

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

(Registered Number 10385658)

REPORT AND FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017

Directors

OHW Goodinge

SJ Alcock

C Nelischer (appointed 1 February 2018)

JD Rand (appointed 1 February 2018)

Secretary

MP Dowding

Registered Office

51 Lime Street

London EC3M 7DQ

Auditor

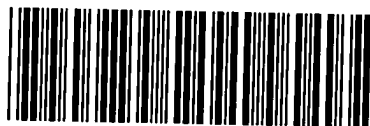
Deloitte LLP

Statutory Auditor

London

United Kingdom

TUESDAY



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COMPANIES HOUSE

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

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WILLIS TOWERS WATSON UK HOLDINGS LIMITED

STRATEGIC REPORT FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017

Company activities and review of developments

Willis Towers Watson UK Holdings Limited ('the Company') acts as a holding company and is a subsidiary of Willis Towers Watson plc. Willis Towers Watson plc, together with its subsidiaries ('WTW'), is one of the world's leading professional service providers of risk management, insurance broking, consulting, technology and solutions and private exchange services. The Company is domiciled and incorporated in the UK.

The Company was incorporated on 20 September 2016. On that day TA I Limited subscribed for one ordinary \$1 share at par and became the parent of the Company.

WTW's Restructuring Program

As part of WTW's restructuring activities, the following events occurred:

- On 11 August 2017 the Company became a guarantor under WTW's existing credit facilities and indentures. Further details are shown in note 10 to the financial statements.
- On the same day TA I Limited contributed 100% of the ordinary shares and 100% of the preferred shares of WTW Bermuda Holdings Ltd to the Company in exchange for the issue of 100 ordinary \$1 shares and 5,000,000,000 preferred \$0.01 shares by the Company for a total consideration of \$11,019 million. The Company credited a further \$14 million to its other reserves, representing the balance of the net asset value of WTW Bermuda Holdings Ltd.
- On 14 August 2017 WTW Bermuda Holdings Ltd undertook a reduction of its authorised and issued share capital from \$50 million to \$100, a reduction of its share premium account from \$10,969 million to nil and a reduction of its other reserve account from \$14 million to nil. The total amount from these reductions of \$11,033 million was credited to its contributed surplus account.
- On 15 August 2017 WTW Bermuda Holdings Ltd distributed 100% of the common shares of Trinity Acquisition plc to the Company to the value of \$11,033 million.
- On the same day the Company then wrote down its cost of investment in WTW Bermuda Holdings Ltd by \$11,033 million.

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

Results

The result on ordinary activities after taxation amounted to \$nil million as shown in the income statement on page 10. The result is attributable to:

- \$11,033 million intercompany dividends received;
- offset by:
- \$11,033 million impairment of investment.

Balance sheet

The balance sheet on page 11 of the financial statements shows the Company's financial position at the period end. Net assets consist of \$11,033 million, being the investment in Trinity Acquisition plc.

WTW 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 WTW, which includes the Company, is discussed in WTW's consolidated financial statements which do not form part of this report.

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

STRATEGIC REPORT FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017 (continued)

Principal risks and uncertainties

The Company is potentially exposed to investment risk from its investments in its subsidiary undertakings. An impairment allowance would be made if there were to be an identified loss event evidencing a potential reduction in the recoverability of the cash flows. During 2017 the investment in Willis Towers Watson Bermuda Holdings Ltd was impaired, as described in note 6.

The Company is also exposed to additional risks by virtue of being part of WTW, including those relating to the vote in the United Kingdom to leave the European Union. On 29 March 2017, the British Government triggered Article 50 of the Treaty of Lisbon, giving formal notification of the UK's intention to withdraw from membership of the European Union. These risks have been discussed in WTW's consolidated financial statements which do not form part of this report.

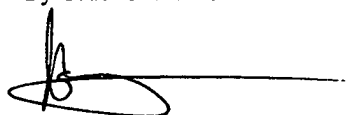
Environment

WTW 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 WTW's activities.

