

TRINITY PROCESSING SERVICES LIMITED
(Registered No. 1404518)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2005

DIRECTORS

J Scampas – Chairman
SD Smith (appointed 3 January 2006)

SECRETARY

SK Bryant

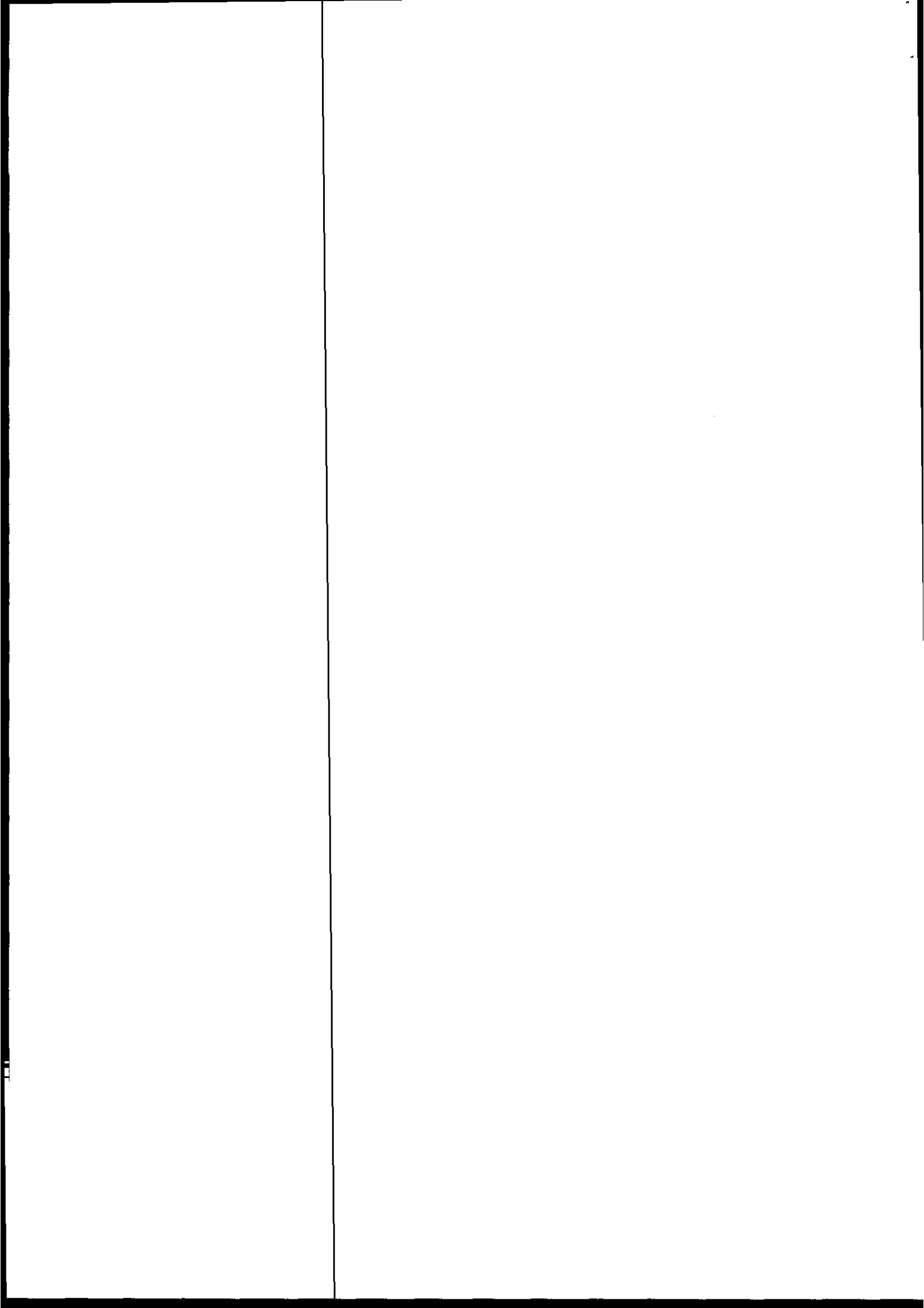
REGISTERED OFFICE

Ten Trinity Square
London EC3P 3AX

AUDITORS

Deloitte & Touche LLP
London





DIRECTORS' REPORT FOR YEAR ENDED 31 DECEMBER 2005

The Directors present their annual report, together with the audited financial statements, for the year ended 31 December 2005.

PRINCIPAL ACTIVITY AND REVIEW OF DEVELOPMENTS

The principal business of the Company is to provide and/or to procure the provision of services for insurance claims processing, insurance accounting for clients and underwriters, insurance premium processing, insurance proportional treaty accounting and matters connected therewith.

The loss on ordinary activities after taxation amounted to £22,669 (2004: profit £544,594).

