

**BERRY BIRCH & NOBLE
ESTATE PLANNING LIMITED**

(formerly known as

Ever 1937 Limited

and

Berry Birch & Noble Estates Planning Limited)

REPORT & ACCOUNTS

2004



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REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of the Company for the period from 15 October 2002 to 31 March 2004.

Incorporation and change of name

The Company was incorporated on 15 October 2002 as Ever 1937 Limited and changed its name to Berry Birch & Noble Estates Planning Limited on 12 December 2002. On 3 February 2003 the Company changed its name to Berry Birch & Noble Estate Planning Limited.

Principal activities

The Company was dormant from the date of incorporation until 1 September 2003. Since that date, the principal activity of the Company has been the provision of personal estate planning and estate management services to private individuals, their professional advisers and executors.

Review of business

The Company acquired the wills writing and estate planning business of the Weston Financial Services partnership in exchange for shares issued to the owners of the business on 13 December 2002. However, following negotiations with the majority shareholder, Berkeley Berry Birch plc, the business was not formally transferred to the Company until 1 September 2003. No assets or liabilities were transferred with the business which was valued at £197,000 and has been recorded as an intangible asset in the Company's balance sheet.

For the seven month period from 1 September 2003 to 31 March 2004 the Company reported turnover of £219,267 and an operating profit of £42,796.

Directors

The following were appointed directors of the Company during the period:

	Appointed	Resigned
Everdirector Limited	15 October 2002	12 December 2002
M A Cleary	12 December 2002	
A Hawkins	12 December 2002	12 January 2004
S Webster	12 December 2002	13 June 2003
J G Cooper	13 December 2002	
G J Hexley	13 December 2002	

REPORT OF THE DIRECTORS

Directors' interests

The interests of the directors in the shares of the Company and its parent company, Berkeley Berry Birch plc, are as follows:

Berry Birch & Noble Estate Planning Limited
"B" Ordinary shares of £1 each

31 March 2004 Date of appointment

M A Cleary	-	-
J G Cooper	125	125
G J Hexley	125	125

Berkeley Berry Birch plc
Ordinary shares of 10p each

31 March 2004 Date of appointment

M A Cleary	108,666	108,666
J G Cooper	362,640	362,640
G J Hexley	362,640	362,640

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 departures 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.

REPORT OF THE DIRECTORS

Auditors

BDO Stoy Hayward LLP were appointed auditors during the period and have expressed their willingness to continue in office. A resolution to reappoint them will be made at the forthcoming annual general meeting.

On behalf of the Board



G J Hexley
Director

6 August 2004

REPORT OF THE INDEPENDENT AUDITORS

To the shareholders of Berry Birch & Noble Estate Planning Limited

We have audited the financial statements of Berry Birch & Noble Estate Planning Limited for the period from 15 October 2002 to 31 March 2004 on pages 6 to 14 which have been prepared under the accounting policies set out on page 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.

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 audit 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.

REPORT OF THE INDEPENDENT AUDITORS

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 2004 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO Stoy Hayward LLP

BDO STOY HAYWARD LLP

Chartered Accountants and Registered Auditors
London

6 August 2004

PROFIT AND LOSS ACCOUNT

For the period from 15 October 2002 to 31 March 2004

	Note	£
Turnover	2	219,267
Cost of sales		(81,539)
Gross profit		137,728
Overheads		(94,932)
Operating profit	3	42,796
Interest receivable		443
Profit on ordinary activities before taxation		43,239
Taxation on profit on ordinary activities	5	(14,571)
Profit for the financial period	12	28,668

The entire turnover and operating profit is in respect of an acquisition during the period.

All amounts relate to continuing operations.

There were no recognised gains and losses for the period other than the profit for the financial period shown above.

There was no difference between the profit on ordinary activities before taxation and the profit for the financial period and their historical cost equivalents.

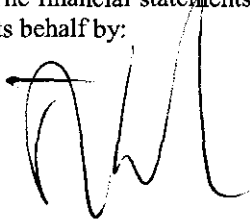
The notes on pages 9 to 14 form part of these accounts.

BALANCE SHEET

31 March 2004

	Note	£
Fixed assets		
Intangible assets	6	191,254
Tangible assets	7	3,229
		194,483
Current assets		
Debtors	8	19,448
Cash at bank		72,336
		91,784
Creditors: amounts falling due within one year	9	(59,849)
Net current assets		31,935
Net assets		226,418
Capital and reserves		
Called up share capital	10	1,000
Share premium account	11	196,750
Profit and loss account	12	28,668
Equity shareholders' funds	13	226,418

The financial statements were approved by the board of directors on 6 August 2004 and were signed on its behalf by:



J G Cooper
Director

The notes on pages 9 to 14 form part of these accounts.