Employees

The Company employed no staff during the period.

By Order of the Board



SJ Alcock
Director
51 Lime Street
London EC3M 7DQ
13 JUNE 2018

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017

The Directors present their annual report, together with the audited financial statements, for the period ended 31 December 2017.

Strategic report

The Directors have approved the content of the Company's strategic report prepared in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The report provides an overview of the Company's activities and an analysis of its performance for the period ended 31 December 2017, along with the principal risks faced in achieving its future objectives.

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 13.

Dividends

No interim dividend was paid in the period. On 2 January 2018 the Company received a dividend of \$332 million from its subsidiary Trinity Acquisition plc. The Company then declared and paid a final dividend of \$332 million in respect of its preferred shares to TA I Limited.

Directors

The current Directors of the Company are shown on page 1, which forms part of this report. SJ Alcock and OHW Goodinge were appointed as Directors of the Company on 20 September 2016. C Nelischer and JD Rand were appointed as Directors of the Company on 1 February 2018. There were no other changes in Directors during the period or after the period end.

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), including the Financial Reporting Standard 101, Reduced Disclosure Framework ('FRS 101'). 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 judgements 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.

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017 (continued)

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.

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



SJ Alcock
Director
51 Lime Street
London EC3M 7DQ

13 JUNE 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIS TOWERS WATSON UK HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its result for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Willis Towers Watson UK Holdings Limited (the Company) which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 12 and Appendix 1.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIS TOWERS WATSON UK HOLDINGS LIMITED (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Report on other legal and regulatory requirements

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIS TOWERS WATSON UK HOLDINGS LIMITED (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.



Andrew Downes (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London
United Kingdom

2018

13 June

WILLIS TOWERS WATSON UK HOLDINGS LIMITED**INCOME STATEMENT FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017**

	Notes	20 Sept 2016 to 31 Dec 2017 \$m
Impairment of fixed asset investment	6	(11,033)
Operating loss		(11,033)
Income from shares in group undertaking		11,033
Result on ordinary activities before taxation		-
Tax on result on ordinary activities	7	-
Result for the period		-

All activities derive from continuing operations.

There is no other comprehensive income for the period 20 September 2016 to 31 December 2017.

WILLIS TOWERS WATSON UK HOLDINGS LIMITED**BALANCE SHEET AS AT 31 DECEMBER 2017**

	Notes	20 Sept 2016 to 31 Dec 2017 \$m
Fixed assets		
Investments	8	11,033
Net assets		11,033
Equity		
Called up share capital	9	50
Share premium	9	10,969
Other reserves		14
Shareholder's equity		11,033

The financial statements of Willis Towers Watson UK Holdings Limited, registered company number 10385658, were approved by the Board of Directors and authorised for issue on 13 June 2018 and signed on its behalf by:



SJ Alcock
Director

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017

	Notes	Called up share capital \$m	Share premium account \$m	Other reserve \$m	Total equity \$m
Balance at 20 September 2016		-	-	-	-
Issue of shares	9	50	10,969	-	11,019
Other reserves		-	-	14	14
Balance at 31 December 2017		50	10,969	14	11,033

The Company was formed on 20 September 2016 and, on that day, issued one ordinary \$1 share at par to its parent, TA I Limited.

On 11 August 2017 the Company issued 100 ordinary shares of \$1 each at a total premium of \$5,933 million and 5,000,000,000 preferred shares of \$0.01 each at a total premium of \$5,036 million to TA I Limited in exchange for 100% of the ordinary and preferred shares in WTW Bermuda Holdings Ltd. The Company also credited the sum of \$14 million to its other reserves representing the balance of the net asset value of WTW Bermuda Holdings Ltd.

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017

1. Accounting policies

Basis of preparation

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 and, consequently, has prepared these financial statements in accordance with Financial Reporting Standard 101, Reduced Disclosure Framework ('FRS 101').

