

WILLIS OVERSEAS INVESTMENTS LIMITED

(Registered Number 3424226)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

Directors

SE Wood
Willis Corporate Director Services Limited
OHW Goodinge (appointed 1 January 2012)

Secretary

AC Peel (appointed 3 September 2012)

Registered Office

51 Lime Street
London EC3M 7DQ

Auditor

Deloitte LLP
London

WEDNESDAY



LD3 *L2CAJ1A2* 10/07/2013 #120
COMPANIES HOUSE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The Directors present their annual report, together with the audited financial statements, for the year ended 31 December 2012

Principal activities and review of developments

The Company acts as an investment holding company and is a subsidiary of Willis Group Holdings plc ('the Group'). The Group is one of the world's leading professional service providers of risk management solutions, risk transfer expertise through insurance and reinsurance broking, and related specialised consultancy services.

There have been no significant changes in the Company's principal activities in 2012. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

Results

The profit on ordinary activities after taxation amounted to £14 million (2011: £18 million) as shown in the profit and loss account on page 7. The profit for both the years represents income from the shares in an associate undertaking.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements on page 10.

Dividends

Interim dividends of £5 million and £9 million were paid on 31 July 2012 and 31 December 2012 respectively (2011: interim dividends of £9 million and £9 million were paid on 30 September 2011 and 30 December 2011 respectively). The Directors do not recommend the payment of a final dividend (2011: £nil).

Balance sheet

The balance sheet on page 8 of the financial statements shows the Company's financial position at the year end.

The Group manages its operations on a divisional basis. For this reason, the Company's Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Group, which includes the Company, is discussed in the Group's financial statements which do not form part of this report.

Principal risks and uncertainties

The Company is potentially exposed to credit risk from its investments in its associate undertaking. An impairment allowance would be made if there were to be an identified loss event which would evidence a potential reduction in the recoverability of the cash flows. No such event has been identified.

This Company is exposed to risk by virtue of being part of the wider Group, including those relating to the current Eurozone situation. These risks have been discussed in the Group's financial statements which do not form part of this report.

Environment

The Group recognises the importance of its environmental responsibilities and its impact on the environment on a location by location basis, and designs and implements policies to reduce any damage that might be caused by the Group's activities.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)**Employees**

The Company employed no staff during the year (2011 none)

Directors

The current Directors of the Company are shown on page 1, which forms part of this report. OHW Goodinge was appointed with effect from 1 January 2012. There were no other changes in Directors during the year or after the year end.

Statement of Directors' responsibilities in relation to the financial statements

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 period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK 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 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.

Disclosure of information to the auditor

Each of the persons who is a Director at the date of approval of this report confirms that

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that they ought to have taken as a Director in order to make themselves 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 provisions of Section 418 of the Companies Act 2006.

WILLIS OVERSEAS INVESTMENTS LIMITED

4

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012 (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

By Order of the Board



SE Wood
Director
51 Lime Street
London EC3M 7DQ

5 July 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIS OVERSEAS INVESTMENTS LIMITED

We have audited the financial statements of Willis Overseas Investments Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 14. 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 members, 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 members 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 members 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 Directors' Responsibilities Statement, 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. 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 2012 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.

Opinion on other matter prescribed by the Companies Act 2006

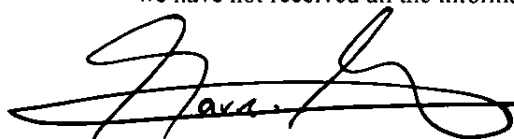
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIS OVERSEAS INVESTMENTS 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

A large, stylized handwritten signature in black ink, appearing to read 'Mark McIlquham', is written over a horizontal line.

Mark McIlquham (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

5th July 2013

A small, circular handwritten signature or stamp is located below the date.

WILLIS OVERSEAS INVESTMENTS LIMITED**7****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £m	2011 £m
Turnover	2	14	18
Profit on ordinary activities before taxation		14	18
Tax charge profit on ordinary activities	6	-	-
Profit on ordinary activities after taxation		14	18

All activities derive from continuing operations

There are no recognised gains or losses in either 2012 or 2011 other than the profit for those years

WILLIS OVERSEAS INVESTMENTS LIMITED**8****BALANCE SHEET AS AT 31 DECEMBER 2012**

	Notes	2012 £m	2011 £m
Fixed assets			
Investments	8	144	144
Current liabilities			
Creditors amounts falling due within one year	11	(64)	(64)
Net current liabilities		(64)	(64)
Net assets		80	80
Capital and reserves			
Called up share capital	12	80	80
Profit and loss account	13	-	-
Shareholders' funds		80	80

The financial statements of Willis Overseas Investments Limited, registered company number 3424226, were approved by the Board of Directors and authorised for issue on 5 July 2013 and signed on its behalf by



SE Wood
Director

MOVEMENTS IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 DECEMBER 2012

Movements in shareholders' funds	Note	2012 £m	2011 £m
Profit on ordinary activities after taxation		14	18
Dividends paid	7	(14)	(18)
Net movements in shareholders' funds for the year		-	-
Shareholders' funds at beginning of year		80	80
Shareholders' funds at end of year		80	80

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**1 Accounting policies****Basis of preparation**

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

The financial statements have been prepared

- under the historical cost convention, and
- in accordance with applicable law and accounting standards in the United Kingdom

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The expectation is based on the following reasons:

- the Company is an intermediate holding company within the Willis Group,
- the Company has net current liabilities of £64 million (2011: £64 million); this amount is attributable to a net intercompany creditor. If the Company were required to settle this creditor balance, the Group would arrange for alternative funding, and
- the Directors believe the Willis Group is a going concern.

