

Just Wills Group Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

7 Months ended
31 December 2010

(Registered Number 05186807)

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Company Information

DIRECTORS

D J McMaster
A Barnes
RS Shipperley
DC Livesey
AS Gill
MJ Oliver

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Medway House
Cantelupe Road
East Gnnstead
West Sussex
RG19 3BJ

REGISTERED NUMBER

05186807

BANKERS

Barclays Bank Plc
17-21 High Street
East Gnnstead
West Sussex
RH19 3AH

Directors' Report

The Directors present their annual report and group financial statements for the seven month period ended 31 December 2010

PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

The principal activity of the group continued to be the provision of will writing services the sale of will writing franchises, the provision of trust probate and estate planning services and the storage of wills

DIVIDENDS

The Directors do not propose a final ordinary dividend in respect of the current financial period (May 2010 £nil)

During the period no interim dividend was paid (May 2010 £nil)

DIRECTORS

The directors who served during the period were

D J McMaster
ADD Crichton (resigned 8 February 2011)
AD Neale (resigned 8 February 2011)
C Phillips (resigned 31 October 2010)

The following directors were appointed after the period end

A Barnes (appointed 8 February 2011)
DC Livesey (appointed 8 February 2011)
RS Shipperley (appointed 8 February 2011)
AS Gill (appointed 8 February 2011)
MJ Oliver (appointed 8 February 2011)

CHARITABLE AND POLITICAL DONATIONS

During the period the Group made no donations to charities No contributions were made for political purposes

CREDITOR PAYMENT POLICY

The Group's policy concerning the payment of suppliers is to agree terms of payment in advance and to pay according to those agreed terms and any other legal obligations At the year end, there was an average of 58 days' purchases outstanding (May 2010 75 days) The Company has no trade creditors in 2010 and 2009

The above report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

By order of the board

DJ McMaster
Director



26 September 2011

Medway House
Cantelupe Road
East Grinstead
West Sussex
RG19 3BJ

Consolidated Profit and Loss Account

FOR THE PERIOD ENDED 31 DECEMBER 2010

	Notes	7 Month Period ended 31 Dec 2010 £	12 Month Period ended 31 May 2010 £
Revenue	1	430,674	673,669
Cost of sales		<u>(170,693)</u>	<u>(175,569)</u>
Gross profit		259,981	498,100
Administrative expenses	3	<u>(318,910)</u>	<u>(496,804)</u>
(Loss)/ profit from operations		(58,929)	1,296
Interest receivable		-	5
Other non operating item		<u>-</u>	<u>101</u>
(Loss)/ profit before tax		(58,929)	1,402
Taxation	5	<u>-</u>	<u>-</u>
(Loss)/ profit after tax		<u>(58,929)</u>	<u>1,402</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

Consolidated Balance Sheet

AT 31 DECEMBER 2010

	Notes	£000	31 Dec 2010 £	£000	31 May 2010 £
Fixed assets					
Tangible assets	6		1,516		2,616
Current assets					
Debtors	8	91,342		77,934	
Cash at bank and in hand		2,258		558	
Total current assets			93,600		78,492
Total assets			95,116		81,108
Current liabilities					
Creditors amounts falling due within one year	9	(1,725,445)	(1,725,445)	(1,652,508)	(1,652,508)
Total current liabilities					
Net liabilities			(1,630,329)		(1,571,400)
Equity					
Share capital	11	27,536		27,536	
Profit and loss account	12	(1,657,865)		(1,598,936)	
Total equity and liabilities			(1,630,329)		(1,571,400)

These financial statements have been prepared in accordance with the special provisions relating to small companies and groups within Part 15 of the Companies Act 2006 and with the Financial Reporting Standards for Smaller Entities (effective April 2008)

For the financial period ended 31 December 2010 the Group and Company were entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. No member of the Group or Company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006

The directors acknowledge their responsibilities for ensuring that the group and company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts so far as applicable to the Group and Company

These financial statements were approved by the Board of Directors on 26 September 2011 and signed on its behalf by



DJ McMaster
Director

Company registration number 05186807

The notes on pages 9 to 13 form part of these financial statements

Company Balance Sheet

AT 31 DECEMBER 2010

	Notes	£000	31 Dec 2010 £	£000	31 May 2010 £
Fixed assets					
Investments	7		5		5
Current assets					
Debtors	8	1,479,227		1,481,227	
Total current assets					1,481,227
Total assets			1,479,232		1,481,232
Current liabilities					
Creditors amounts falling due within one year	9	(1,476,341)		(1,478,341)	
Total current liabilities			(1,476,341)		(1,478,341)
Net assets			2,891		2,891
Equity					
Share capital	11	27,536		27,536	
Profit and loss account	12	(24,645)		(24,645)	
Total equity and liabilities			2,891		2,891

These financial statements have been prepared in accordance with the special provisions relating to small companies and groups within Part 15 of the Companies Act 2006 and with the Financial Reporting Standards for Smaller Entities (effective April 2008)