FUTURE DEVELOPMENTS

The Company does not anticipate any changes to its business activities in the coming years.

DIVIDENDS

No interim dividend was paid during the year (2004: £nil). The Directors do not recommend the payment of a final dividend (2004: £nil).

DIRECTORS AND THEIR INTERESTS

The present Directors of the Company are named on page 1 which forms part of this report. GM Aguilar-Millan resigned as a Director of the Company with effect from 22 December 2005 and LH Brock resigned as a Director of the Company with effect from 1 June 2005. There were no other changes in Directors.

The Directors have no disclosable interests in the shares of the Company or its fellow group companies. Advantage has been taken of the provisions of the Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required to report on their responsibilities in relation to the preparation of financial statements for each financial year and the following statement should be read in conjunction with the auditors' statement of their responsibilities set out on page 3.

United Kingdom company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year. The Directors are required to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the accounts on pages 4 to 9 the Directors consider that:

- (a) they have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates; and
- (b) all applicable accounting standards have been followed.

The Directors have responsibility for ensuring that the Company keeps proper accounting records which disclose at any time and with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985 (as amended).

The Directors are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

AUDITORS

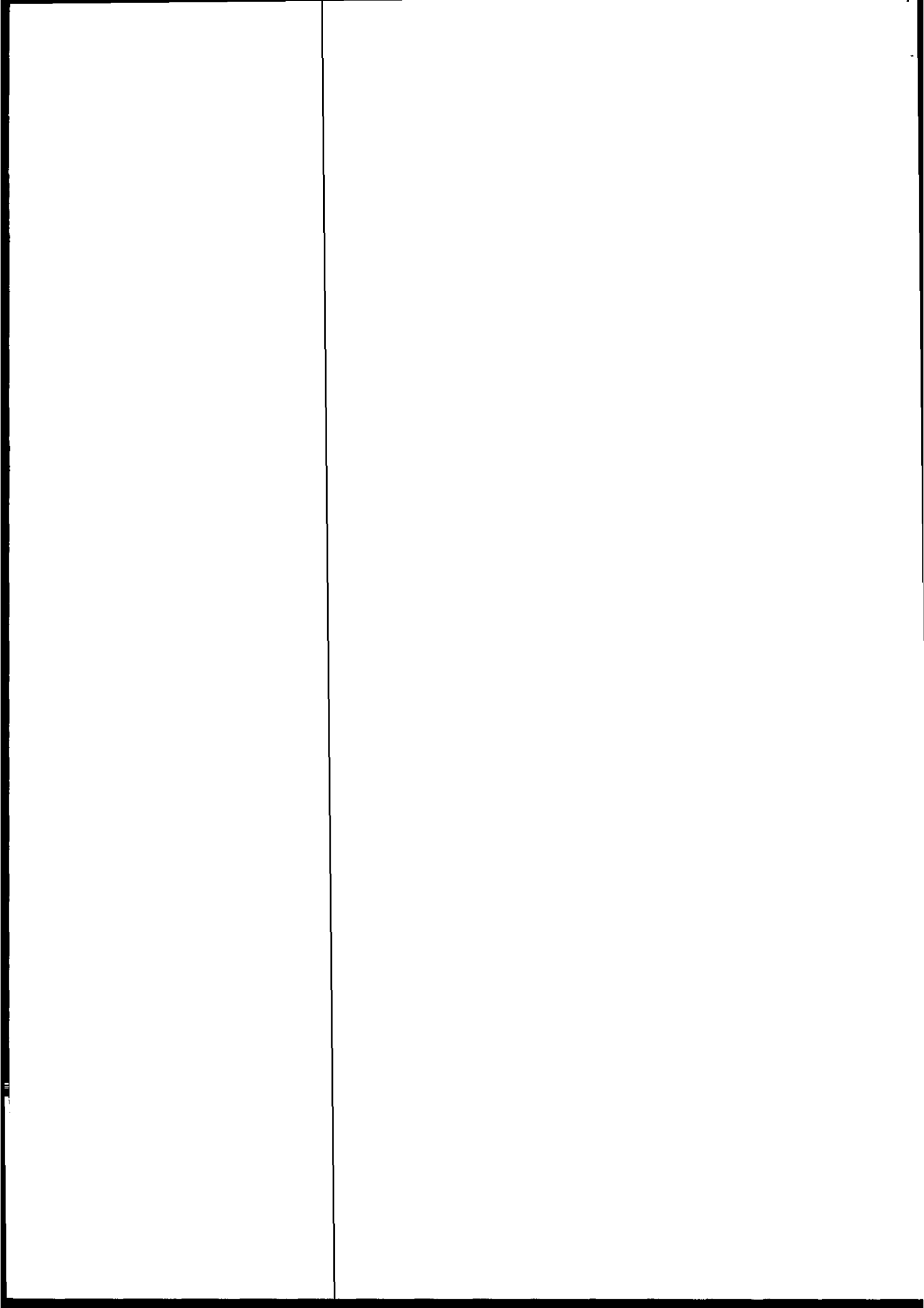
The Company has elected to dispense with the obligation to appoint auditors annually and accordingly Deloitte & Touche LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of section 386(2) of the Companies Act 1985.

