TRINITY ACQUISITION PLC
(Registered Number 3588435)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

Directors

SE Wood
SP Hearn (appointed 1 January 2012)
OHW Goodinge (appointed 22 March 2012)

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 2011

The Directors present their annual report, together with the audited financial statements, for the year ended 31 December 2011

Principal activities and review of developments

The Company acts as a 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 2011 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

Debt reorganisations

On 17 March 2011 the following events occurred

- Willis Group Holdings plc, the ultimate parent undertaking of the Company, issued $300 million aggregate principal amount of 4 125% senior unsecured notes due 15 March 2016 and $500 million aggregate principal amount of 5 75% senior unsecured notes due 15 March 2021 The Company acts as a Guarantor to these notes

- The Company issued 10,000 ordinary shares to its immediate parent company, TA I Limited, for total consideration of $784 million

- The Company entered into an agreement with Goldman Sachs Mezzanine Partners ('Goldman') to redeem $465 million principal amount of its 12 875% senior notes due 2016 for a purchase price equal to 100% of the principal amount of these notes plus an early redemption premium and all accrued and unpaid interest

- The Company settled in full two loans and all accrued and unpaid interest to Willis North America Inc , an indirect subsidiary undertaking, for an aggregate amount of $66 million

- The Company paid $94 million to Willis Group Services Limited, an indirect subsidiary undertaking, representing part settlement of an amount owed to that company

On 18 April 2011 the Company entered into an agreement with Goldman to redeem the remaining $35 million principal amount of the 12 875% senior notes for a purchase price equal to 100% of the principal amount of the notes plus an early redemption premium and all accrued and unpaid interest

On 16 December 2011 the following events occurred

- The Company entered into an agreement to borrow $300 million under a term loan facility provided by a syndicate of 14 banks led by Barclays Capital and SunTrust Robinson Humphrey The loan is repayable on 16 December 2016 Interest is set at each quarter based on LIBOR plus a margin and payable quarterly

- The Company also entered into an agreement for a $500 million revolving credit facility provided by the same lenders The facility is also repayable on 16 December 2016

- The Company issued an interest bearing loan of $300 million to Willis North America Inc , an indirect subsidiary undertaking, which is repayable on demand by the Company

Further details of these transactions are shown in notes 13, 14, 15, 16 and 18

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)

Principal activities and review of developments (continued)

Results

The loss on ordinary activities after taxation amounted to $59 million (2010 profit of $2,978 million) as shown in the profit and loss account on page 7 The decrease in profit is attributable to

- $4,367 million decrease in dividend income from subsidiary undertakings,
- $158 million incurred in early redemption fees as a result of the redemption of the Goldman senior notes,
- $13 million of debt costs written off in respect of the redemption of the Goldman senior notes,
- $155 million decrease in interest receivable from Group undertakings, and
- $4 million adverse foreign exchange movement

partly offset by

- $1,528 million write down in 2010 of the cost of investment in TA IV, a subsidiary undertaking, which was subsequently liquidated on 26 January 2012,
- $54 million decrease in interest payable on the Goldman senior notes as a result of the debt reorganisation on 17 March 2011 and 18 April 2011,
- $76 million decrease in tax charge, and
- $2 million decrease in interest payable to Group undertakings

Dividends

No interim dividend was paid in the year (2010 an interim dividend of $115 million (€87 million) was paid on 22 December 2010) The Directors do not recommend the payment of a final dividend (2010 $nil)

Dividends proposed after the balance sheet date are shown in note 20 to the financial statements on page 17

Balance sheet

The balance sheet on page 8 of the financial statements shows the Company's financial position at the year end Net assets have increased by $725 million mainly as a result of the issue 10,000 ordinary shares of $1 each by the Company to its immediate parent company, TA I Limited, for total consideration of $784 million

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

Event after the balance sheet date

On 30 March 2012 the Company became a guarantor, with certain fellow subsidiary undertakings of Willis Group Holdings plc and Willis Group Holdings plc itself, of a schedule of contributions agreed with the UK pension scheme Trustee Further details are shown in note 18 to the financial statements on page 18

Principal risks and uncertainties

The Company has intercompany balances with fellow Group undertakings in currencies other than US dollars, its functional currency, and is therefore exposed to movements in exchange rates The Group's treasury function takes out contracts to manage this risk at a Group level

The Company is potentially exposed to credit risk from its investments in its subsidiary undertakings 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 also exposed to additional risks 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

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)

Environment

The Group recognises the importance of its environmental responsibilities, monitors 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

Employees

The Company employed no staff during the year (2010 none)

Directors

The current Directors of the Company are shown on page 1, which forms part of this report GJ Millwater resigned as Director of the Company on 31 December 2011 SP Hearn and OHW Goodinge were appointed as Directors on 1 January 2012 and 22 March 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 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