For these reasons, the Directors continue to adopt the going concern basis in preparing the accounts.

Parent undertaking and controlling party

The Company's

- immediate parent company and controlling undertaking is Willis International Limited, and
- ultimate parent company is Willis Group Holdings plc, a company incorporated in Ireland.

In accordance with Section 400 of the Companies Act 2006, the Company is exempt from the requirement to produce group financial statements.

The largest and smallest group in which the results of the Company are consolidated is Willis Group Holdings plc, whose financial statements are available to members of the public from the Company Secretary, 51 Lime Street, London EC3M 7DQ.

Revenue recognition

Income from shares in the associate undertaking is recognised on a received basis.

Foreign currency translation

These financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)**1. Accounting policies (continued)****Fixed asset investments**

Investments in associates are carried at cost less provision for impairment

Taxation

Current 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

Cash flow statement

Under FRS1 'Cash flow statements' the Company is exempt from the requirement to prepare a cash flow statement on the grounds that the Company is a 90 per cent or more owned subsidiary undertaking and the consolidated cash flow statement that is prepared at Group level is publicly available

2 Turnover

	2012 £m	2011 £m
Income from shares in associate undertaking		
Dividend received from Willis Europe BV	14	18

3 Operating profit

Auditor's remuneration of £2,600 (2011 £2,600) was borne by another Group company

4. Employee costs

The Company employed no staff during the year (2011 none)

5. Directors' remuneration

The Directors of the Company received no remuneration for services rendered to the Company during the year (2011 £nil)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

6. Tax on profit on ordinary activities	2012 £m	2011 £m
<i>(a) Analysis of charge for the year</i>		
Current tax:		
UK corporation tax on profit at 24.5% (2011: 26.5%)	-	-
Total current tax (note 6(b))	-	-
<i>(b) Factors affecting current tax for the year</i>		
The tax assessed for the year is lower (2011: lower) than the standard rate of corporation tax in the UK (24.5%) (2011: 26.5%). The differences are explained below:		
Profit on ordinary activities before taxation	14	18
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.5% (2011: 26.5%)	3	5
Effects of: Intra-group dividends which are non-taxable	(3)	(5)
Total current tax charge for the year (note 6(a))	-	-

(c) Circumstances affecting current and future tax charges

The Government announced on 23 March 2011 that it intended to reduce the rate of UK corporation tax from 28% to 23% over four years. Consequently the Finance Act 2011, which was substantively enacted on 5 July 2011, included provisions to reduce the rate of UK corporation tax to 26% with effect from 1 April 2011 and to 25% with effect from 1 April 2012.

On 21 March 2012, the Government proposed further legislation to reduce the rate of UK corporation tax to 22% by 2014. Consequently, the Finance Act 2012 which was substantively enacted on 3 July 2012, included provisions to reduce the rate of UK corporation tax to 24% with effect from 1 April 2012 and 23% from 1 April 2013. The rate reduction to 23% had been substantively enacted prior to 31 December 2012 and therefore has been reflected in the financial statements.

The Government has subsequently proposed that from 1 April 2014 the rate will be 21% rather than the previously announced 22% and that the rate will be further reduced to 20% from 1 April 2015. These changes to the main tax rate have not been substantively enacted at the Balance Sheet date, and, therefore, are not included in these financial statements.

7. Dividends paid	2012 £m	2011 £m
First interim paid 31 July 2012 (2011: 30 September 2011)	5	9
Second interim paid 31 December 2012 (2011: 30 December 2011)	9	9
	14	18

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

8 Investments held as fixed assets	Associate undertaking £m
------------------------------------	--------------------------------

Cost and net book value

31 December 2011 and 31 December 2012

144

In the opinion of the Directors, the value of the shares in the associate undertaking is not less than the amount shown in the balance sheet

9. Shares in associate undertaking

The principal associate undertaking at 31 December 2012 was

	Percentage held	Country of incorporation
<i>Holding Company</i>		
Willis Europe BV	33.42%	Netherlands

The Company is exempt from the obligation to prepare group financial statements in accordance with Section 400 of the Companies Act 2006 as the Company is a wholly-owned subsidiary of Willis Group Holdings plc, in whose financial statements it is consolidated. These financial statements relate to the Company only and not to its Group.

10. Other investments

On 2 November 2012, the Company acquired 1 share in Willis Colombia Corredores de Seguros S.A. for a cost of £15.49, representing a 0.00009% holding. The remaining issued shares of that company are held by other Group undertakings.

11. Creditors: amounts falling due within one year	2012 £m	2011 £m
Amounts owed to Group undertaking	64	64

WILLIS OVERSEAS INVESTMENTS LIMITED**14****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)**

	2012 £m	2011 £m
12. Called up share capital		
Allotted, called up and fully paid		
8,005,002 (2011 8,005,002) ordinary shares of £10 each	80	80

	Share capital £m	Profit and loss account £m	Total £m
13. Reserves and shareholders' funds			
1 January 2012	80	-	80
Profit on ordinary activities after taxation	-	14	14
Dividends paid	-	(14)	(14)
31 December 2012	80	-	80

14. Related part transactions

FRS8 (paragraph 3(c)) exempts the reporting of transactions between group companies in the financial statements of companies that are wholly owned within the group. The Company has taken advantage of this exemption. There are no other transactions requiring disclosure.