By Order of the Board



SK Bryant
Secretary

25 October 2006
Ten Trinity Square
London EC3P 3AX



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRINITY PROCESSING SERVICES LIMITED

We have audited the financial statements of Trinity Processing Services Limited for the year ended 31 December 2005 which comprise the profit and loss account, the balance sheet, the movement in shareholder's funds, and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 auditors

As described in the statement of Directors' responsibilities, the Company's Directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant framework and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

We read the Directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

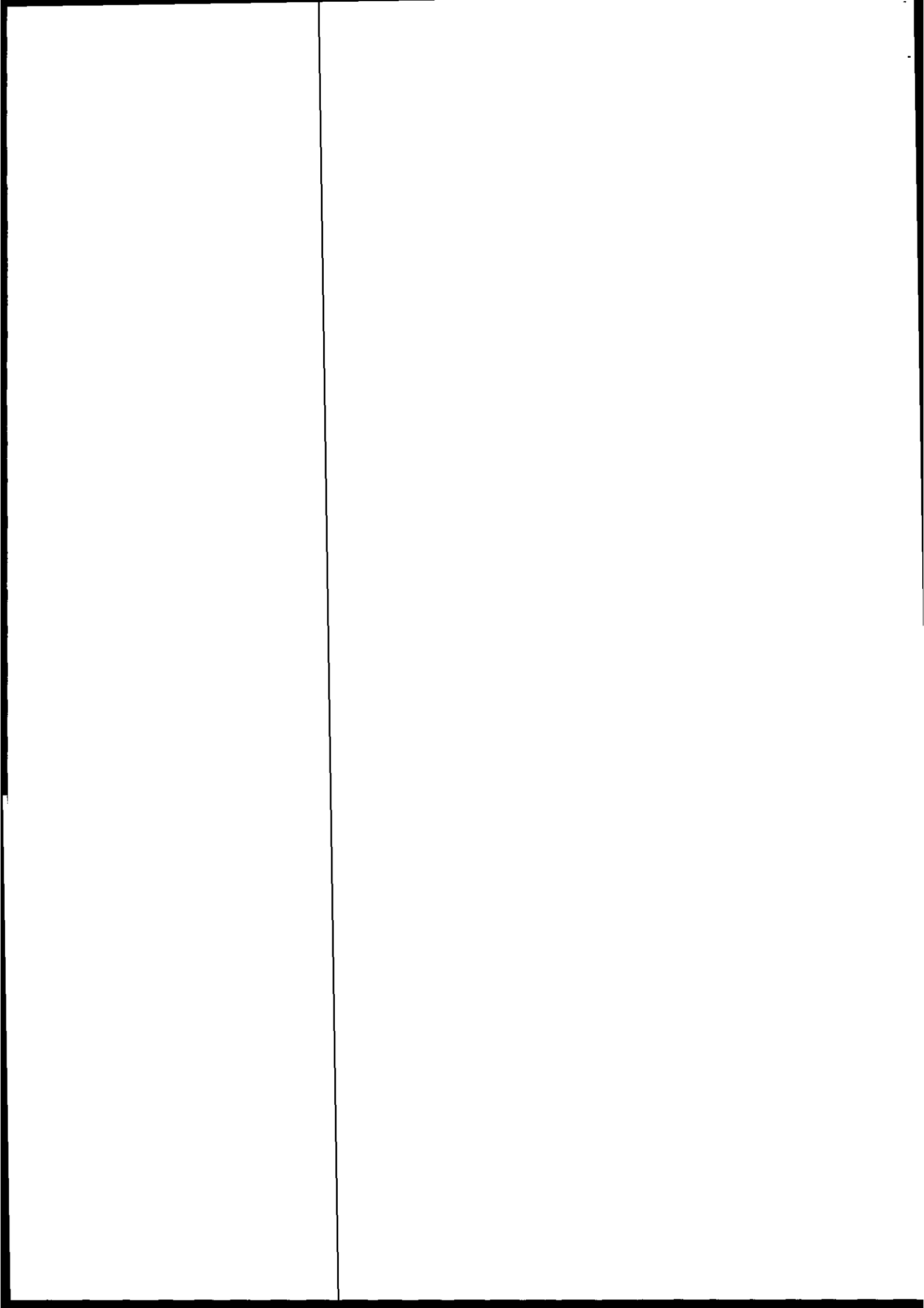
In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2005 and of its loss for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London
United Kingdom

30 October 2006



TRINITY PROCESSING SERVICES LIMITED

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

	Note	2005 £	2004 £
TURNOVER	3	7,120,720	5,512,494
Operating expenses		<u>7,064,627</u>	<u>4,743,745</u>
OPERATING PROFIT	4	56,093	768,749
Interest and investment income	5	13,768	10,400
Interest payable	6	<u>71,415</u>	<u>27</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,554)	779,122
Tax on (loss)/profit on ordinary activities	9	<u>21,115</u>	<u>234,528</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(22,669)	544,594
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR	13	<u>(22,669)</u>	<u>544,594</u>

All activities derive from continuing operations.

RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2005

There are no recognised gains or losses other than the loss attributable to shareholders of the Company of £22,669 in the year ended 31 December 2005 and of £544,594 in the year ended 31 December 2004.

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TRINITY PROCESSING SERVICES LIMITED

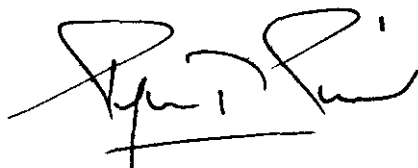
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BALANCE SHEET AS AT 31 DECEMBER 2005

	Note	2005 £	2004 £
CURRENT ASSETS			
Debtors	10	3,956,534	2,578,361
Deposits and cash		239,128	170,896
		<u>4,195,662</u>	<u>2,749,257</u>
CURRENT LIABILITIES			
CREDITORS: amounts falling due within one year	11	2,125,461	656,387
NET CURRENT ASSETS		<u>2,070,201</u>	<u>2,092,870</u>
CAPITAL AND RESERVES			
Called up share capital	12	800,000	800,000
Profit and loss account	13	1,270,201	1,292,870
EQUITY SHAREHOLDERS' FUNDS		<u>2,070,201</u>	<u>2,092,870</u>

These financial statements were approved by the Board of Directors on *25 October* 2006.

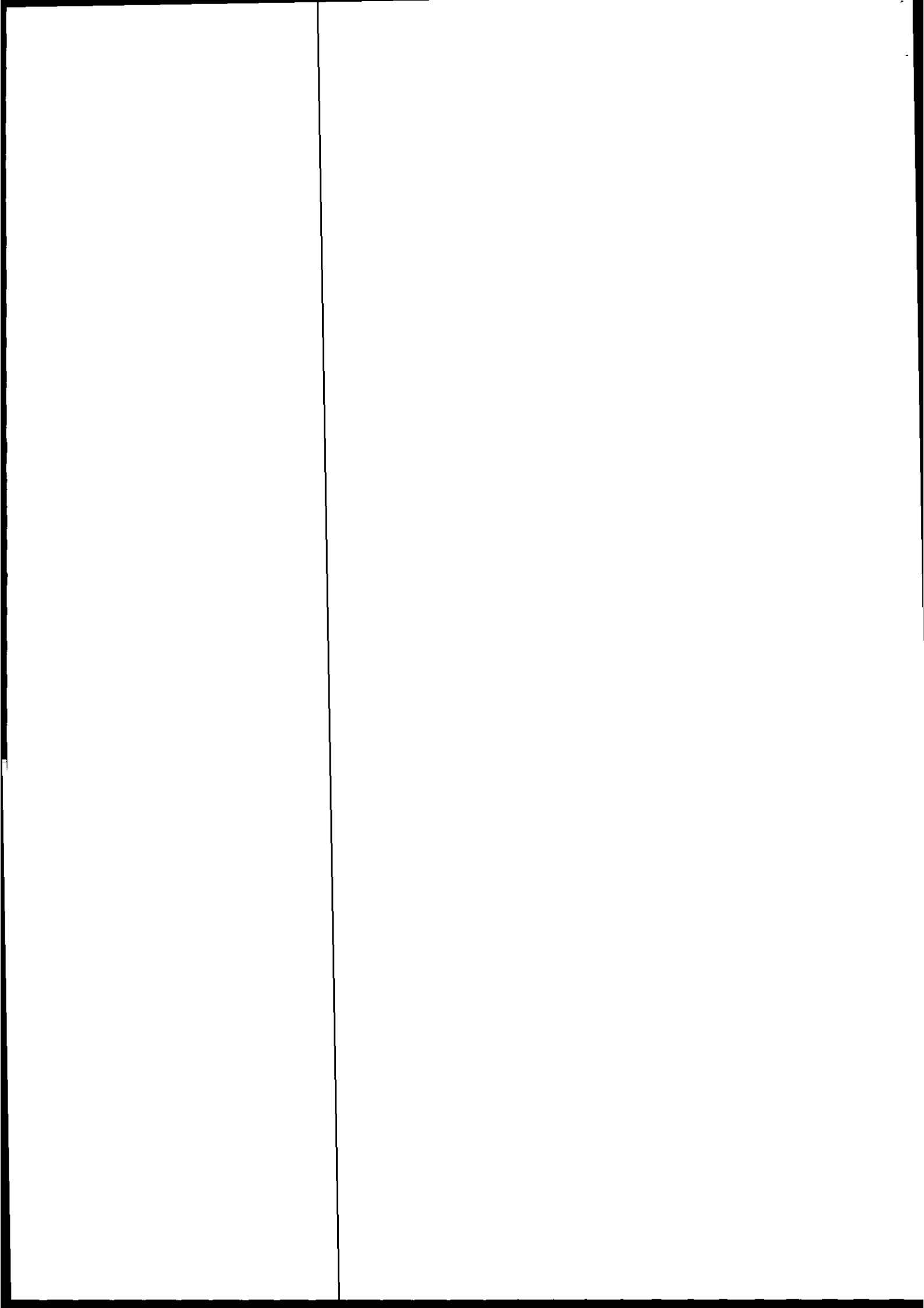
Signed on behalf of the Board of Directors:



Director

MOVEMENT IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 DECEMBER 2005

	2005 £	2004 £
Retained (loss)/profit for the financial year	(22,669)	544,594
Net movement in shareholders' funds for the year	(22,669)	544,594
Shareholders' funds at 1 January	2,092,870	1,548,276
Shareholders' funds at 31 December	<u>2,070,201</u>	<u>2,092,870</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

1. ULTIMATE PARENT COMPANY

The Company's immediate parent company and controlling undertaking is Willis Faber Limited. The Company's ultimate parent company and controlling party is Willis Group Holdings Limited, a company incorporated in Bermuda, whose group financial statements are available from the Company Secretary, Ten Trinity Square, London EC3P 3AX.

The largest group in which the results of the Company are consolidated is that headed by Willis Group Holdings Limited, with the smallest group being headed by TA I Limited. The consolidated financial statements for these groups are available to members of the public from the Company Secretary, Ten Trinity Square, London EC3P 3AX.

2. ACCOUNTING POLICIES

- (a) **Basis of preparation**
These financial statements have been prepared on the going concern basis under the historical cost convention and comply with applicable law and accounting standards in the United Kingdom.
- (b) **Revenue recognition**
Fees are accounted for on a receivable basis.
- (c) **Currency translation**
Transactions in currencies are recorded at the rate of exchange at the date of transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.
- (d) **Cash flow statement**
Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is prepared at Group level.
- (e) **Pensions**
The Company participates in a group defined benefit pension scheme. The regular cost of providing benefits is charged to operating profit over the employees' service lives on the basis of a constant percentage of pensionable earnings. Variations from regular cost, arising from periodic actuarial valuations, are allocated to operating profit on a systematic basis over the expected remaining service lives of current employees. Pension contributions charged to the Company are based on pension costs across the Group's UK companies as a whole.

3. TURNOVER

The table below analyses the Company's turnover by the accounting address of the client from whom the business is derived. This does not necessarily reflect the original source or location of the business. Fees relate to the provision/procurement of services for insurance claims processing, insurance accounting for clients and underwriters, insurance premium processing, insurance proportional treaty accounting and matters connected therewith.

	2005 £	2004 £
United Kingdom	5,919,220	4,932,462
North America	1,201,500	580,032
	<u>7,120,720</u>	<u>5,512,494</u>

