

SEDGWICK OVERSEAS GROUP LIMITED

Report and Financial Statements

31 December 1999



REPORT AND FINANCIAL STATEMENTS 1999

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DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 December 1999.

PRINCIPAL ACTIVITIES

The company did not trade during the year and has made neither a profit nor loss. The company is expected to remain dormant for the foreseeable future.

DIRECTORS

The directors at the date of this report are:

Mr B T Marsh
Mr C M R Pearson

Mr J Pinchin resigned on 23 March 1999 and Mr C E Hutchinson resigned on 31 March 1999. Mr C M R Pearson and Mr B T Marsh were appointed on 23 March 1999 and 31 March 1999 respectively.

DIRECTORS' SHAREHOLDINGS

The ultimate parent company is Marsh & McLennan Companies, Inc. and, consequently, the directors are exempt from the requirements to notify the company of interests in shares since the ultimate parent company is a body corporate incorporated outside the United Kingdom. There are no other interests requiring disclosure.

ELECTIVE RESOLUTIONS

In accordance with Section 379A of the Companies Act 1985 the company has elected to dispense with the laying of accounts and reports before the company in general meeting and the holding of annual general meetings.

AUDITORS

As the company is dormant within the meaning of Section 250 of the Companies Act 1985, the company has passed a resolution to make itself exempt from the obligation to appoint auditors as otherwise required by Section 384 of the Companies Act 1985.

Approved by the Board of Directors
and signed on behalf of the Board

H. M. Melton

Miss H M Melton
Secretary

25 October 2000

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year 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 a 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.

BALANCE SHEET
31 December 1999

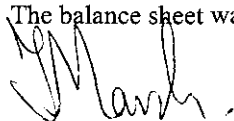
| | Note | 1999 £'000 | 1998 £'000 |
|--|------|---------------|---------------|
| CURRENT ASSETS | | | |
| Debtors: amounts falling due within one year | 2 | <u>39,394</u> | <u>39,394</u> |
| EQUITY SHAREHOLDERS' FUNDS | 3 | <u>39,394</u> | <u>39,394</u> |

The company did not trade on its own account during the year.

Throughout the financial year ended 31 December 1999, the company was dormant within the meaning of Section 250 of the Companies Act 1985 (as amended).

The accompanying notes form part of the financial statements.

The balance sheet was approved by the Board on 25 October 2000 and signed on behalf of the Board by:



B T Marsh
Director

NOTES TO THE FINANCIAL STATEMENTS
31 December 1999

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below:

a) Accounting Convention

Financial statements are prepared under the historical cost convention.

b) Trading Results

The company did not trade on its own account during the year and has made neither a profit nor loss nor any other recognised gains and losses.

2. CURRENT ASSETS: DEBTORS

Amounts falling due within one year:

| | 1999 | 1998 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Amounts owed by other group undertakings | 39,394 | 39,394 |

3. EQUITY SHAREHOLDERS' FUNDS

| | Share capital (Note 4) £'000 | Share premium £'000 | Profit and loss account £'000 | Total £'000 |
|---|---|--------------------------------|--|------------------------|
| As at 1 January 1999 and 31 December 1999 | 2,649 | 36,734 | 11 | 39,394 |
| As at 1 January 1998 and 31 December 1998 | 2,649 | 36,734 | 11 | 39,394 |

4. CALLED UP SHARE CAPITAL

| | 1999 | | 1998 | |
|--|------------|-------|------------|-------|
| | Number | £'000 | Number | £'000 |
| Authorised Ordinary shares of 25p each | 10,000,000 | 2,500 | 10,000,000 | 2,500 |
| Issued and fully paid Ordinary shares of 25p each | 9,217,180 | 2,304 | 9,217,180 | 2,304 |
| Authorised 6.5% cumulative preference shares of £1 each | 500,000 | 500 | 500,000 | 500 |
| Issued and fully paid 6.5% cumulative preference shares of £1 each | 344,889 | 345 | 344,889 | 345 |

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 December 1999

5. ULTIMATE PARENT COMPANY

The company's ultimate parent company and controlling entity is Marsh & McLennan Companies, Inc., incorporated in Delaware, USA. The largest group in which the results of Sedgwick Overseas Group Limited are consolidated is that headed by Marsh & McLennan Companies, Inc. The smallest group in which they are consolidated is that headed by Marsh & McLennan Companies UK Limited (formerly J&H Marsh & McLennan (Holdings) Limited and Marsh Mercer Holdings Limited), registered in England and Wales.

The consolidated accounts of Marsh & McLennan Companies UK Limited and of Marsh & McLennan Companies, Inc. are available to the public and may be obtained from:

The Registrar of Companies
Companies House
Crown Way
Maindy
Cardiff
CF14 3UZ

and also from:

The Company Secretary
Marsh & McLennan Companies UK Limited
No. 1, The Marsh Centre
London
E1 8DX