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)

Auditors

Deloitte LLP have indicated their willingness to be reappointed for another term At the Annual General Meeting at which this report and these financial statements will be presented, Shareholders will be requested to approve their reappointment until the conclusion of the following Annual General Meeting

By Order of the Board

SE Wood
Director
51 Lime Street
London EC3M 7DQ

29 June 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY ACQUISITION PLC

We have audited the financial statements of Trinity Acquisition plc for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 20 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 2011 and of its loss 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

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

David Rush (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom
29 June 2012

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 $m	2010 $m
Turnover	2	**47**	4,414
Operating income – foreign exchange gain		**4**	**8**
Operating profit	3	**51**	4,422
Finance income, net	6	**22**	121
Expenses on redemption of other loans	7	**(171)**	-
Amounts written off fixed asset investment	8	**-**	(1,528)
(Loss)/profit on ordinary activities before taxation		**(98)**	3,015
Tax credit/(charge) on (loss)/profit on ordinary activities	9	**39**	(37)
(Loss)/profit on ordinary activities after taxation		**(59)**	2,978

All activities derive from continuing operations

There are no recognised gains or losses in either 2011 or 2010 other than the loss and profit for those years

BALANCE SHEET AS AT 31 DECEMBER 2011

	Note	2011 $m	2010 $m
Fixed assets			
Investments	11	5,975	5,975
Current assets			
Debtors			
Amounts falling due within one year	13	308	17
Amounts falling due after one year	13	486	482
		794	499
Current liabilities			
Creditors amounts falling due within one year	14	(255)	(421)
Net current assets		539	78
Total assets less current liabilities		6,514	6,053
Creditors amounts falling due after more than one year	15	(712)	(976)
Net assets		5,802	5,077
Capital and reserves			
Called up share capital	16	44	44
Share premium	17	2,624	1,840
Profit and loss account	17	3,134	3,193
Shareholders' funds		5,802	5,077

The financial statements of Trinity Acquisition plc, registered company number 3588435, were approved by the Board of Directors and authorised for issue on 29 June 2012 and signed on its behalf by

SE Wood
Director

MOVEMENTS IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 DECEMBER 2011

Movements in shareholders' funds	2011 $m	2010 $m
(Loss)/profit on ordinary activities after taxation	**(59)**	2,978
Dividends paid	**-**	(115)
New ordinary shares issued	**784**	-
Net movement in shareholders' funds for the year	**725**	2,863
Shareholders' funds at beginning of year	**5,077**	2,214
Shareholders' funds at end of year	**5,802**	5,077

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

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 and indirectly owns substantially all of the trading companies in the Willis Group,
- the Company has net current assets of $539 million (2010 $78 million), 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 TA I 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 subsidiary undertakings is accounted for on a receivable basis

Finance income

Interest receivable and interest payable are accounted for on an accruals basis

Foreign currency translation

These financial statements are presented in US dollars 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 2011 (continued)

1. Accounting policies (continued)

Fixed asset investments

Investments in subsidiaries 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

Turnover comprises income from shares in subsidiary undertakings The table below analyses turnover by the accounting address of the subsidiary from whom it is derived

Income from shares in subsidiary undertakings	2011 $m	2010 $m
United Kingdom	47	4,411
Canada	-	3
	47	4,414

3. Operating profit

Auditors' remuneration of £2,700 ($4,330) (2010 £2,700 ($4,262)) was borne by another Group company

4. Employee costs

The Company employed no staff during the year (2010 none)

5. Directors' remuneration

The Directors of the Company received no remuneration for services rendered to the Company during the year (2010 $nil)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)

6. Finance income, net	2011 $m	2010 $m
Interest and investment income		
Interest receivable from Group undertakings	**65**	220
Interest payable and similar charges		
Interest payable to Group undertakings	**(29)**	(31)
Other loans	**(14)**	(68)
	(43)	(99)
Finance income, net	**22**	121

7 Expenses on redemption of other loans	2011 $m	2010 $m
Fees on early redemption of Goldman senior notes	**(158)**	-
Write off of unamortised debt issuance costs	**(13)**	-
	(171)	-

On 17 March 2011 the Company entered into an agreement with Goldman to redeem $465 million principal amount of its $500 million 12 875% senior notes due 2016, which required a contractual early redemption fee of $146 million
On 18 April 2011 the Company redeemed the remaining $35 million, which required a contractual early redemption fee of $12 million

Following the redemption of the notes the Company wrote off $13 million of unamortised debt issuance costs

8. Amounts written off fixed asset investment	2011 $m	2010 $m
Amounts written off fixed asset investment	**-**	1,528

During 2010 the Company wrote down its cost of investment in TA IV Limited The company was subsequently liquidated on 26 January 2012