The financial statements have been prepared on the historical cost basis.

The principal accounting policies adopted are set out below.

Disclosure exemptions

The Company has taken advantage of certain disclosure exemptions permitted under FRS 101 primarily in relation to: (i) presentation of a cash flow statement; (ii) related party transactions; and (iii) new International Financial Reporting Standards ('IFRSs') that have been issued but are not yet effective as, where required, equivalent disclosures are given in the consolidated financial statements of Willis Towers Watson plc.

Going concern

The Company's business activities and the factors likely to affect its future development and position are set out in the Strategic Report. The Company's financial projections indicate that it will generate positive cash flows on its own account for the foreseeable future.

The Directors have conducted enquiries into the nature and quality of the assets that make up the Company's capital. Furthermore the Directors' enquiries extend to the Company's relationship with WTW and external parties on a financial and non-financial level. Having assessed the responses to their enquiries, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt upon the ability of WTW to continue as a going concern or its ability to repay loans due to the Company from time to time.

As a consequence of the enquiries the Directors have a reasonable expectation that the Company has appropriate 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.

True and fair view override

In special disclosure circumstances, where compliance with any of the provisions of the Companies Act as to the matters to be included in a company's financial statements (or notes thereto) is inconsistent with the requirement to give a true and fair view of the state of affairs and profit or loss, the directors shall depart from that provision to the extent necessary to give a true and fair view. In these instances, the Company would adopt a true and fair view override.

Parent undertaking and controlling party

The Company's:

- immediate parent company and controlling undertaking is TA I Limited; and
- ultimate parent company is Willis Towers Watson plc, a company incorporated in Ireland, whose registered office is Willis Towers Watson House, Elm Park, Merrion Road, Dublin 4, Ireland.

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

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017 (continued)

1. Accounting policies (continued)

The largest and smallest group in which the results of the Company are consolidated is Willis Towers Watson plc, whose financial statements are available to members of the public on WTW's website www.willistowerswatson.com, in the Investor Relations section.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Fixed asset investments

Investments in subsidiaries are carried at cost less provision for impairment.

Income taxes

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.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Recent accounting pronouncements adopted in the current period

The Company did not adopt any new International Financial Reporting Standards ('IFRSs') or interpretations ('IFRICs') issued by the International Accounting Standards Board ('IASB') during the period ended 31 December 2017 and no amendments to IFRSs or International Accounting Standards ('IASSs') issued or adopted by the IASB had a significant effect on its financial statements.

2. Critical accounting judgements and estimates

The preparation of financial statements in conformity with FRS 101 and in the application of the Company's accounting policies, which are described in note 1, requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as at the dates of the financial statements and the reported amounts of revenues and expenses during the year. Judgements, estimates and assumptions are made about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements that management has made in the process of applying the Company's accounting policies and/or the key assumptions or sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017 (continued)

2. Critical accounting judgements and estimates (*continued*)

Impairment of investments in subsidiaries

Determining whether the Company's investment in a subsidiary has been impaired requires estimations of the investment's fair value, less costs of disposal, and/or value in use. Management judgement is required to identify comparable recent transactions and/or to estimate the future cash flows expected to arise from the investment and select a suitable discount rate to use in calculating present value. See note 8 for the carrying amount of investments in subsidiaries. An impairment loss was recognised in the period, as described in note 6.

3. Operating loss

Auditor's remuneration of \$16,233 was borne by another WTW company.

4. Employee costs

The Company employed no staff during the period.

5. Directors' remuneration

The Directors of the Company are remunerated by other WTW companies with no part of their remuneration being allocated to this Company. As such no disclosure of their remuneration has been made in these financial statements.

6. Impairment of fixed asset investment

**20 Sept 2016 to
31 Dec 2017
\$m**

Fixed asset investment impairment charge

11,033

On 15 August 2017 WTW Bermuda Holdings Ltd distributed 100% of the common shares of Trinity Acquisition plc to the Company to the value of \$11,033 million.

