OPUS HOLDINGS LIMITED

(Registered Number 3625614)

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

Directors

SE Wood
Willis Corporate Director Services Limited (appointed 8 September 2010)

Secretary

Willis Corporate Secretarial Services Limited (appointed 8 September 2010)

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 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

Results

The loss on ordinary activities after taxation amounted to £15,000 (2009 £549,000) The loss in 2009 was incurred after payment was made of all dividends and interest due with regard to preference shares These shares were redeemed in 2009 There were no preference shares in issue in 2010

The Directors do not anticipate any changes in the Company's position for the foreseeable future

Dividends

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 SK Bryant resigned as Director of the Company on 7 September 2010 Willis Corporate Director Services Limited was appointed with effect from 8 September 2010 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

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

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

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

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

SE Wood
Director
51 Lime Street
London EC3M 7DQ
19 September 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPUS HOLDINGS LIMITED

We have audited the financial statements of Opus Holdings 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 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

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 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPUS HOLDINGS 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, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report

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
Finance charges	5	-	(1,062)
Loss on ordinary activities before taxation		-	(1,062)
Tax (charge)/credit on loss on ordinary activities	6	(15)	513
Loss on ordinary activities after taxation		(15)	(549)

All activities derive from continuing operations

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

BALANCE SHEET AS AT 31 DECEMBER 2010

	Note	2010 £000	2009 £000
Fixed assets			
Investments	7	1,666	1,666
Current assets			
Debtors			
Amounts falling due within one year	9	457	465
Amounts falling due after one year	9	235	242
Net current assets		692	707
Total assets		2,358	2,373
Provisions for liabilities	11	(457)	(457)
Net assets		1,901	1,916
Capital and reserves			
Called up share capital	12	52	52
Share premium	13	1,379	1,379
Profit and loss account	13	470	485
Shareholders' funds		1,901	1,916

The financial statements of Opus Holdings Limited, registered company number 3625614, were approved by the Board of Directors and authorised for issue on 19 SEPTEMBER 2011 and signed on its behalf by

SE Wood
Director

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

Movement in shareholders' funds	2010 £000	2009 £000
Loss on ordinary activities after taxation	(15)	(549)
Net movement in shareholders' funds for the year	(15)	(549)
Shareholders' funds at beginning of year	1,916	2,465
Shareholders' funds at end of year	**1,901**	1,916

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 financial statements have been prepared

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

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 accounts

Parent undertaking and controlling party

The Company's

- immediate parent company and controlling undertaking is Willis Faber 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

Finance charges

Interest payable is accounted for on an accruals basis

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

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more or less tax, at a future date, at rates expected to apply when they reverse based on current tax rates and law Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered Deferred tax assets and liabilities are not discounted

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

1. Accounting policies (continued)

Errors and omission provisions

Provisions comprise estimates for liabilities which may arise from actual and potential claims for errors and omissions

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. 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. Finance charges	2010 £000	2009 £000
Interest payable and similar charges		
Preference dividend payable - 8 5054% cumulative preference shares	-	(550)
Interest payable on unpaid cumulative preference dividend	-	(512)
Finance charges	-	(1,062)

Notice was given to the Company on 5 October 2009 by the holder of the preference shares, Willis Faber Limited, that all preference shares be redeemed within five business days The shares were subsequently redeemed and all preference dividends and related interest were paid within that period There are currently no preference shares in issue

6 Tax on loss on ordinary activities	2010 £000	2009 £000
(a) Analysis of credit for the year		
Current tax:		
UK corporation tax on profit at 28% (2009 28%)	-	(460)
	-	(460)
Adjustments in respect of prior periods	8	-
Total current tax credit on loss on ordinary activities (note 6(b))	8	(460)
Deferred tax:		
Origination and reversal of timing differences	-	(53)
Effect of decrease in tax rate on opening asset	7	-
Total deferred tax (note 10)	7	(53)
Tax credit on loss on ordinary activities	15	(513)

(b) Factors affecting current tax for the year

The tax assessed for the year is lower (2009 lower) than the standard rate of corporation tax in the UK (28%) (2009 28%) The differences are explained below

	2010 £000	2009 £000
Loss on ordinary activities before taxation	-	(1,062)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 28%)	-	(297)
Effects of		
Movements in short term timing differences	-	53
Amounts not deductible for tax purposes	-	154
Timing difference recognised for which no deferred tax previously accrued	-	(370)
Adjustments to tax charge in respect of prior years	8	-
Total current tax credit for the year (note 6(a))	8	(460)

(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 Accordingly, deferred tax balances have been revalued to reflect this change

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

7. Investments held as fixed assets

	Subsidiary undertakings £000
Cost and net book value 1 January and 31 December 2010	**1,666**

8. Shares in subsidiary undertakings

The principal subsidiary undertakings at 31 December 2010 were

	Percentage of share capital held	Class of share	Country of incorporation
Non-trading subsidiaries			
Opus Insurance Services Limited	100%	Ordinary of £1 each	United Kingdom
Opus London Market Limited	100%	Ordinary of £1 each	United Kingdom

The above subsidiary undertakings no longer trade Previously both companies were engaged in insurance broking and risk management consultancy

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

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

9. Debtors

	2010 £000	2009 £000
Amounts falling due within one year:		
Amounts owed by Group undertakings	457	265
Amounts owed by Group undertakings in respect of group relief	-	200
	457	465
Amounts falling due after more than one year.		
Deferred tax asset (note 10)	235	242
	692	707

10 Deferred tax	2010 £000	2009 £000
Deferred tax has been provided in full in respect of assets/liabilities arising from the following timing differences.		
Capital allowances	235	242
At 1 January	242	189
Deferred tax (charge)/credit in profit and loss account (note 6 (a))	(7)	53
At 31 December	235	242

Deferred tax assets have been recognised to the extent they are regarded as more likely than not as being recoverable either against the Company's own future profits or by way of group relief against those future profits of fellow UK Group companies Deferred taxation recoverable and the potential recovery, including the amounts for which provision has been made, are as follows

	2010 Provision for recovery £000	2009 Provision for recovery £000	2010 Full potential recovery £000	2009 Full potential recovery £000
Capital allowances not utilised	235	242	235	242
Tax losses	-	-	1,080	1,080
	235	242	1,315	1,322

The Company continues not to recognise deferred tax on its losses given the restrictions under UK tax legislation that govern their utilisation

11. Provisions for liabilities	Total £000
1 January 2010 and 31 December 2010	457

The provision is in respect of estimates for liabilities that may arise from actual and potential claims for errors and omissions (£184,000) and for commissions over-booked (£273,000)

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

12. Called up share capital	2010 Number (thousand)	2009 Number (thousand)
Authorised share capital		
Ordinary shares of 10 pence each	537	537
Ordinary preference shares of 10 pence each	1,315	1,315
Preference shares of 1 pence each	12,718	12,718

	2010 £000	2009 £000
Allotted, called up and fully paid		
526,120 (2009 526,120) ordinary shares of 10p each	52	52

Notice was given to the Company on 5 October 2009 by the holder of the preference shares, Willis Faber Limited, that all preference shares be redeemed within five business days The shares were subsequently redeemed and all preference dividends and related interest were paid within that period There are currently no preference shares in issue

13. Reserves and shareholders' funds	Share capital £000	Share premium £000	Profit and loss account £000	Total £000
1 January 2010	52	1,379	485	1,916
Loss on ordinary activities after taxation	-	-	(15)	(15)
31 December 2010	52	1,379	470	1,901

14. 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