9. Tax on (loss)/profit on ordinary activities	2011 $m	2010 $m
(a) Analysis of (credit)/charge for the year		
Current tax:		
UK corporation tax on (loss)/profit at 26 5% (2010 28%)	(4)	37
Adjustments in respect of prior periods	(35)	-
Total current tax (note 9(b))	(39)	37
(b) Factors affecting current tax for the year		
The tax assessed for the year is higher (2010 lower) than the standard rate of corporation tax in the UK (26 5%) (2010 28%) The differences are explained below		
(Loss)/profit on ordinary activities before taxation	(98)	3,015
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26 5% (2010 28%)	(26)	844
Effects of		
Loss carried back to prior periods	34	-
Intra-group dividends which are non-taxable	(12)	(1,235)
Amounts written off fixed asset investment	-	428
Adjustments to tax charge in respect of prior years	(35)	-
Total current tax (credit)/charge for the year (note 9(a))	(39)	37

(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 19 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 24% with effect from 1 April 2012, 23% from 1 April 2013 and 22% from 1 April 2014 As these changes were not substantively enacted at the balance sheet date, their impact is not reflected in the tax provisions reported in these accounts

10. Dividends paid	2011 $m	2010 $m
Interim paid (2010 22 December 2010)	-	115

11. Investments held as fixed assets

	Subsidiary undertakings $m
Cost	
1 January 2011	7,503
Disposal	(1,528)
31 December 2011	5,975
Provisions	
1 January 2011	(1,528)
Disposal	1,528
31 December 2011	-
Net book value 31 December 2011	**5,975**
Net book value 31 December 2010	5,975

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

12. Shares in subsidiary undertakings

The principal subsidiary undertakings at 31 December 2011 were

	Percentage of share capital held	Class of share	Country of incorporation
Insurance Broking			
Willis Limited	100%	Ordinary of £1 each	United Kingdom
Holding Company			
Willis Group Limited*	100%	Ordinary of 12 5p each Ordinary of $1 each	United Kingdom
Willis North America Inc	100%	Common	USA
Willis International Limited	100%	Ordinary of £1 each	United Kingdom
Willis Faber Limited	100%	Ordinary of £1 each	United Kingdom
Willis Europe BV	100%	Ordinary of €454 each	Netherlands
Management Services Company			
Willis Group Services Limited	100%	Ordinary of £1 each	United Kingdom

* Owned directly by Trinity Acquisition plc, all other undertakings are indirectly held All undertakings operate principally in the country of their incorporation

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

13 Debtors	2011 $m	2010 $m
Amounts falling due within one year:		
Amounts owed by Group undertakings	**303**	3
Amounts owed by Group undertaking in respect of group relief	**4**	-
Other debtors	**1**	14
	308	17
Amounts falling due after more than one year:		
Amounts owed by Group undertaking	**482**	482
Other debtors	**4**	-
	486	482
	794	499

Amounts falling due within one year

Included in amounts falling due within one year by Group undertakings is an interest bearing loan of $300 million due from Willis North America Inc The loan was granted on 16 December 2011 and is repayable on demand by the Company Interest is payable on the unpaid principal amount at a rate per annum as agreed upon by the Company and Willis North America Inc

Amounts falling due after more than one year

The amount due after more than one year by Group undertakings represents an interest bearing loan of $482 million due from Willis North America Inc The loan was granted on 6 March 2009 and is repayable on 1 December 2016 Interest is payable on the principal amount on 15 March, 15 June, 15 September and 15 December of each year to the date of repayment at a rate of 13 275% per annum

14. Creditors: amounts falling due within one year	2011 $m	2010 $m
Amounts owed to Group undertakings	**244**	421
Other loan	**11**	-
	255	421

On 17 March 2011 the Company paid $94 million to Willis Group Services Limited, an indirect subsidiary undertaking, representing part settlement of the amount owed to that company

The $11 million other loan represents the amount falling due within one year of a term loan of $300 million ('Barclays Loan') provided by a syndicate of 14 banks led by Barclays Capital and SunTrust Robinson Humphrey The loan was executed on 16 December 2011 The $11 million is repayable in consecutive instalments in 2012 of $2 5 million on 31 March, 30 June and 30 September and $3 75 million on 31 December Interest is set at each quarter based on LIBOR plus a margin and is payable quarterly

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)

15 Creditors: amounts falling due after more than one year	2011 $m	2010 $m
Amounts owed to Group undertakings	423	476
Other loan	289	500
	712	976

The 2011 amount owed to Group undertakings falling due after more than one year represents a loan of $423 million ('Eurobond') from Willis Netherlands Holdings BV on which interest is payable at a fixed rate of 6 12% per annum The Eurobond is repayable on 1 July 2015 and is registered on the Channel Island Stock Exchange