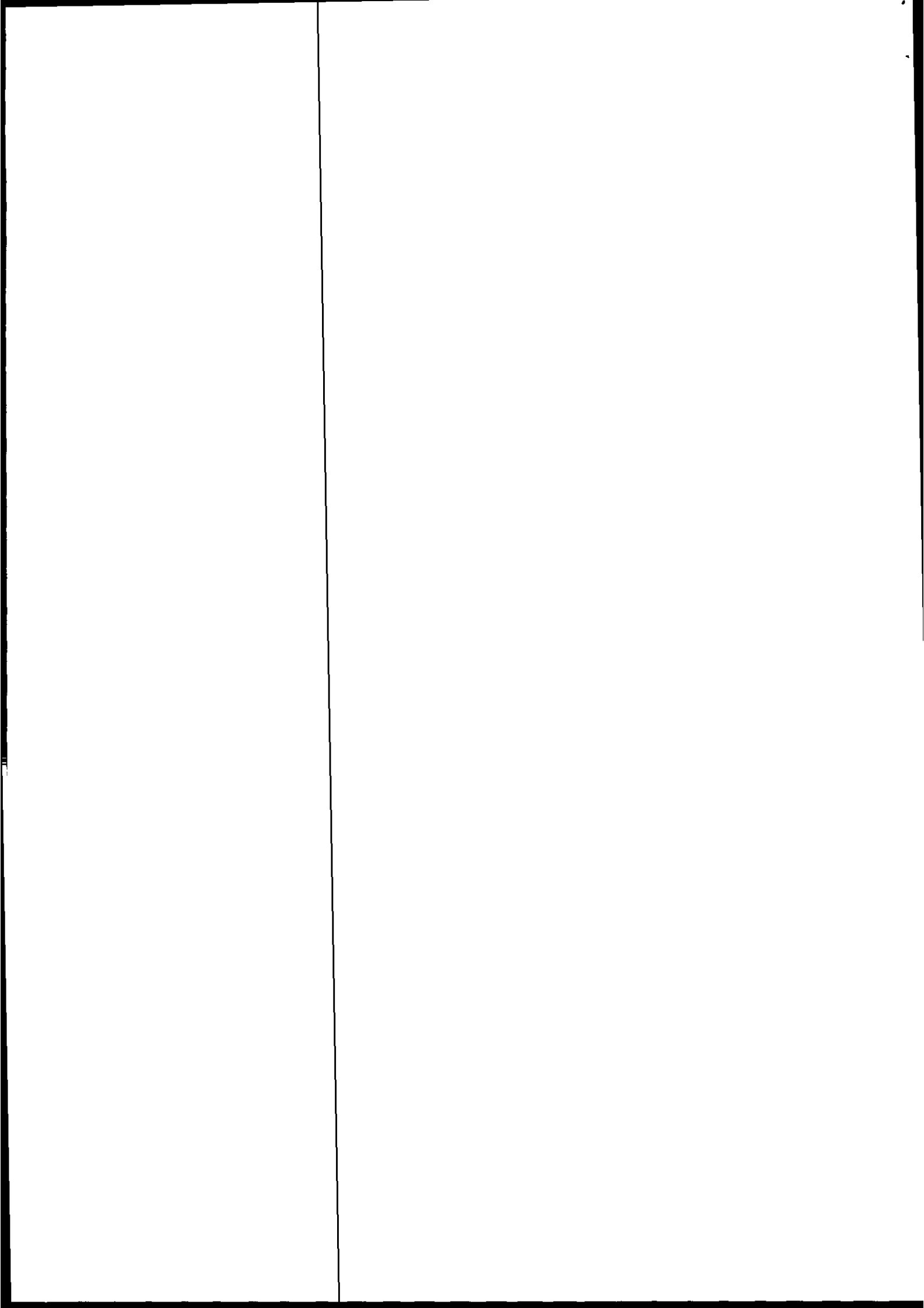
4. OPERATING PROFIT

	2005 £	2004 £
Bad debt write off	461,275	-
Irrecoverable VAT	261,929	-
	<u>723,204</u>	<u>-</u>

Audit fees were borne by another Group company in the year ending 31 December 2005 and for the year ending 31 December 2004.

5. INTEREST AND INVESTMENT INCOME

	2005 £	2004 £
Interest receivable	13,768	10,400
	<u>13,768</u>	<u>10,400</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005 (continued)

6.	INTEREST PAYABLE	2005 £	2004 £
	Overdrafts	-	27
	Other interest	71,415	-
		71,415	27
	Overdrafts	71,415	27
7.	EMPLOYEES	2005 £	2004 £
	Employee costs:		
	Salaries	111,149	225,772
	Social security costs	13,563	27,905
	Other pension costs	2,475	4,661
		127,187	258,338
	Amounts reimbursed by fellow subsidiary undertakings	(91,180)	(143,038)
		36,007	115,300
		36,007	115,300
		2005 Number	2004 Number
	Number of employees - average for the year	1	1