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These financial statements were approved by the Board of Directors on 26 September 2011 and signed on its behalf by



DJ McMaster
Director

Company registration number 05186807

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Consolidated Cash Flow Statement

FOR THE PERIOD ENDED 31 DECEMBER 2010

	Note	7 Month period ended 31 Dec 2010 £000	12 Month period ended 31 May 2010 £000
Cash flows from operating activities			
Loss/(profit) for the period		(58 929)	1 296
Adjustments for			
Depreciation charges	3	1,100	4,870
Operating (loss)/profit before changes in working capital and provisions		(57,829)	6,166
Increase in debtors		(13,408)	(3 794)
Increase/(decrease) in creditors		71 979	(657)
Net cash inflow from operating activities		742	1,715
Cash flows from investing activities			
Interest received		-	5
Purchases of tangible assets		-	(420)
Net cash (outflow)/inflow from investing activities		-	(415)
Cash flows from financing activities			
Dividends paid		-	-
Net cash outflow from financing activities		-	-
Net increase in net cash for the period		742	1,300
Net cash at 01 June/ 01 January	13	(48 851)	(50,151)
Net cash at 31 December / 31 May		(48,109)	(48,851)

The notes on pages 9 to 13 form part of these accounts

NOTES TO FINANCIAL STATEMENTS *(continued)*

1 Accounting policies

Just Wills Group Limited (the "Company") is a company incorporated and domiciled in the UK. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group and Company accounts.

a) Basis of accounting

The Financial Statements are presented in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Measurement convention

These financial statements are prepared on the historical cost basis.

Currency presentation

These financial statements are presented in pounds sterling.

Going concern

The directors believe that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

b) Basis of consolidation

The consolidated accounts include the results of the Company and its group undertakings. The results of undertakings acquired are included in the profit or loss account up to, or from the date on which control is transferred to the group. Intra-group transactions and balances are eliminated on consolidation. No profit and loss account is presented for the Company as permitted by the Companies Act 2006.

c) Revenue recognition

Revenue, which excludes value added tax, represents net invoiced sales of goods and services.

d) Tangible assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Leasehold improvements	33% on cost
Fixtures and Fittings	33% on cost
Office equipment	33% on cost

e) Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

f) Investments

Fixed asset investments are stated at cost less provision for any diminution in value.

g) Trade and other debtors

Trade and other debtors are stated at their nominal amount (discounted if material) less any provision for doubtful debts.

h) Trade and other creditors

Trade and other payables are stated at their nominal value.

2 Turnover

The total turnover of the group for the period has been derived from the principal activities and are wholly undertaken in the United Kingdom.

NOTES TO FINANCIAL STATEMENTS *(continued)*

3 Expenses and auditors' remuneration

	7 Month Period ended 31 Dec 2010 £	12 Month Period ended 31 May 2010 £
Included in loss/(profit) is the following		
Depreciation of tangible fixed assets	1 100	4,870
Operating lease rentals		
- Equipment	6,563	4,503
- Property	12,643	22,446
Auditors' remuneration		
Audit of these financial statements	-	4,781
All other services	-	11,101

4 Staff numbers and costs

The average monthly number of persons employed by the Group and Company (including directors) during the period was as follows

	Group 7 month period ended 31 Dec 2010 No	Company 7 month period ended 31 Dec 2010 No	Group 12 Month period ended 31 May 2010 No	Company 12 Month Period ended 31 May 2010 No
Management	3	3	3	3
Administration	11	-	11	-
	<u>14</u>	<u>3</u>	<u>14</u>	<u>3</u>
The aggregate payroll costs of these persons was as follows	£	£	£	£
Wages and salaries	158,522	-	272,947	-
Social security costs	16,269	-	24,993	-
	<u>174,791</u>	<u>-</u>	<u>297,940</u>	<u>-</u>

Directors' emoluments

	7 month period ended 31 Dec 2010 £	12 Month period ended 31 May 2010 £
Directors' emoluments	<u>73,873</u>	<u>108,602</u>

5 Tax on (loss)/profit on ordinary activities

	7 month period ended 31 Dec 2010 £	12 Month period ended 31 May 2010 £
The charge for the year can be reconciled to the (loss)/profit per the profit and loss account as follows		
(Loss)/ profit before tax	<u>(58,929)</u>	<u>1 402</u>
Tax on (loss)/ profit at UK standard small company rate of 21% (May 2010 21%)	(12 375)	294
Effects of		
Expenses not deductible for tax purposes	-	116
Utilisation of tax losses	-	(313)
Unused tax losses carried forward	12 375	509
Other	-	(606)
Tax expense	<u>-</u>	<u>-</u>

NOTES TO FINANCIAL STATEMENTS *(continued)*

6 Tangible assets

	Leasehold improvements £	Fixtures & fittings £	Office Equipment £	Total £
Cost				
At 1 June 2010	12,217	11,968	26,858	51,043
Additions	-	-	-	-
At 31 December 2010	12,217	11,968	26,858	51,043
Accumulated depreciation and impairment				
At 1 June 2010	12,217	11,968	24,242	48,427
Depreciation charge for the period	-	-	1,100	1,100
At 31 December 2010	12,217	11,968	25,342	49,527
Carrying amounts				
At 31 May 2010	-	-	2,616	2,616
At 31 December 2010	-	-	1,516	1,516