CASH FLOW STATEMENT

For the period from 15 October 2002 to 31 March 2004

	Note	£
Net cash inflow from operating activities	14	74,893
Returns on investments and servicing of finance		
Interest received		443
Taxation		-
Capital expenditure		
Purchase of tangible fixed assets		(3,750)
Net cash inflow before management of liquid resources and financing		71,586
Financing		
Issue of ordinary shares for cash		750
Increase in cash in the period	15	72,336

The notes on pages 9 to 14 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

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 fees receivable, net of value added tax.

Goodwill

Goodwill, being the difference between the fair value of attributable net assets at the date of acquisition and the purchase price of those assets, is capitalised and amortised over its estimated economic life up to a maximum of 20 years. Provision is made for impairment where required.

Depreciation

Depreciation is provided on a straight-line basis at rates which, in the opinion of the directors, reduce the assets to their residual values over their estimated useful lives. The rate of depreciation applied is:

IT equipment and software	33.3%
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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 Berkeley Berry Birch plc group's defined contribution pension schemes are charged to the profit and loss account in the period in which they become payable. The assets of the schemes are held separately from those of the group in independently administered funds.

Leases

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term.

2 Turnover

Turnover is wholly attributable to the principal activity of the Company and arises solely within the United Kingdom.

3 Operating profit

Operating profit is arrived at after charging the following:

	15 October 2002 to 31 March 2004 £
Employee costs (see note 4)	66,063
Depreciation of tangible fixed assets	521
Operating lease rentals	296
Amortisation of goodwill	5,746

Audit fees have been borne by the parent company.

NOTES TO THE FINANCIAL STATEMENTS

4 Employee information

	15 October 2002 to 31 March 2004 £
Employment costs including executive directors	
Wages and salaries	59,310
Social security costs	6,356
Pension costs	397
	<hr/> 66,063

The average number of employees (including executive directors) since the date of the acquisition set out in note 6 until 31 March 2004 was 6. Prior to the acquisition the average number was nil.

The directors are remunerated by other companies owned by the parent company and are not remunerated for their services to the Company.

5 Taxation on loss on ordinary activities

	15 October 2002 to 31 March 2004 £
Current tax:	
UK corporation tax on profits of the period	-
Amounts payable to the parent company in respect of tax saved by group relief	14,571
	<hr/> 14,571

The corporation tax payable for the period has been reduced by £14,571 because of group relief received from the parent company for which payment of £14,571 will be made on 1 January 2005.

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

	15 October 2002 to 31 March 2004 £
Profit on ordinary activities	43,239
Profit on ordinary activities at 30%	12,972
Effects of:	
Expenses not deductible for tax purposes	1,724
Timing differences	(125)
Current tax charge	<hr/> 14,571

Deferred taxation at 31 March 2004 was not material.

NOTES TO THE FINANCIAL STATEMENTS

6 Intangible fixed assets

	Goodwill £
Cost or valuation	
Additions during the period	197,000
At 31 March 2004	197,000
Amortisation and impairment	
Amortisation provision for the period	5,746
At 31 March 2004	5,746
Net book value at 31 March 2004	191,254

The intangible asset is goodwill arising on the acquisition of the will writing and estate planning business of the Weston Financial Services partnership on 1 September 2003. No tangible assets were acquired.

7 Tangible fixed assets

Tangible fixed assets comprise computer equipment and software. Additions at cost during the period amounted to £3,750 and the depreciation charge for the period was £521 leaving a net book value at 31 March 2004 of £3,229.

8 Debtors

	31 March 2004 £
Amounts falling due within one year	
Trade debtors	8,412
Other debtors	275
Amounts due from group undertakings	899
Prepayments and accrued income	9,862
	19,448

9 Creditors: amounts falling due within one year

	31 March 2004 £
Amounts owed to group undertakings	5,933
Payment for group relief to ultimate parent company	14,571
Other taxation and social security	12,367
Other creditors	53
Accruals and deferred income	26,925
	59,849

NOTES TO THE FINANCIAL STATEMENTS

10 Called up share capital

	31 March 2004 £
Authorised, issued and fully paid	
750 "A" Ordinary Shares of £1 each	750
250 "B" Ordinary Shares of £1 each	250
	1,000

All classes of shares rank pari passu for dividends and in the event of a wind up of the Company.

