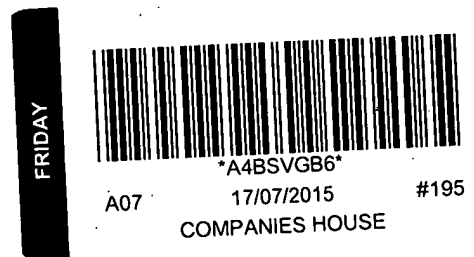


GUY CARPENTER & COMPANY LIMITED

Report and Financial Statements

31 December 2014



REPORT AND FINANCIAL STATEMENTS 2014

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DIRECTORS' REPORT

The directors present their annual report together with the audited financial statements of Guy Carpenter & Company Limited ('the Company') for the year ended 31 December 2014. The Company's registration number is 335308. The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

PRINCIPAL ACTIVITY

During the year under review, the Company's principal activities were to advise and arrange traditional reinsurance brokerage and the provision of leading analytic and modelling services. The Company may work with the other affiliated companies within the Marsh & McLennan Companies, Inc Group.

The Company is an appointed representative of Marsh Limited which is authorised and regulated by the Financial Conduct Authority for insurance mediation activities only.

This entity has been and remains inactive except for the establishment in 2012 of a representative office in Moscow. Under the terms of the licence granted by the Russian Federation, the representative office may introduce business to the Company in London, but is not permitted to negotiate or conclude agreements with clients.

STRATEGIC REPORT

The Company qualifies as a small company as defined in s382 of the Companies Act 2006 and is exempt from the preparation of a strategic report as defined by the Companies Act 2006 (Strategic Report and Directors' Report) regulations 2013 no. 1970.

GOING CONCERN

The directors acknowledge the latest guidance on going concern. The Company continues to monitor the uncertainty in the current economic and business environment. The directors are satisfied that the services of the Company will be required for the foreseeable future and that adequate financial liquid resources will be made available to it by other companies within the Marsh & McLennan Companies Inc. group. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

RESULTS AND DIVIDENDS

The results of the Company for the financial year ended 31 December 2014 are set out on page 7.

The profit for the financial year is £529 (2013: loss £14).

No dividends were paid in the year (2013: £nil).

FINANCIAL RISK MANAGEMENT

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet, the only financial risks the directors consider relevant to this company are credit risk, liquidity/cash flow risk, interest rate risk and currency risk.

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The main area where the Company is exposed to credit risk is amounts due from other group companies. The Company mitigates its credit risk in respect of inter-company items by monitoring the debts created and ability to pay.

DIRECTORS' REPORT (continued)

FINANCIAL RISK MANAGEMENT (continued)

Liquidity/cash flow risk

Liquidity and cash flow risk is the risk that cash may not be available to pay obligations when due. The Company maintains regular contact with its inter-company creditors to ensure that any obligations that fall due can be met from existing cash resources or from alternative sources of inter-company financing.

Interest rate risk

The Company has cash deposits which are at variable rates of interest.

Currency risk

The Company is exposed to currency risk in respect of expenses as well as assets and liabilities denominated in currency other than pounds sterling. The most significant currency to which the Company is exposed to is Russian Roubles. The Company seeks to mitigate the risk as far as possible by matching the estimated foreign currency denominated liabilities with assets denominated in the same currency.

DIRECTORS

The current directors and those who served during the year, except as noted, are as follows:

N C Frankland	(Chairman and Chief Executive Officer)
V L Carter	
K J Fisher	(appointed alternate director 21 May 2014)
C F Kiddie	
E Paire	(appointed 30 May 2014)
M A Reina	(appointed 17 April 2014)
P N Stubbings	(resigned 31 January 2014)
J E Summers	

INDEMNITY

The Company has put in place an indemnity to indemnify directors and officers of the Company against losses or liabilities sustained in the execution of their duties of office. The indemnity is a qualifying third party indemnity provision under s232 and 234 of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In the case of each of the persons who are directors of the Company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware; and
- each of the directors has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of section 418 of the Companies Act 2006.

DIRECTORS' REPORT (continued)

AUDITOR

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

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



Dawn Hodges

Company Secretary,

Guy Carpenter & Company Limited
1 Tower Place West
Tower Place
London
EC3R 5BU

14 July

2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the safeguarding of the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF GUY CARPENTER & COMPANY LIMITED

We have audited the financial statements of Guy Carpenter & Company Limited for the year ended 31 December 2014 which comprise the profit and loss account, balance sheet and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF GUY CARPENTER & COMPANY LIMITED (continued)

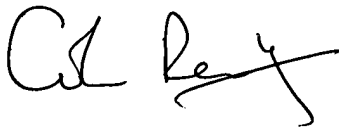
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.