On 17 March 2011 the Company repaid a loan of $53 million owed to Willis North America Inc on which interest was payable at LIBOR plus a margin of between 1 10% and 1 55% per annum

The $289 million other loan represents the amount falling due after more than one year of the Barclays Loan and is repayable in consecutive instalments of $4 million on each 31 March, 30 June, 30 September and 31 December between 31 March 2013 and 30 September 2015, and then in consecutive instalments of $6 million on 31 December 2015 and 31 March 2016, 30 June 2016 and 30 September 2016 All remaining amounts are due on 16 December 2016 Interest is set at each quarter based on LIBOR plus a margin and is payable quarterly

The other loan of $500 million in 2010 represented senior notes issued to Goldman On 17 March 2011 the Company entered into an agreement with Goldman to redeem $465 million principal amount of the 12 875% senior notes for a purchase price equal to 100% of the principal amount of the notes plus an early redemption premium of $146 million and all accrued and unpaid interest On 18 April 2011 the Company entered into an agreement to redeem the remaining $35 million principal amount of the 12 875% senior notes for a purchase price equal to 100% of the principal amount of the notes plus an early redemption premium of $12 million and all accrued and unpaid interest The notes were registered on the Channel Island Stock Exchange

16. Called up share capital	2011 $m	2010 $m
Allotted, called up and fully paid		
207,858,858 (2010 207,858,858) ordinary shares of 10 pence each	34	34
10,010,000 (2010 10,000,000) ordinary shares of $1 each	10	10
	44	44

On 17 March 2011 the Company revoked the provision of its memorandum of association concerning the share capital of the Company

On the same day the Company issued 10,000 ordinary shares of $1each to its immediate parent company, TA I Limited, for total consideration of $783,886,000 The shares were issued at a premium of $783,876,000

17 Reserves and shareholders' funds	Share capital $m	Share premium $m	Profit and loss account $m	Total $m
1 January 2011	44	1,840	3,193	5,077
Loss on ordinary activities after taxation	-	-	(59)	(59)
New ordinary shares issued (see note 16)	-	784	-	784
31 December 2011	44	2,624	3,134	5,802

18. Contingent liabilities

The Company guarantees, on a joint and several basis with certain fellow subsidiary undertakings of Willis Group Holdings plc and Willis Group Holdings plc itself, the following debt securities issued by Willis North America Inc , also a fellow subsidiary undertaking of Willis Group Holdings plc

$350 million 5 625% senior notes due 2015
$600 million 6 200% senior notes due 2017
$300 million 7 000% senior notes due 2019

On 17 March 2011 the Company became a guarantor with certain fellow subsidiary undertakings of Willis Group Holdings plc and Willis Group Holdings plc itself of $300 million 4 125% senior notes due 15 March 2016 and $500 million 5 75% senior notes due 15 March 2021

The Company is also a guarantor of 260 cumulative redeemable preference shares with an aggregate subscription price of R26 million ($3 5 million) in the preference share capital of Clorpique 149 (Proprietary) Limited, a company registered in the Republic of South Africa 33 shares are redeemable on 1 December 2012, 33 shares are redeemable on 1 December 2013 and the remaining shares are redeemable on 1 December 2014 The Company is not a guarantor for the initial dividend

Up to 16 December 2011 the Company was a guarantor, on a joint and several basis, with certain fellow subsidiary undertakings of Willis Group Holdings plc and Willis Group Holdings plc itself, of two revolving credit facilities of $200 million and $300 million and a $700 million term loan facility On 16 December 2011 these were repaid

18. Contingent liabilities (continued)

Post balance sheet event

On 30 March 2012 the Company became a guarantor, with certain fellow subsidiary undertakings of Willis Group Holdings plc and Willis Group Holdings plc itself, of a schedule of contributions agreed with the UK pension scheme Trustee This schedule sets out contributions payable by Willis Group Holdings plc for the six year period from 1 January 2012 to 31 December 2017 as follows

1 on-going contributions at 15 9% of active plan members' pensionable salary – approximately £15 million per annum (paid monthly),

2 deficit funding contributions of £36 million per annum (paid monthly),

3 profit share contribution equal to 20% of EBITDA in excess of $900 million per annum (payable within three months of the end of each year unless otherwise agreed with the Trustee), and

4 additional deficit funding contributions of 10% of any exceptional returns to shareholders, including share buybacks (payable within two months of the end of each year in which the returns are made)

The aggregate contributions under 2 and 3, above, are capped at £312 million over the six years 2012 through 2017 All contributions set out above are payable in pounds sterling using the spot rate at the date of payment

19. Related party 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

20 Events after the balance sheet date

On 15 March 2012 the Company received an interim dividend of $282 million from its subsidiary undertaking Willis Group Limited On the same day, the Directors declared and paid an interim dividend of $165 million

Details of a further balance sheet event occurring on 30 March 2012 are shown in note 18