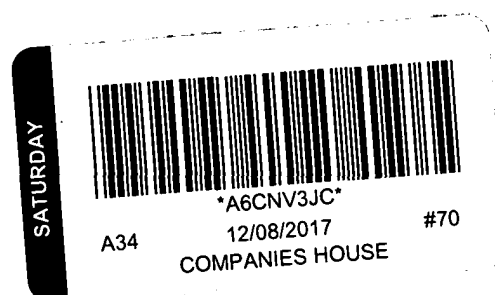


Company Registration No: 02647586

JELF WELLBEING LIMITED

Financial Statements

For the 15 month period ended 31 December 2016



JELF WELLBEING LIMITED

FINANCIAL STATEMENTS FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2016

CONTENTS

	Page
STRATEGIC REPORT	1
DIRECTORS' REPORT	4
STATEMENT OF DIRECTORS' RESPONSIBILITIES	6
INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF JELF WELLBEING LIMITED	7
STATEMENT OF INCOME AND RETAINED EARNINGS	9
STATEMENT OF FINANCIAL POSITION	10
NOTES TO THE FINANCIAL STATEMENTS	11

STRATEGIC REPORT

The directors present their Strategic Report for Jelf Wellbeing Limited ("the Company") for the 15 month period ended 31 December 2016. The Company's registration number is 02647586.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company provides health insurance consultancy and advice on employee benefits.

The Company is regulated by the Financial Conduct Authority.

The Company's key financial and other performance indicators during the period were as follows:

	15 month period ended 31 December 2016 £m	Year ended 30 September 2015 £m	Movement £m	Movement %
Turnover	22.4	19.1	3.3	17
Administrative expenses	18.0	13.7	4.3	31
Profit before tax	4.4	5.4	(1.0)	(19)
Shareholders' funds	9.8	4.9	4.9	100

The financial year end of the Company has been changed during the year to 31 December in order to bring in line the financial year end of Marsh entities. Hence, financial statements for longer periods have been prepared.

The Company's profit before tax for the period of £4.4 million decreased by £1.0 million compared to 2015 (2015: £0.5 million increase).

Turnover increased by £3.3 million (17%) to £22.4 million during the period (2015: £19.1 million).

Administrative expenses of £18.0 million increased on the prior period by 31%.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key risks and the associated mitigating factors are laid out below.

Availability of IT systems

The Company has a number of Information Technology (IT) systems in order to carry on its day-to-day business and service its clients' requirements. There is a risk that any of these systems as part of the overall IT infrastructure could fail, individually or collectively, with an adverse effect on the Company's operations. The Company is part of the Marsh & McLennan Companies, Inc.'s global IT structure and there are business continuity plans in place.

Competitive risks

The nature of the current market combined with some very aggressive strategies from competitors puts significant pressure on the Company to retain existing business and to win new business. The Company mitigates this risk by continuing to enhance its value proposition to clients.

STRATEGIC REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The main areas where the Company is exposed to credit risk are amounts due from clients in respect of income not yet received and cash deposits.

The Company mitigates its credit risk for cash and investments by only depositing money with entities with a sufficiently high credit rating. The credit rating required is that demanded by the ultimate parent company. In addition, the Company has investment guidelines that restrict the amount of the investment portfolio that can be placed with a single counterparty.

Errors and omissions and other claims

The Company is subject to claims and litigation in the ordinary course of its business, principally in connection with the Company's health insurance consultancy and advice on employee benefits. The Company mitigates this risk through regular review of company processes and, ultimately, securing appropriate insurance cover.

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 significant holdings in liquid funds to mitigate against this risk. The Company makes use of forecasts and budgets to monitor and control its cash flows and working capital requirements.

Outsourcing risk

The Company outsources a number of its services to third party organisations. The ability of the Company to perform efficiently is directly impacted by the services of the third party providers. Outsourcing contracts and providers are respectively reviewed against performance expectations and key performance indicators.

People risks

The willingness of competitors to offer key staff higher remuneration and benefits packages continues to be a risk to the Company's ability to attract and retain key people.

Periodic benchmarking of salaries is carried out to ensure the Company remains competitive.

STRATEGIC REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Regulatory risk

The risk of non-compliance with rules set out by the Financial Conduct Authority and other relevant regulatory bodies could lead to financial penalties or the withdrawal of permissions. The risk of breaches is mitigated by employing experienced and dedicated compliance resources who are tasked with enabling and monitoring compliance across all areas of the business.