The Company then wrote down its cost of investment in WTW Bermuda Holdings Ltd by \$11,033 million.

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017 (continued)

	20 Sept 2016 to 31 Dec 2017 \$m
7. Taxation	
<i>(a) Tax charged in the income statement</i>	
Current income tax:	
UK corporation tax	-
Total current income tax	-
Tax expense in the income statement (note 7(b))	-
	2017 \$m
<i>(b) Reconciliation of total tax charge</i>	
The tax assessed for the year is equal to the standard rate of corporation tax in the UK (19.25%):	
Tax calculated at UK standard rate of corporation tax of 19.25%	-
Effects of:	
Intra-group dividends which are non-taxable	(2,124)
Amounts not deductible for tax purposes	2,124
Total tax expense reported in the income statement (note 7(a))	-

(c) Change in corporation tax rate

The Finance Act 2013 set the rate of UK corporation tax at 20% with effect from 1 April 2015. The Finance Act 2015 maintained this rate for the year from 1 April 2016. The Finance (No.2) Act 2015, which received royal assent on 18 November 2015, reduced the rate to 19% with effect from 1 April 2017 with a further reduction to 18% from 1 April 2020. The Finance Act 2016, which received royal assent on 15 September 2016, subsequently reduced the main rate of corporation tax from 18% to 17% from 1 April 2020. As the changes were substantively enacted prior to 31 December 2017, they have been reflected in these financial statements.

	Subsidiary undertakings \$m
8. Investments held as fixed assets	
<i>Cost</i>	
20 September 2016	-
Additions ⁽ⁱ⁾	22,066
31 December 2017	22,066
<i>Impairment</i>	
Impairment charge for the period ⁽ⁱⁱⁱ⁾	(11,033)
31 December 2017	11,033
Carrying amount 31 December 2017	11,033

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017 (continued)

8. Investments held as fixed assets (continued)

i) Additions

- On 11 August 2017 TA I Limited contributed 100% of the investment in WTW Bermuda Holdings Ltd to the Company to the total value of \$11,033 million.
- On 15 August 2017 WTW Bermuda Holdings Ltd distributed 100% of the investment in Trinity Acquisition plc to the Company to the value of \$11,033 million.

(ii) Impairment

On 15 August 2017, following the distribution from WTW Bermuda Holdings Ltd, the Company wrote down its cost of investment in WTW Bermuda Holdings Ltd by \$11,033 million.

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

The direct subsidiary undertakings at 31 December 2017 were:

	Percentage of share capital held	Class of share	Country of incorporation
<i>Investment Holding</i>			
Trinity Acquisition plc	100%	Ordinary of \$1 each and Ordinary of £0.10 each	United Kingdom
WTW Bermuda Holdings Ltd	100%	101 Common shares par value \$0.00990099	Bermuda
		5,000,000,000 Series A Preferred Shares, par value \$0.0000000198	

Both undertakings operate principally in the country of their incorporation.

Details of all shares in subsidiary, associate and significant undertakings are shown in appendix 1 which forms part of these financial statements.

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017 (continued)

	20 Sept 2016 to 31 Dec 2017
9. Called up share capital	\$m

Allotted, called up and fully paid

101 ordinary shares of \$1 each

-

5,000,000,000 of class A preferred shares of \$0.01 each.

50

- The Company was formed on 20 September 2016 and, on that day, issued one ordinary \$1 share at par to its parent, TA I Limited.
- On 11 August 2017 the Company issued 100 ordinary shares of \$1 each at a total premium of \$5,933 million and 5,000,000,000 preferred shares of \$0.01 each at a total premium of \$5,036 million to TA I Limited in exchange for 100% of the ordinary and preferred shares in WTW Bermuda Holdings Ltd.
- The Company's preferred shares are redeemable by the Company from or after the tenth anniversary of issuance. Redemption is at the option of the Company. A premium is payable on redemption equal to the pro rata share of the value credited to the share premium account in respect of all the preferred shares plus unpaid dividends. The declaration of dividends on these shares is discretionary; as and when they are declared by the Board of Directors, shareholders are entitled to receive cumulative cash dividends at an annual rate equal to 12 month USD LIBOR + 4.75% of the aggregate of the nominal value and share premium in respect of all the preferred shares.