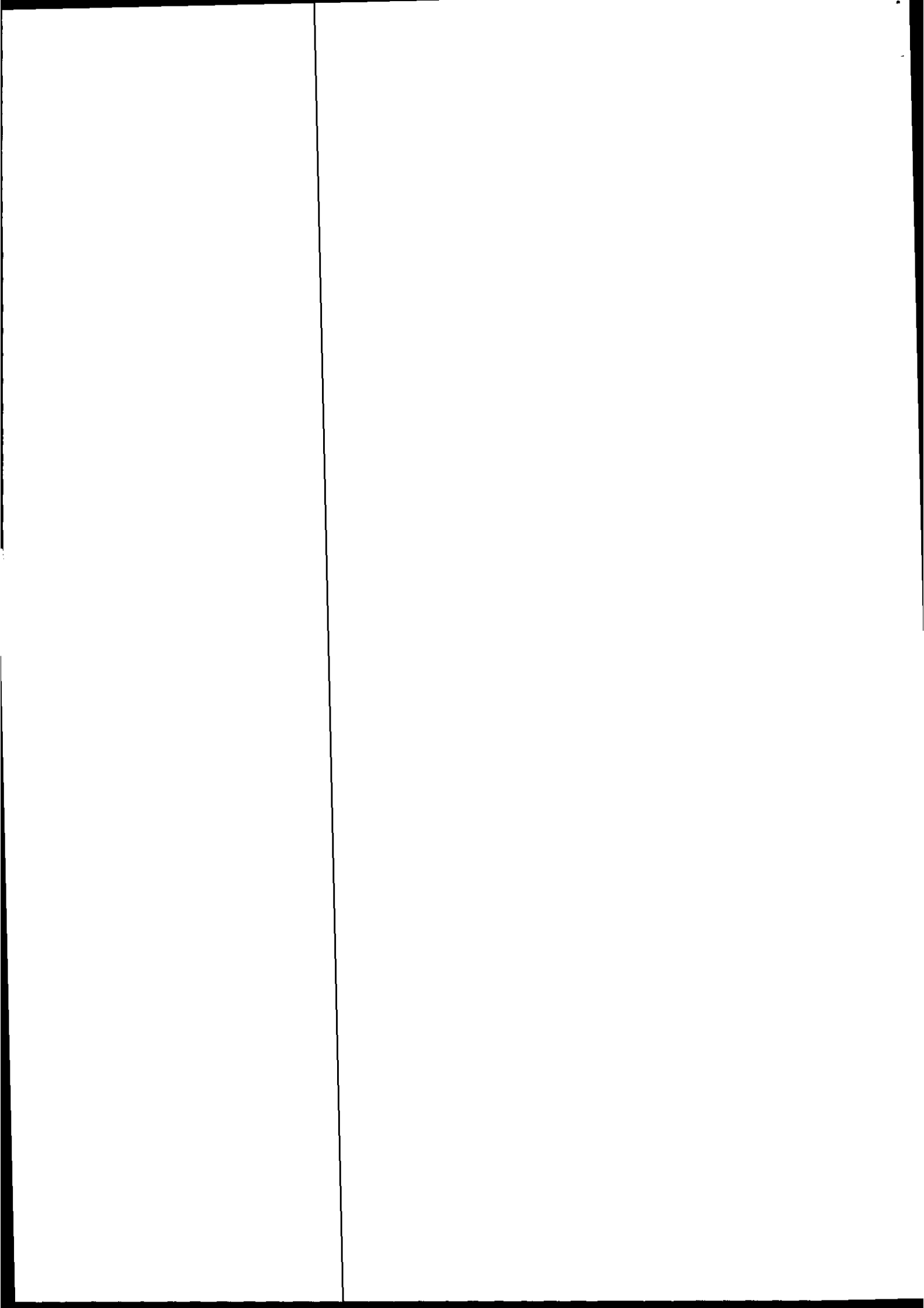
The staff working for the Company are employed by other subsidiary undertakings of Willis Group Holdings Limited. The Company bears the cost of the salaries, social security payments and pension contributions relating to such staff and reimburses the employing company for the full amount of the costs incurred, as shown above.

A number of the Company's employees are seconded on a part time basis to other subsidiary undertakings within the Willis Group. Whilst the Company accounts for the employment costs of those employees, including salaries, social security and pension costs, they are reimbursed by those subsidiary undertakings.

8. DIRECTOR'S REMUNERATION

Only one Director was paid by the Company and their emoluments were as follows (other Directors were employed and compensated by other Group companies).

	2005 £	2004 £
Emoluments, (excluding pension contributions)	136,881	315,610
Benefits	2,475	7,009
	139,356	322,619
	2005 £	2004 £
Directors eligible for defined benefit pension scheme	1	1



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005 (continued)

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2005	2004
	£	£
(a) Analysis of charge in the year		
Current tax:		
UK corporation tax on profits of 30% (2004: 30%)	21,852	234,528
Double tax relief	(18,448)	(24,331)
	<u>3,404</u>	<u>210,197</u>
Foreign tax on profits for the year	18,448	24,331
Adjustments in respect of prior periods	737	-
	<u>17,711</u>	<u>24,331</u>
Total current tax (note 9(b))	<u>21,115</u>	<u>234,528</u>
(b) Factors affecting tax charge for the year		
The tax assessed for the period is higher than the standard rate of corporation tax in the UK (30%). The differences are explained below:		
Profit on ordinary activities before tax	(1,554)	779,122
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2004: 30%)	(466)	233,737
Effects of:		
Disallowable interest	22,318	791
Current tax charge for the year (note 9(a))	<u>21,852</u>	<u>234,528</u>

10. DEBTORS

	2005	2004
	£	£
Due within one year:		
Trade debtors	907,186	173,293
Amounts owed by Group undertakings	3,031,814	2,405,068
Prepayments	17,534	-
	<u>3,956,534</u>	<u>2,578,361</u>

