

**TOWERS WATSON GLOBAL LIMITED**

**Registered Number 07947974**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
For the year ended 30 June 2013**



**TOWERS WATSON GLOBAL LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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## **TOWERS WATSON GLOBAL LIMITED**

### **DIRECTORS' REPORT**

**For the year ended 30 June 2013**

The directors present their annual report and the audited financial statements of the Company for the year ended 30 June 2013

### **BUSINESS REVIEW, PRINCIPAL ACTIVITIES AND FUTURE PROSPECTS**

The principal activity of the Company during the year was that of a holding company to hold the regulated Fund Management subsidiaries of the Towers Watson group outside of the United States of America

During the year the Company acquired Oxford Investment Partners Limited and its two subsidiaries for cash consideration (including acquisition costs) of £4,038,364. Subsequently, Oxford Investment Partners Limited changed its name to Towers Watson Investment Management Limited, and issued 1 further £0.10 ordinary share for cash consideration of £4,000,000.

#### **Results, dividends and future prospects**

The financial statements show a loss before tax for the year of £57,707 (2012 - £nil) principally comprising interest due to other group companies.

Although the company is loss making, the directors expect the subsidiary undertakings to be profitable and that the Company can look forward to a dividend stream in the years ahead.

No dividends were paid or proposed by the directors during the year (2012 - £Nil).

#### **Principal risks and uncertainties**

The principal risks and uncertainties changed are noted below.

The Company is exposed to the impairment of the investment in subsidiaries if the subsidiaries fail to generate sufficient cash flows to support the carrying value of the investments. Currently, the directors are satisfied that there is no evidence of impairment. The investment will be reviewed for signs of impairment on a regular basis and provisions made where appropriate.

The Company is reliant on funding from a related group company Towers Watson Limited. Accordingly the directors continue to adopt the going concern basis in preparing the financial statements.

### **DIRECTORS**

The directors who served throughout the year (except where otherwise stated) were as follows -

T A Rhodes  
P G Morris

### **INDEPENDENT AUDITOR AND STATEMENT OF PROVISION OF INFORMATION TO THE INDEPENDENT AUDITOR**

Deloitte LLP have expressed their willingness to continue in office as auditor of the Company and will be reappointed as auditor for the next year.

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 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 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.

**TOWERS WATSON GLOBAL LIMITED**

**DIRECTORS' REPORT (continued)**  
**For the year ended 30 June 2013**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

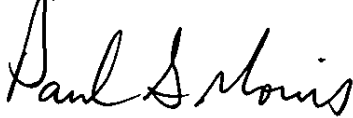
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

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 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,
- state whether applicable UK accounting standards have been followed, 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.

Approved by the Board of Directors  
and signed on behalf of the Board



P G Morris  
Director

Watson House  
London Road  
Reigate  
Surrey  
RH2 9PQ

**19 DECEMBER** 2013

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOWERS WATSON GLOBAL LIMITED**

We have audited the financial statements of Towers Watson Global Limited for the year ended 30 June 2013 which comprise the Profit and Loss account, the Balance Sheet, and the related notes 1 to 13. 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 which is included in the Directors' Report, 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 30 June 2013 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.



Neil Harris (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Crawley, United Kingdom

11 December 2013

**TOWERS WATSON GLOBAL LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**For the year ended 30 June 2013**

		Year to 30 June 2013 £	Period from 14 February 2012 to 30 June 2012 £
	<u>Notes</u>		
Administrative expenses		-	-
<b>OPERATING LOSS</b>		-	-
Interest payable and similar expense	3	(34,992)	-
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	(34,992)	-
Tax on loss on ordinary activities	6	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>	11	(34,992)	-

All activities are from continuing operations

There are no recognised gains and losses other than the losses shown above. Therefore, a statement of total recognised gains and losses is not presented.

**TOWERS WATSON GLOBAL LIMITED**  
**Registered Number 07947974**  
**BALANCE SHEET**  
**as at 30 June 2013**

		2013	2012
			(Restated - see note 1)
	Notes	£	£
<b>FIXED ASSETS</b>			
Investments	7	8,061,079	-
		<u>8,061,079</u>	<u>-</u>
<b>CURRENT ASSETS</b>			
Debtors	8	63	63
		<u>63</u>	<u>63</u>
<b>CREDITORS amounts falling due within one year</b>	9	(8,096,071)	-
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<u>(8,096,008)</u>	<u>63</u>
<b>NET (LIABILITIES)/ASSETS</b>		<u>(34,929)</u>	<u>63</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10, 11	63	63
Profit and loss account	11	(34,992)	-
<b>SHAREHOLDER'S (DEFICIT)/FUNDS</b>	11	<u>(34,929)</u>	<u>63</u>

The financial statements of Towers Watson Global Limited (registered number 07947974) were approved by the board of directors and authorised for issue on ~~19 December~~ 2013. They were signed on its behalf by

Signed on behalf of the Board of Directors



P G Morris  
Director

## **TOWERS WATSON GLOBAL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2013**

#### **1 ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom and the Companies Act 2006. A summary of the more important accounting policies is set out below. These policies have been applied consistently in the current year and prior year period.

##### **a Currency**

In the prior period, the functional and presentation currency of the Company was considered to be US dollars. During the year the Company acquired a UK subsidiary undertaking, financed by a sterling loan from a fellow Sterling functional group company. As a result the directors consider the functional and presentational currency to have changed to Sterling. As a result, the 2012 closing balance sheet figures have been retranslated into Sterling.

##### **b Group accounts exemption**

The Company is exempt under section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements, provided certain conditions are met.