7 Investments

Company	Shares in subsidiary undertakings £
Cost	
At 31 May and 31 December 2010	5

Name of subsidiary undertaking	Nature of business	Proportion of ordinary shares held
Just Wills Limited	Will writing services	100%
The Universal Trust Corporation	Trust, probate, and will storage services	100%
Heritage Family Estates Limited	Wills storage services	100%
Chancery Law Services	Wills storage services	100%
Just Willbank Limited	Dormant	100%
UTC Holdings Limited	Dormant	100%
Rainbow Wills Limited	Dormant	100%

8 Debtors

	Group 31 Dec 2010 £	Company 31 Dec 2010 £	Group 31 May 2010 £	Company 31 May 2010 £
Trade debtors	61,642	-	56,533	-
Amounts due from subsidiary undertakings	-	1,479,227	-	1,481,227
Other debtors	6,618	-	1,524	-
Prepayments and accrued income	23,082	-	19,877	-
	91,342	1,479,227	77,934	1,481,227

NOTES TO FINANCIAL STATEMENTS *(continued)*

9 Creditors amounts falling due within one year

	Group 31 Dec 2010 £	Company 31 Dec 2010 £	Group 31 May 2010 £	Company 31 May 2010 £
Bank overdrafts	50,367	-	49,409	-
Trade creditors	135,031	-	72,912	-
Amounts owed to related undertakings	1,325,941	1,325,941	1,326,441	1,325,941
Amounts owed to group undertakings	-	150,000	-	150,000
Other taxes and social security	27,506	-	33,212	-
Accruals and deferred income	1,604	400	32,007	2,350
Directors' loan accounts	-	-	497	50
Other creditors	184,996	-	138,030	-
	<u>1,725,445</u>	<u>1,476,341</u>	<u>1,652,508</u>	<u>1,478,341</u>

10 Capital and operating lease commitments

At the period end the group had annual commitments under non-cancellable operating leases as follows

	Property 31 Dec 2010 £000	Other 31 Dec 2010 £000	Property 31 May 2010 £000	Other 31 May 2010 £000
Expiring	-	-	-	161
Within one year	-	-	-	3,474
In two to five years	27,500	-	27,500	-
	<u>27,500</u>	<u>-</u>	<u>27,500</u>	<u>3,635</u>

The Company had no commitments at the period end (31 May 2010 nil)

11 Share capital

	31 Dec 2010 £	31 May 2010 £
Allotted, called up and fully paid		
27,536 £1 Ordinary shares	<u>27,536</u>	<u>27,536</u>

12 Profit and loss account

	Group £	Company £
At 31 May 2010	(1,598,936)	(24,645)
(Loss)/profit for the period	(58,929)	-
At 31 December 2010	<u>(1,657,865)</u>	<u>(24,645)</u>

13 Movement in net debt

	31 May 2010 £	Cash flow £	31 Dec 2010 £
Net cash			
Cash at bank and in hand	558	1,700	2,258
Bank overdrafts	(49,409)	(958)	(50,367)
	<u>(48,851)</u>	<u>742</u>	<u>(48,109)</u>

NOTES TO FINANCIAL STATEMENTS *(continued)*

14 Contingent liabilities

The group is currently in dispute with a client, since 2001 there has been an ongoing dispute in relation to the distribution of a deceased estate. An individual who felt entitled to be treated as a beneficiary of the estate is seeking to recover a proportion of the estate from the group as a result of the case being poorly managed. The directors have attended mediation and a settlement of between £75,000 and £80,000 plus legal fees was suggested. No settlement has been agreed to date and the ultimate outcome cannot be ascertained with reasonable certainty, at the period end date. Therefore no provision has been made in these accounts.

15 Related party transactions

The balance owing to McMaster Business Development Limited, a company in which Mr D J McMaster is a director and shareholder as at 31 December 2011 amounted to £600, (May 2010: £600). There were no purchases in the period (May 2010: £nil).

During the period the group continued to receive financial support from Shale Investments Limited, a majority shareholder during the period and a company in which Mr A D D Crichton is a director and a shareholder. The balance owing to Shale Investments Limited as at 31 December 2010 amounted to £1,325,981 (May 2010: £1,325,981).

There was no balance owing to Marylebone Investment Holdings Limited, a company in which Mr A D D Crichton is a director as at 31 December 2010 (31 May 2010: £950).

16 Control

At the period end the company was under the immediate control of Shale Investments Limited, a company incorporated in Jersey. The company was under the ultimate control of Mrs H Crichton who controls Shale Investments. Subsequent to the period end, 100% of the share capital was purchased by WSAPC Limited, a company incorporated in the United Kingdom.