By order of the Board


M. C. CHESSHER
Director

7 AUGUST 2017

Jelf Wellbeing Limited
Hillside Court
Bowling Hill
Chipping Sodbury
Bristol
BS37 6JX

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of Jelf Wellbeing Limited ("the Company") for the period ended 31 December 2016.

DIRECTORS

The current directors and those who served throughout the period under review, except as noted, are as follows:

J V Barker	(appointed 4 January 2016)
P A Barton	(appointed 15 December 2015)
P J Box	(appointed 4 January 2016)
M C Chessher	(appointed 15 December 2015)
J R Hirst	(appointed 29 December 2015)
T Taylor	(appointed 15 December 2015)
M A Weil	(appointed 15 December 2015)
S A H Williams	(appointed 15 December 2015)
A D Alway	(resigned 31 December 2016)
J T Harding	(resigned 30 November 2015)
A G Stott	(resigned 30 November 2015)
G Thomas	(resigned 31 January 2017)

CHANGE OF ACCOUNTING REFERENCE DATE

The Company's management have reviewed the Company's accounting reference date and this was changed from 30 September to 31 December, in order to align its accounting period with the other companies in the Marsh & McLennan Companies, Inc. Group.

RESULTS AND DIVIDENDS

The results of the Company for the financial period ended 31 December 2016 are set out on page 9.

The profit after tax for the financial period is £4.9 million (2015: profit for the year of £4.9 million).

No dividend was declared in 2016 (2015: £4.0 million).

The comparative amounts presented in the financial statements (including the related notes) are not entirely comparable as they relate to non-comparable time periods

FUTURE DEVELOPMENTS

The Company, in conjunction with other businesses in the Jelf Group plc ("Group"), expects to continue to pursue its strategy of introducing a wider range of services to existing clients of the expanding Group, and to continue to improve the efficiency of the business model.

GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and, therefore, continue to adopt the going concern basis in preparing the annual report and financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies in note 1 to the financial statements.

DIRECTORS' REPORT (continued)

EMPLOYEES

The majority of contracts of employment and the remuneration of employees are maintained by a fellow subsidiary company, Jelf Group Plc. Further details regarding employee involvement is given in the Directors' Report of Jelf Group Plc.

EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Company entered into the following transaction after the Statement of Financial Position date, which is a non-adjusting event:

On 1 January 2017 the Company purchased a book of business and assets from its immediate parent company for £0.1 million.

INDEMNITY

The Company has put in place an indemnity in the Articles of Association 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 s234 of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are the directors of the Company at the date of approval of this report confirms that:

- so far as each of the directors is aware, there is no relevant audit information 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 in order to make himself / herself aware of any relevant audit information 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 s418 of the Companies Act 2006.

AUDITOR

PricewaterhouseCoopers LLP resigned as Statutory Auditor of the Company on 7 April 2016 and Deloitte LLP agreed to hold office as Statutory Auditor from 19 April 2016.

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:


M. C. CHESSHER
Director

7 AUGUST 2017

Jelf Wellbeing Limited
Hillside Court
Bowling Hill
Chipping Sodbury
Bristol
BS37 6JX

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 such 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 period.

In preparing these 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;
- 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 safeguarding 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 JELF WELLBEING LIMITED

We have audited the financial statements of Jelf Wellbeing Limited for the period ended 31 December 2016 which comprises the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes 1 to 17. 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), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland".

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 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 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 2016 and of its profit for the period 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic Report and the Directors' Report have been in accordance with applicable legal requirements

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF JELF WELLBEING LIMITED (continued)

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.



Adam Knight, ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

7 August 2017

STATEMENT OF INCOME AND RETAINED EARNINGS
For the 15 month period ended 31 December 2016

		15 month period ended 31 December 2016 £m	Year ended 30 September 2015 £m
	Note		
TURNOVER	2	22.4	19.1
Administrative expenses		(18.0)	(13.7)
PROFIT BEFORE TAXATION	4	4.4	5.4
Tax credit/(charge) on profit	6	0.5	(0.5)
PROFIT FOR THE FINANCIAL PERIOD		<u>4.9</u>	<u>4.9</u>
 RETAINED PROFITS AT 1 OCTOBER 2015 & 1 OCTOBER 2014		4.9	4.0
Dividend paid in the period		-	(4.0)
Profit for the period		<u>4.9</u>	<u>4.9</u>
RETAINED PROFITS AT 31 DECEMBER 2016 & 30 SEPTEMBER 2015		<u>9.8</u>	<u>4.9</u>

All transactions derive from continuing operations.