Colin Rawlings, FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

15 JUL 2015

GUY CARPENTER & COMPANY LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 31 December 2014

	Note	2014 £	2013 £
TURNOVER		160,965	188,744
Administrative expenses		(170,802)	(174,183)
OPERATING (LOSS)/ PROFIT		(9,837)	14,561
Other gains / losses	2	9,637	(14,561)
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(200)	-
Tax credit/(charge) on loss on ordinary activities	4	729	(14)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	13	529	(14)

All transactions derive from continuing operations.

There are no recognised gains or losses nor movements in shareholder's funds in the current or preceding financial years other than those disclosed in the profit and loss account. Accordingly, no statement of total recognised gains and losses is given.

GUY CARPENTER & COMPANY LIMITED

BALANCE SHEET 31 December 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Tangible assets	5	<u>44,390</u>	<u>55,724</u>
CURRENT ASSETS			
Debtors: Amounts falling due within one year	6	1,559	2,428
Debtors: Amounts falling due after more than one year	7	715	-
Cash at bank and in hand		<u>8,531</u>	<u>8,363</u>
		10,805	10,791
CREDITORS: Amounts falling due within one year	8	<u>(49,275)</u>	<u>(60,406)</u>
NET CURRENT LIABILITIES		<u>(38,470)</u>	<u>(49,615)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,920</u>	<u>6,109</u>
Provisions for liabilities	9	-	(718)
NET ASSETS		<u>5,920</u>	<u>5,391</u>
CAPITAL AND RESERVES			
Called up share capital	11	5,728	5,728
Profit and loss account	12	<u>192</u>	<u>(337)</u>
SHAREHOLDER'S FUNDS	13	<u>5,920</u>	<u>5,391</u>

The financial statements of Guy Carpenter & Company Limited (registered number 335308) were approved by the Board of Directors and authorised for issue on 14 July 2015.

They were signed on its behalf by:



N C Frankland

Director

14 July 2015

NOTES TO THE ACCOUNTS
Year ended 31 December 2014

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted and applied consistently throughout the current and prior years are described below.

Going concern

The directors acknowledge the latest guidance on going concern. The Company continues to monitor the uncertainty in the current economic and business environment. The directors are satisfied that the services of the Company will be required for the foreseeable future and that adequate financial liquid resources will be made available to it by other companies within the Marsh & McLennan Companies group. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

Revenue

a) Turnover

Turnover represents the management fees earned. Fees and other income receivable are recognised as the right to consideration arising from the contractual performance is earned.

b) Investment income

Investment income is recognised on an accruals basis.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and provision for impairment, where applicable. Depreciation is calculated to write off the cost of the assets on a straight-line basis over the expected economic lives of the assets concerned.

The principal depreciation rates used are:

Motor vehicles	20% per annum
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Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

In accordance with FRS 19, deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of investment properties where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

NOTES TO THE ACCOUNTS
Year ended 31 December 2014

1. ACCOUNTING POLICIES (continued)

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date or at realisable rates where covered by forward exchange contracts. Foreign currency transactions are translated into sterling at the rates of exchange at the dates the transactions occurred.

All gains and losses arising from foreign exchange transactions are recognised in the profit and loss account.

Cash flow statement

The Company is exempt from producing a cash flow statement under FRS 1 (revised) "Cash Flow Statements" as more than 90% of the voting rights are owned by its ultimate parent undertaking. A consolidated cash flow statement can be found in the published accounts of the ultimate parent company Marsh & McLennan Companies, Inc.

Dividends

Dividends paid are accounted for when declared.

2. OTHER GAINS / LOSSES

	2014 £	2013 £
Foreign exchange transactional gains	9,637	(14,561)
	<u>9,637</u>	<u>(14,561)</u>

3. INFORMATION REGARDING DIRECTORS, EMPLOYEES AND AUDIT FEES

The majority of the directors are executives of other Group Companies. In such circumstances, it is not practicable to allocate their remuneration between services as executives of other Group Companies and their services as directors of the Company in the current year. Accordingly, we have not disclosed the remuneration of directors who work predominantly for other group companies during the current year.

The audit fee and annual filing fees were borne by a fellow subsidiary undertaking during the year. The audit fee attributable to this company is £3,698 (2013: £3,626). No other services were provided to the company by the Company's auditor in the current or prior year.

NOTES TO THE ACCOUNTS (continued)
Year ended 31 December 2014

4. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

The rate of corporation tax for the year was 21.49% (2013: 23.25%).