The Company and its subsidiary are included in the consolidated audited accounts of Towers Watson & Co. for the year ended 30 June 2013, which is registered in the State of Delaware, United States of America. Its financial statements are drawn-up in a manner considered to be equivalent to UK GAAP consolidated financial statements, as required by the EU Seventh Directive.

##### **c. Going concern**

The funds of the Company are substantially invested in a group undertaking that was financed by a loan from a fellow group company. As such, the directors expect that the Company will remain in business provided that the underlying subsidiary remains profitable. The directors are satisfied that there is no such risk and, therefore, that the business is a going concern.

##### **d Cash flow statement**

The Company has taken advantage of the exemption within Financial Reporting Standard 1 (Revised) 'Cash flow statements' not to produce a cash flow statement as its results are included in the consolidated financial statements of its ultimate parent company.

##### **e Taxation**

Current tax, including United Kingdom 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 balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise 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.

##### **f Investments**

Investments are stated at cost less any provision for impairment.



**TOWERS WATSON GLOBAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 30 June 2013**

**2 LOSS ON ORDINARY ACTIVITIES  
BEFORE TAXATION**

The auditor's remuneration for the audit of the financial statements of the Company for the current year (£4,500) was borne and paid for by a parent undertaking. No audit was required in the prior period.

**3 INTEREST PAYABLE AND SIMILAR EXPENSE**

	Year to 30 June 2013 £	Period from 14 February 2012 to 30 June 2012 £
Interest on loans from group undertakings	34,992	-

**4 DIRECTORS' EMOLUMENTS**

No remuneration was payable to the directors for their services to the Company in either the current year or prior period. The directors are considered to be group employees in both periods and as such are remunerated through a parent undertaking.

**5 STAFF COSTS**

There were no staff employed in either year.

**6 TAX ON LOSS ON ORDINARY ACTIVITIES**

	Year to 30 June 2013 £	Period from 14 February 2012 to 30 June 2012 £
The rate of UK corporation tax for the year is 23.75% (2012 - 24.67%)		
UK corporation tax on loss for year at 23.75% (2012 - 24.67%) - current year	-	-
Total current tax	-	-

The tax charge for the year differs from that resulting from applying the standard rate of corporation tax in the UK of 23.75% (2012 - 24.67%). The differences are explained below.

	Year to 30 June 2013 £	Period from 14 February 2012 to 30 June 2012 £
Loss on ordinary activities before tax	34,992	-
U K corporation tax credit for the year at 23.75% (2012 - 24.67%)	8,311	-
Losses received for no value	(8,311)	-
Current tax for the year	-	-

**TOWERS WATSON GLOBAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 30 June 2013**

**7 FIXED ASSET INVESTMENTS**

<b>Shares in group undertakings</b>	<b>Cost £</b>
At 1 July 2012	-
Additions	<u>8,061,079</u>
At 30 June 2013	<u>8,061,079</u>

During the year the Company acquired Towers Watson Investment Management Limited (formerly Oxford Investment Partners Limited) for cash consideration of £4,048,364, and in June 2013 made a further contribution of £4,000,000 for the issue of 1 £0.10 ordinary share

The Company also incorporated, Towers Watson Investment Management (Ireland) Limited with €1 Ordinary share

The Company holds directly or indirectly, the issued ordinary share capital in the proportions shown below

<b>Investments - directly</b>	<b>Holding</b>	<b>Incorporation and operation</b>	<b>Nature of business</b>
Towers Watson Investment Management Limited	100%	England & Wales	Investment management services
Towers Watson Investment Management (Ireland) Limited	100%	Ireland	Investment management services
<b>Investments - indirect</b>			
OIP (Scotland) Limited	100%	Scotland	General Partner of OXIP LP

**8 DEBTORS**

	<b>2013 £</b>	<b>2012 (Restated) £</b>
Amounts due from group undertakings	<u>63</u>	<u>63</u>
	<u>63</u>	<u>63</u>

**TOWERS WATSON GLOBAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 30 June 2013**

**9 CREDITORS . amounts falling due within one year**

	2013 £	2012 £
Amounts due from group undertakings	7,793,000	-
Accruals and deferred income	303,071	-
	<u>8,096,071</u>	<u>-</u>

**10 CALLED UP SHARE CAPITAL**

	2013 £	2012 (Restated - see note 1) £
Called up, allotted and fully paid 100 Ordinary shares of \$1 each	<u>63</u>	<u>63</u>

**11 COMBINED RECONCILIATION OF MOVEMENTS IN  
SHAREHOLDER'S (DEFICIT)/FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES**

	Share capital £	Profit and loss account £	2013 Total £	2012 Total (Restated - see note 1) £
At beginning of year	63	-	63	-
Shares issued	-	-	-	63
Loss for the financial year	-	(34,992)	(34,992)	-
At end of year	<u>63</u>	<u>(34,992)</u>	<u>(34,929)</u>	<u>63</u>

**12 ULTIMATE PARENT COMPANY AND CONTROLLING ENTITY**

The Company's immediate parent company is Towers Watson Global Holdings Limited

The ultimate parent and controlling entity is Towers Watson & Co, a company registered Delaware, United States of America and listed on the New York Stock Exchange

The largest and smallest group into which the company's accounts are consolidated is Towers Watson & Co

Consolidated financial statements of Towers Watson & Co for the year ended 30 June 2013 are available on the Towers Watson website at [www.towerswatson.com](http://www.towerswatson.com)

**13 RELATED PARTY TRANSACTIONS**

The Company has taken advantage, as a 100% owned subsidiary, of the exemption under Financial Reporting Standard (FRS) 8, 'Related Party Disclosures', from disclosure of transactions and balances with group companies. Accordingly, transactions with Towers Watson & Co and its subsidiary undertakings are not disclosed separately