There were no other items of comprehensive income for 15 month period ended 31 December 2016 or year ended 30 September 2015 other than those included in the profit and loss account and accordingly no Statement of Comprehensive Income is presented.


JELF WELLBEING LIMITED

STATEMENT OF FINANCIAL POSITION At 31 December 2016

	Note	At 31 December 2016 £m	At 30 September 2015 £m
CURRENT ASSETS			
Debtors: Amounts falling due within one year	7	7.0	6.3
Cash at bank and in hand	8	4.2	1.1
		<u>11.2</u>	<u>7.4</u>
CREDITORS: Amounts falling due within one year	9	(1.3)	(2.4)
NET CURRENT ASSETS		<u>9.9</u>	<u>5.0</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9.9</u>	<u>5.0</u>
PROVISIONS FOR LIABILITIES			
	10	(0.1)	(0.1)
NET ASSETS		<u>9.8</u>	<u>4.9</u>
CAPITAL AND RESERVES			
Called up share capital	11	-	-
Share premium account	12	-	-
Profit and loss account	12	9.8	4.9
SHAREHOLDER'S FUNDS		<u>9.8</u>	<u>4.9</u>

The financial statements of Jelf Wellbeing Limited (registered number 02647586) were approved by the Board of Directors and authorised for issue on **7 AUGUST** 2017.

They were signed on its behalf by:


M. C. CHESSHER
Director

7 AUGUST 2017

NOTES TO THE FINANCIAL STATEMENTS
For the 15 month period ended 31 December 2016

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding period.

General information and basis of accounting

Jelf Wellbeing Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 5. Jelf Wellbeing Limited is a private company limited by shares. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 1 to 3.

The financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or the statement of income & retained earnings. The Company has applied the earlier adoption of July 2015 amendments FRS 102 in these financial statements.

The functional currency of Jelf Wellbeing Limited is considered to be Pounds Sterling because this is the currency of the primary economic environment in which the Company operates.

Jelf Wellbeing Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of:

- the presentation of a Statement of Cash Flows and related Notes;
- disclosure of inter-group transactions within the wholly owned group;
- exposure to and management of financial risks; and
- key management personnel.

Shareholders have been notified in writing and do not object to the disclosure exemptions. Group consolidated financial statements of Marsh & McLennan Companies, Inc. can be obtained from the address listed in note 17.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review which forms part of the Strategic Report. The Strategic Report also describes the financial position of the Company; its cash flows and liquidity risk; the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; and its exposure to credit risk and liquidity risk.

The Company meets its day-to-day working capital requirements from corporate cash balances. The current economic conditions create uncertainty particularly over (a) the level of demand for the Company's services; (b) the Company's cost base. The Company continues to monitor the uncertainty in the current economic and business environment and the directors are satisfied that the Company's services will continue to be attractive to clients.

The Company's forecasts and projections show that the Company should be able to generate positive cash flows for the foreseeable future.

The directors acknowledge the latest guidance on going concern. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and, therefore, they continue to adopt the going concern basis in preparing the annual financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the 15 month period ended 31 December 2016

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

(i) Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided, in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments that are classified as payable or receivable within one year and which meet the below conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment:

- (a) Returns to the holder are (i) a fixed amount; or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.
- (b) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (c) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the 15 month period ended 31 December 2016

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

- (d) There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Dividends

Dividends payable are accounted for when declared.

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 reporting date.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

Assets other than those measured at fair value, are assessed for indicators of impairment at each Statement of Financial Position date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Income and retained Earnings as described below.

- (i) Financial assets

For the Company's assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For the Company's assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date. Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the 15 month period ended 31 December 2016

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment (continued)

(ii) Non-financial assets

At each Statement of Financial Position date, the Company reviews the carrying amounts of its tangible and intangible assets acquired separately to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Income and Retained Earnings, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years.

A reversal of an impairment loss is recognised immediately in the Statement of Income and Retained Earnings unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event and economic outflow would be required to settle it. Provisions are measured at management's best estimate of the expenditure required or recognised in line with contractual agreements to settle the obligation at a future date and are discounted to a net present value.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The directors have reviewed the critical judgements (apart from those involving estimations) in applying the Company's accounting policies and consider that there are no significant items to report on amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the 15 month period ended 31 December 2016

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Key sources of estimation uncertainty

The key assumption concerning the future and other key source of estimation uncertainty at the Statement of Financial Position date that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below.