	2014	2013
	£	£
The taxation (credit)/charge comprises:		
Current tax		
United Kingdom corporation tax at 21.49% (2013: 23.25%)	704	(704)
Total current tax charge/(credit) on profit on ordinary activities	<u>704</u>	<u>(704)</u>
Deferred taxation (note 10)		
Current year	(1,245)	718
Prior year	(188)	-
Total deferred taxation	<u>(1,433)</u>	<u>718</u>
Total tax (credit)/charge on profit on ordinary activities	<u>(729)</u>	<u>14</u>

The tax assessed for the period is higher (2013 was lower) than that resulting from applying the standard rate of corporation tax in the UK: 2014 21.49% (2013: 23.25%)

The differences are explained below:

	2014	2013
	£	£
Expected tax credit for the year calculated at 21.49% (2013: 23.25%) of the loss before tax	(43)	-
Effects of:		
Expenses not deductible for tax purposes	1,923	130
Depreciation in excess of capital allowances	1,338	(834)
Group relief for nil consideration	(3,218)	-
Prior year adjustment	704	-
Current tax charge/(credit) for period	<u>704</u>	<u>(704)</u>

The rate of corporation tax reduced from 23% to 21% on 1 April 2014 and from 21% to 20% on 1 April 2015.

NOTES TO THE ACCOUNTS (continued)
Year ended 31 December 2014

5. TANGIBLE ASSETS

	Motor Vehicles
	£
Cost	
As at 1 January 2014 and 31 December 2014	<u>56,668</u>
Accumulated Depreciation	
As at 1 January 2014	(944)
Charge for the year	<u>(11,334)</u>
As at 31 December 2014	<u>(12,278)</u>
Net Book Value	
As at 31 December 2014	<u>44,390</u>
As at 31 December 2013	<u>55,724</u>

6. DEBTORS

	2014	2013
	£	£
Prepayments	1,559	1,724
Amounts receivable from other group undertakings in respect of taxation	-	704
	<u>1,559</u>	<u>2,428</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN MORE THAN ONE YEAR

	2014	2013
	£	£
Deferred taxation (note 10)	715	-
	<u>715</u>	<u>-</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Accrued salaries	-	14,184
Amounts due to group undertakings	49,275	46,222
	<u>49,275</u>	<u>60,406</u>

NOTES TO THE ACCOUNTS (continued)

Year ended 31 December 2014

9. PROVISION FOR LIABILITIES

	Deferred Taxation
	£
As at 1 January 2014	(718)
Provision	1,433
Reclassify to Debtors amounts falling due after more than one year	(715)
As at 31 December 2014	<u>-</u>

10. DEFERRED TAXATION

	2014 £	2013 £
At 1 January 2014	(718)	-
Provision – current year	1,245	(718)
Provision – prior year	188	-
At 31 December 2014	<u>715</u>	<u>(718)</u>
Analysis of deferred tax balances:	2014 £	2013 £
At 1 January 2014	(718)	-
Depreciation in excess of capital allowances	1,433	(718)
At 31 December 2014	<u>715</u>	<u>(718)</u>

Timing differences have been provided for at the tax rates substantively enacted at the balance sheet date which will apply when the timing differences are expected to reverse.

11. CALLED UP SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
5,728 (2013: 5,728) ordinary shares of £1 each	<u>5,728</u>	<u>5,728</u>

12. RESERVES

	Profit and loss Account £
As at 1 January 2014	(337)
Profit for the financial year	529
As at 31 December 2014	<u>192</u>

NOTES TO THE ACCOUNTS (continued)
Year ended 31 December 2014

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2014	2013
	£	£
Profit/(loss) for the financial year	529	(14)
Net increase/(decrease) in shareholder's funds	529	(14)
Opening shareholder's funds	5,391	5,405
Closing shareholder's funds	5,920	5,391

14. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under Financial Reporting Standard No. 8 "Related Party Disclosures" not to disclose transactions between entities within the Marsh & McLennan Companies, Inc. Group (the "Group"), where no less than 100% of voting rights are controlled within the Group, whose consolidated financial statements are publicly available. There are no other transactions requiring disclosure.

15. IMMEDIATE AND ULTIMATE PARENT COMPANIES

The Company's immediate parent company is Marsh Limited, a company registered in England and Wales. The Company's ultimate parent company and controlling entity is Marsh & McLennan Companies, Inc., which is incorporated in Delaware, United States of America.

The smallest and largest Group in which the financial statements of the Company are consolidated is that headed by Marsh & McLennan Companies, Inc. The consolidated accounts of Marsh & McLennan Companies, Inc. are available to the public and may be obtained from:

Companies House
 Crown Way
 Cardiff
 CF14 3UZ

and also from:

The Company Secretary
 Marsh & McLennan Companies UK Limited
 1 Tower Place West
 Tower Place
 London
 EC3R 5BU