10. Contingent liabilities

On 11 August 2017 the Company became a guarantor, in addition to the existing guarantors, being certain fellow subsidiary undertakings of Willis Towers Watson plc and Willis Towers Watson plc itself, of the following debt securities issued by:

- Willis North America Inc. a fellow subsidiary undertaking of Willis Towers Watson plc:
 - \$187 million 7.000% Senior Notes due 2019; and
 - \$650 million 3.600% Senior Notes due 2024.
- Willis Towers Watson plc: \$500 million 5.75% Senior Notes due 15 March 2021; and
- Trinity Acquisition plc, a fellow subsidiary undertaking of Willis Towers Watson plc:
 - \$450 million 3.500% Senior Notes due 2021;
 - €540 million 2.125% Senior Notes due 2022;
 - \$250 million 4.625% Senior Notes due 2023;
 - \$550 million 4.400% Senior Notes due 2026; and
 - \$275 million 6.125% Senior Notes due 2043.

On 11 August 2017 the Company became a guarantor, in addition to the existing guarantors, being certain fellow subsidiary undertakings of Willis Towers Watson plc and Willis Towers Watson plc itself of a \$1.25 billion revolving credit facility entered into by Trinity Acquisition plc that will mature on 7 March 2022.

WILLIS TOWERS WATSON UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 20 SEPTEMBER 2016 to 31 DECEMBER 2017 (continued)

10. Contingent liabilities (continued)

Amounts outstanding under the facility bear interest at LIBOR plus a margin of 1.00% to 1.75%, or alternatively, the base rate plus a margin of 0.00% to 0.75%, based upon Willis Towers Watson plc's guaranteed senior unsecured long-term debt rating.

UK pension scheme contributions

On 13 April 2018 the Company became a guarantor, in addition to the existing guarantors, being certain fellow subsidiary undertakings of Willis Towers Watson plc and Willis Towers Watson plc itself (collectively the 'UK pension guarantors') of a schedule of contributions agreed with the Trustee of the Willis Pension Scheme ('the Scheme') for the on-going accrual of benefits and deficit funding contributions Willis Towers Watson plc will make to the Scheme to the end of 2024, commencing 1 April 2018. Based on this agreement, deficit funding contributions in 2018 will total approximately £25 million (\$34 million) and ongoing contributions (excluding salary sacrifice) will total approximately £14 million (\$19 million). Annual deficit funding contributions will remain at approximately £25 million (\$34 million) to 2024, after which it is expected that contributions will cease. With regards to the annual deficit funding contributions payable from 2021, Willis Towers Watson plc and the Trustee will seek to reach agreement over the payment being made to a Reservoir Trust arrangement as well as the circumstances governing that arrangement.

A parent guarantee in a standard Pension Protection Fund format is in place between the UK pension guarantors and the Scheme in relation to the existing obligation of certain UK subsidiaries of Willis Towers Watson plc to contribute to the Scheme. The guarantee covers defined circumstances relating to non-payment by the subsidiaries of their current or future obligations when due for payment to the Scheme

11. Related party transactions

FRS 101 (paragraph 8(k)) exempts the reporting of transactions between group companies in the financial statements of companies that are wholly owned within WTW. The Company has taken advantage of this exemption. There are no other transactions requiring disclosure.

12. Events after the balance sheet date

On 2 January 2018 the Company received a dividend of \$332 million from its subsidiary Trinity Acquisition plc. The Company then declared and paid a final dividend of \$332 million in respect of its preferred shares to TA I Limited.
