating activities

	Year ended 31 May 2005 £	14 month period ended 31 May 2004 £
Operating loss	(154,566)	(474,397)
Depreciation	8,574	4,580
Increase in debtors	(98,426)	(58,573)
Increase in creditors	297,083	550,772
	<hr/>	<hr/>
Net cash inflow from operating activities	52,665	22,382
	<hr/>	<hr/>

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

	£	Year ended 31 May 2005 £	£	14 month period ended 31 May 2004 £
Increase in cash in the year	50,352		614	
Cash outflow from lease financing	-		701	
	<hr/>		<hr/>	
Change in net debt		50,352		1,315
Net debt at 1 June 2004		(6,313)		(7,628)
		<hr/>		<hr/>
Net debt at 31 May 2005		44,039		(6,313)
		<hr/>		<hr/>

## JUST WILLS PLC

Notes forming part of the financial statements for the year ended 31 May 2005 (*Continued*)

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### 22 Analysis of changes in net debt

	1 June 2004 £	Cashflow £	31 May 2005 £
Cash at bank and in hand	153	43,886	44,039
Bank overdraft	(6,466)	6,466	-
	<hr/>	<hr/>	<hr/>
	(6,313)	50,352	44,039
	<hr/>	<hr/>	<hr/>