Errors and omissions

The Company is subject to claims and litigation in the ordinary course of its business, principally in connection with the Company's health insurance consultancy and advice on employee benefits. Provisions have been made only in respect of claims attributable to events which have occurred, and been notified to the Company, by the reporting date. The provision for errors and omissions claims is based on a current estimate of the total claims as advised by the Company's legal team.

2. TURNOVER

An analysis of the Company's turnover by geographical market is set out below:

	15 month period ended 31 December 2016 £m	Year ended 30 September 2015 £m
United Kingdom	<u>22.4</u>	<u>19.1</u>

All of the above income relates to the rendering of services.

3. INFORMATION REGARDING DIRECTORS

	15 month period ended 31 December 2016 £m	Year ended 30 September 2015 £m
Directors' remuneration (included within employee costs)		
Emoluments	3.6	0.2
Directors' contributions to money purchase pension scheme	<u>0.1</u>	<u>-</u>
	<u>3.7</u>	<u>0.2</u>

Certain directors of the Company are also directors of a fellow group undertaking, Marsh Limited. The costs for these directors are disclosed in the financial statements of Marsh Limited, as the directors believe it is impractical to split the amounts for these directors between their services as directors of the Company and their services as directors or employees of other Marsh & McLennan Companies, Inc. Group companies.

For the other directors, the emoluments shown above reflect the total emoluments received by them for services relating to the Company and other companies in the Marsh & McLennan Companies, Inc., Group (the "Group") during the year under review. The directors' emoluments disclosed above are not allocated to a Group company in receipt of an individual's specific service. Emoluments are paid by the directors' employing company within the Group and subsequently recharged to the Company.

Where the Company's directors are in receipt of share-based payments and awards as part of their overall remuneration, these are disclosed in the financial statements of Marsh Services Limited, the group's principal employing company.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the 15 month period ended 31 December 2016

3. INFORMATION REGARDING DIRECTORS (continued)

	15 month period ended 31 December 2016	Year ended 30 September 2015
Number of directors who:	No.	No.
Are members of a money purchase pension scheme	1	1
	15 month period ended 31 December 2016	Year ended 30 September 2015
Remuneration of the highest paid director:	£m	£m
Emoluments	3.6	0.2
Company contributions to a money purchase pension scheme	0.1	-
	3.7	0.2

The highest paid director is a member of the Company's money purchase pension scheme.

4. PROFIT BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

		15 month period ended 31 December 2016 £m	Year ended 30 September 2015 £m
	Note		
Staff costs	5	10.5	8.7

The audit fee and annual filing fees were borne by a fellow subsidiary undertaking during the period. The audit fee attributable to the Company is £30,000 (2015: £26,000). There were no additional services provided by the auditor in 2016 (2015: £4,000 – tax compliance services).

5. STAFF COSTS

Included within administrative expenses are the following staff costs:

	15 month period ended 31 December 2016 £m	Year ended 30 September 2015 £m
Staff costs (including directors):		
Wages and salaries	9.2	7.6
Social security costs	0.9	0.8
Other pension costs	0.4	0.3
	10.5	8.7

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the 15 month period ended 31 December 2016

5. STAFF COSTS (continued)

The majority of contracts of employment are with, and the remuneration of employees is paid by the immediate parent company, Jelf Group Plc. The Company is charged and bears the cost for the remuneration and other associated benefits paid on its behalf. Further details regarding employee involvement is given in the Directors' Report of Jelf Group Plc.

Jelf Group Plc 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 Company also makes contributions to the personal pension plans of certain of its permanent employees.

The pension cost charge represents contributions payable by the Company to the fund and personal pension plans which amounted to £377,000 (2015: £317,000). There were no contributions outstanding at the Statement of Financial Position date (2015: £nil). At the period end, there were no prepaid contributions (2015: £nil).

6. TAX ON PROFIT

The rate of corporation tax for the period was 20.00% (2015: 20.50%).

	15 month period ended 31 December 2016 £m	Year ended 30 September 2015 £m
The taxation charge comprises:		
United Kingdom corporation tax at 20.00% (2015: 20.50%)	-	0.2
Adjustments in respect of prior years	(0.5)	0.3
Total current tax (credit)/charge on profit	(0.5)	0.5

The current tax credit (2015: charge) of £0.5m (2015: £0.5m) is lower (2015: lower) than that resulting from applying the standard rate of corporation tax in the UK for the period ended 31 December 2016 of 20.00% (2015: 20.50%).

