

# **WILLIS CONSULTING LIMITED**

(Registered Number 3540139)

## **DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010**

### **Directors**

SE Wood (appointed 1 September 2011)

Willis Corporate Director Services Limited (appointed 8 September 2010)

### **Secretary**

Willis Corporate Secretarial Services Limited

### **Registered Office**

51 Lime Street  
London EC3M 7DQ

### **Auditors**

Deloitte LLP  
London



**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

The Directors present their annual report, together with the audited financial statements, for the year ended 31 December 2010

**Principal activities and review of developments**

The Company 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.

The Company ceased to trade with effect from 1 January 2009.

Prior to that date the principal activity of the Company was that of advisors and consultants on all matters relating to risk for all types of insurance, reinsurance, industrial and other commercial undertakings.

As required by FRS18 Accounting Policies, the Directors have prepared the financial statements on a basis other than as a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

The profit on ordinary activities after taxation amounted to £2,000 (2009: loss of £17,000).

No interim dividend was paid during the year (2009: £nil). The Directors do not recommend the payment of a final dividend (2009: £nil).

**Enhanced Business Review**

The Directors' Report is not required to include an enhanced business review. Advantage has been taken of the provisions of Section 415A (2) of the Companies Act 2006.

**Directors**

The current Directors of the Company are shown on page 1, which forms part of this report. Willis Corporate Director Services Limited was appointed with effect from 8 September 2010. JED Vickers and RM Douglas resigned as Directors of the Company on 1 September 2011. SE Wood was appointed with effect from 1 September 2011. 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.

**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)**

**Statement of Directors' responsibilities in relation to the financial statements (continued)**

**Disclosure of information to auditors**

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 auditors are unaware, and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are 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

**Auditors**

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 auditors in the absence of an Annual General Meeting

By order of the Board



Director  
51 Lime Street  
London EC3M 7DQ

19 SEPTEMBER 2011

We have audited the financial statements of Willis Consulting Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Movement in Shareholders' Funds and the related notes 1 to 10. 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.

#### **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 2010 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.

#### **Emphasis of Matter**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.


#### **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 take advantage of the small companies exemption in preparing the directors' report

A handwritten signature in black ink, consisting of stylized, overlapping loops and a long horizontal stroke extending to the right. The signature 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

19 September 2011

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £000	2009 £000
Operating expenses		(3)	(27)
<b>Operating loss</b>	2	<b>(3)</b>	<b>(27)</b>
Interest receivable from group undertaking		6	4
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>3</b>	<b>(23)</b>
Tax (charge)/credit on profit/(loss) on ordinary activities	5	(1)	6
<b>Profit/(loss) on ordinary activities after taxation</b>		<b>2</b>	<b>(17)</b>

All activities derive from discontinued operations

There are no recognised gains or losses in either 2010 or 2009 other than the profit or loss for those years

# WILLIS CONSULTING LIMITED

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## BALANCE SHEET AS AT 31 DECEMBER 2010

	Note	2010 £000	2009 £000
<b>Current assets</b>			
Debtors amounts falling due within one year	6	1,315	1,312
Deposits and cash		6	6
		<u>1,321</u>	<u>1,318</u>
<b>Current liabilities</b>			
Creditors amounts falling due within one year	7	(1)	-
<b>Net assets</b>		<u>1,320</u>	<u>1,318</u>
<b>Capital and reserves</b>			
Called up share capital	8	-	-
Profit and loss account	9	<u>1,320</u>	<u>1,318</u>
<b>Shareholders' funds</b>		<u>1,320</u>	<u>1,318</u>

The financial statements of Willis Consulting Limited, registered company number 3540139, were approved by the Board of Directors and authorised for issue on 19 SEPTEMBER 2011 and signed on its behalf by



Director

## MOVEMENT IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 DECEMBER 2010

<b>Movement in shareholders' funds</b>	<b>2010 £000</b>	<b>2009 £000</b>
Profit/(loss) on ordinary activities after taxation	2	(17)
Net movement in shareholders' funds for the year	2	(17)
Shareholders' funds at beginning of year	1,318	1,335
<b>Shareholders' funds at end of year</b>	<b>1,320</b>	<b>1,318</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010****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 Company ceased trading with effect from 1 January 2009. As required by FRS18 Accounting Policies, the financial statements have been prepared

- on a basis other than as a going concern under the historical cost convention, and
- in accordance with applicable law and accounting standards in the United Kingdom

**Parent undertaking and controlling party**

The Company's

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

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.

**Interest receivable from group undertakings**

Interest receivable is accounted for on an accruals 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.

**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.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

**2 Auditors' remuneration**

Auditors' remuneration of £2,700 (2009 £2,700) was borne by another Group company

**3. Employee costs**

The Company employed no staff during the year (2009 none)

**4. Directors' remuneration**

The Directors of the Company received no remuneration for services rendered to the Company during the year (2009 £nil)

**5. Tax charge/(credit) on profit/(loss) on ordinary activities**

2010  
£000

2009  
£000

**(a) Analysis of charge/ (credit) for the year**

Current tax

UK corporation tax on profit/(loss) at 28% (2009 28%)

1

(6)

Total current tax (note5(b))

1

(6)

**(b) Factors affecting tax charge for the year**

The tax assessed for the year is equal to (2009 equal to) the standard rate of corporation tax in the UK (28%) (2009 28%)

**(c) Circumstances affecting current and future tax charges**

The Government announced in June 2010 that it intended to reduce the rate of UK corporation tax from 28% to 24% over four years. Consequently the Finance Act 2010, which was substantively enacted in July 2010, included provisions to reduce the rate of UK corporation tax to 27% with effect from 1 April 2011.

On 23 March 2011, the Government announced that it intends to further reduce the rate of UK corporation tax to 26% with effect from 1 April 2011 and then by 1% per annum to 23% by 1 April 2014. As this legislation was not substantively enacted by 31 December 2010, the impact of these further anticipated rate changes is not reflected in the tax provisions reported in these accounts.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

6. Debtors	2010 £000	2009 £000
<i>Amounts falling due within one year:</i>		
Amounts owed by Group undertaking	1,315	1,306
Amounts owed by Group undertaking in respect of group relief	-	6
	<u>1,315</u>	<u>1,312</u>

7. Creditors: amounts falling due within one year	2010 £000	2009 £000
Amounts owed by Group undertaking in respect of group relief	<u>1</u>	<u>-</u>

8. Called up share capital	2010 Number	2009 Number
Authorised share capital		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	<u>2010 £</u>	<u>2009 £</u>
Allotted, called up and fully paid		
2 (2009 2) ordinary shares of £1 each	<u>2</u>	<u>2</u>

9. Reserves and shareholders' funds	Share capital £000	Profit and loss account £000	Total £000
1 January 2010	-	1,318	1,318
Profit on ordinary activities after taxation	-	2	2
31 December 2010	<u>-</u>	<u>1,320</u>	<u>1,320</u>

**10. Related party transactions**

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

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