The authorised share capital of the Company on its incorporation on 15 October 2002 was 1,000 Ordinary Shares of £1 each of which 1 share was allotted as a subscriber share with nil paid.

On 13 December 2002 the Company called up the capital in respect of the subscriber share and re-designated it into 1 "A" Ordinary Share of £1. On the same day the authorised but unissued share capital of the Company was re-designated so as to comprise 749 "A" Ordinary Shares of £1 each and 250 "B" Ordinary Shares of £1 each. On that day, the Company issued 749 "A" Ordinary Shares of £1 each and 250 "B" Ordinary Shares of £1 each. The 749 "A" Ordinary Shares of £1 each were subscribed for cash at par. The 250 "B" Ordinary Shares of £1 each were issued in exchange for the wills writing and estate planning business of the Weston Financial Services partnership.

11 Share premium account

	15 October 2002 to 31 March 2004 £
Share premium on ordinary shares issued during the period	196,750
At 31 March 2004	196,750

The share premium account represents the premium of £787 per share on the issue of 250 "B" Ordinary Shares on 13 December 2002.

12 Profit and loss account

	15 October 2002 to 31 March 2004 £
Profit for the financial period	28,668
At 31 March 2004	28,668

13 Reconciliation of movement in equity shareholders' funds

	15 October 2002 to 31 March 2004 £
Ordinary shares issued	197,750
Profit for the financial period	28,668
At 31 March 2004	226,418

NOTES TO THE FINANCIAL STATEMENTS

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

	15 October 2002 to 31 March 2004 £
Operating profit	42,796
Amortisation of goodwill	5,746
Depreciation charges	521
Increase in debtors	(19,448)
Increase in creditors	45,278
Net cash inflow from operating activities	74,893

15 Reconciliation of net cash flow to movement in net funds

	15 October 2002 to 31 March 2004 £
Increase in cash at bank in the period	72,336
Net funds at 31 March 2004	72,336

16 Operating lease commitments

At 31 March 2004 the Company had annual rental commitments under operating leases as follows:

	Land and buildings £	Other £
Expiry of lease within:		
Two to five years	-	1,273

NOTES TO THE FINANCIAL STATEMENTS

17 Related party transactions

The Berkeley Berry Birch plc group has a centralised purchase ledger and a centralised payroll which are operated by Berkeley Berry Birch Group Support Services Limited ('GSS'), a wholly owned subsidiary of Berkeley Berry Birch plc, the ultimate parent company. As a member of the Berkeley Berry Birch plc group the Company participates in these arrangements. In the period ended 31 March 2004 the Company was charged £40,167, including the related VAT, in respect of purchase invoices and £71,652 in respect of payroll costs to reimburse amounts settled by GSS on behalf of the Company. At 31 March 2004 the Company owed GSS £5,935 in respect of unsettled purchase invoices.

The Company occupies office premises leased by Weston Financial Group Limited ('Weston'), a fellow subsidiary company, for which the Company was charged rent of £3,500. Weston also invoiced the Company £728 as a contribution towards a marketing event. The Company in turn recharged salary costs of £4,323 and other expenses of £4,772 to Weston. At 31 March 2004 Weston owed the Company £149 in respect of unsettled net recharges.

The Company invoiced salary costs of £1,266 to Weston Financial Services ('WFS'), a partnership controlled by J G Cooper and G J Hexley, who are directors of the Company. The Company also invoiced WFS £5,804 for wills storage. At 31 March 2004 WFS owed the Company £580.

The Company is a member of the Berkeley Berry Birch plc group registration for VAT. During the period the Company paid £21,269 to Berkeley Berry Birch plc in respect of VAT paid to Customs & Excise by Berkeley Berry Birch plc.

At 31 March 2004 the Company was owed £1 and £749 by Berkeley Berry Birch plc and Berry Birch & Noble Trustees Limited respectively.

18 Parent company

At 31 March 2004 the Company's immediate parent company was Berry Birch & Noble Trustees Limited. The ultimate parent company is Berkeley Berry Birch plc, which is the parent company of the smallest and largest group to consolidate these financial statements.

Copies of the consolidated financial statements of Berkeley Berry Birch plc are available from The Secretary, 1 Eaton House, Eaton Road, Coventry CV1 2 FJ.