The differences are explained below:

	15 month period ended 31 December 2016 £m	Year ended 30 September 2015 £m
Profit on ordinary activities before tax:	4.4	5.4
Expected tax charge for the period calculated at 20.00% (2015: 20.50%) on profit before tax	0.9	1.1
<i>Effects of:</i>		
Current period group relief for nil consideration	(0.9)	(0.9)
Adjustments in respect of current tax prior years	(0.5)	0.3
Actual tax (credit)/charge	(0.5)	0.5

The rate of corporation tax will reduce from 20% to 19% from 1 April 2017, and from 19% to 17% from 1 April 2020.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the 15 month period ended 31 December 2016

7. DEBTORS

	At 31 December 2016 £m	At 30 September 2015 £m
Amounts falling due within one year		
Trade debtors	2.7	3.9
Amounts owed by group undertakings	4.2	2.0
Corporation tax	-	0.3
Prepayments and accrued income	0.1	0.1
	<u>7.0</u>	<u>6.3</u>

8. CASH AT BANK AND IN HAND

	At 31 December 2016 £m	At 30 September 2015 £m
Corporate cash	<u>4.2</u>	<u>1.1</u>

Within the corporate cash, there is an amount held of £0.8 million which represents funds required to be held outside of the corporate cash pooling arrangements, as agreed with the Financial Conduct Authority.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 31 December 2016 £m	At 30 September 2015 £m
Trade creditors	0.2	0.1
Amounts owed to group undertakings	0.1	0.2
Other creditors	0.4	0.2
Accruals and deferred income	0.6	1.9
	<u>1.3</u>	<u>2.4</u>

10. PROVISIONS FOR LIABILITIES

	Errors and Omissions and other claims £m	Total £m
At 31 December 2016 and 30 September 2015	<u>0.1</u>	<u>0.1</u>

The Company is subject to claims and litigation in the ordinary course of its business, principally in connection with the Company's health insurance consultancy and advice on employee benefits. Provisions have been made only in respect of claims attributable to events which have occurred, and been notified to the Company, by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the 15 month period ended 31 December 2016

11. CALLED UP SHARE CAPITAL

	At 31 December 2016 £	At 30 September 2015 £
Allotted, called up and fully paid		
912,000 (2015: 912,000) ordinary shares of £0.01 each	<u>9,120</u>	<u>9,120</u>

The share capital of the Company consists of fully paid ordinary shares with a par value of £0.01 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of the Company.

12. RESERVES

Share premium account:

Share premium represents the premium received above the par value on ordinary share capital transactions. The balance at the 31 December 2016 was £1,470 (2015: £1,470).

Profit and loss account:

Profit and loss account includes all current and prior period retained profits and losses.

13. CONTINGENT LIABILITIES

The Company's principal credit risk relates to the participation in a notional cash pooling arrangement with a bank. Each member of the pool guarantees against all losses incurred as a result of the failure of any other pool member. The maximum exposure to the Company is the total amount of its pooled funds at any point in time. The Company entered the cash pooling arrangement in September 2016. At 31 December 2016, the Company had a total amount of £3.5 million in the pool. All other members of the pooling arrangement are companies owned ultimately by Marsh & McLennan Companies, Inc.

14. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under FRS 102 Section 33.1A 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. EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Company entered into the following transaction after the Statement of Financial Position date, which is a non-adjusting event:

On 1 January 2017 the Company purchased a book of business and assets from its immediate parent company for £0.1 million.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the 15 month period ended 31 December 2016

16. TRANSITION TO FRS 102

This is the first period that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 30 September 2015 and the date of transition to FRS 102 was, therefore, 1 October 2014.

The policies applied under the Company's previous accounting framework are not materially different from FRS 102 and therefore no adjustments were made to the Statement of Financial Position or profit or the Statement of Income & Retained Earnings at 1 October 2014 or 31 December 2016.

17. IMMEDIATE AND ULTIMATE PARENT COMPANIES

The Company's immediate parent company is Jelf Group Plc, registered in England and Wales.

Prior to 1 December 2015, the Company's ultimate parent company and controlling entity was Jelf Group Plc. From 1 December 2015, the Company's ultimate parent company and controlling entity is Marsh & McLennan Companies, Inc., incorporated in the state of Delaware, United States of America.

The smallest and largest group in which the results of Jelf Wellbeing Limited are consolidated is that headed by Marsh & McLennan Companies, Inc. The consolidated financial statements 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
MMC Treasury Holdings (UK) Limited
1 Tower Place West
Tower Place
London
EC3R 5BU