11. CREDITORS : amounts falling due within one year

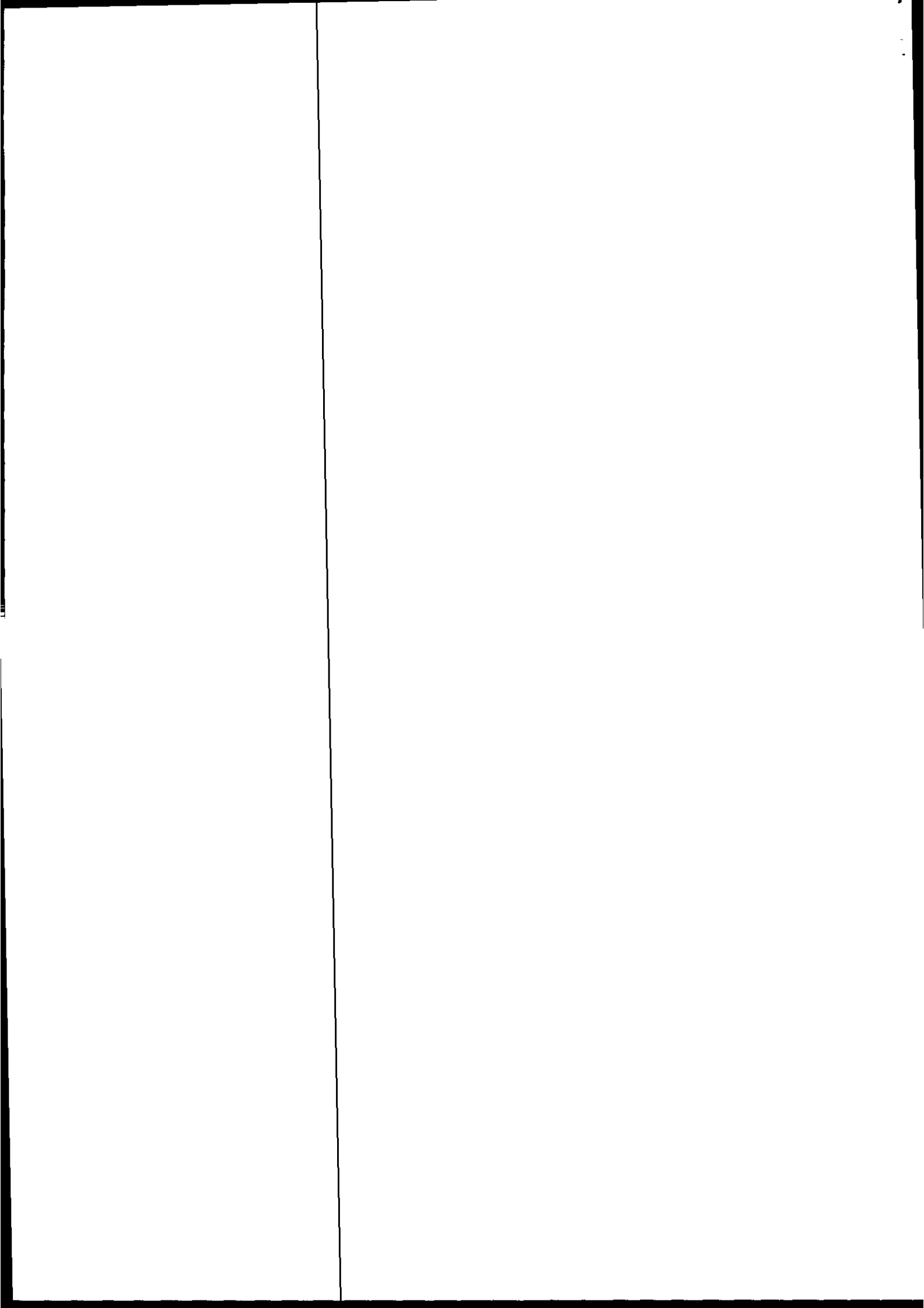
	2005	2004
	£	£
Amounts owed to Group undertakings	1,507,785	385,218
Corporation tax	58,461	265,254
Accruals and deferred income	3,361	-
Other creditors	555,854	5,915
	<u>2,125,461</u>	<u>656,387</u>

12. CALLED UP SHARE CAPITAL

	2005	2004
	£	£
Authorised:		
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
Allotted, issued and fully paid:		
800,000 Ordinary shares of £1 each	<u>800,000</u>	<u>800,000</u>

13. PROFIT AND LOSS ACCOUNT

	2005	2004
	£	£
1 January	1,292,870	748,276
Retained profit for the year	(22,669)	544,594
31 December	<u>1,270,201</u>	<u>1,292,870</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005 (continued)**14. PENSIONS**

The Company is a member of the Willis Pension Scheme in the United Kingdom ("the Scheme"), which is funded externally and is of the defined benefit type. The staff working for the Company are employed by Willis Limited, a fellow subsidiary undertaking of Willis Group Holdings Limited. The pension cost to the Company is based on the contribution rates assessed in accordance with the advice of professionally qualified actuaries using the projected unit credit method. The pension contributions rates are based on pension costs across the Group's UK companies as a whole.

The most recent actuarial valuation of the Scheme was at 31 December 2004. The most recent actuarial valuation has been reviewed and updated as at 31 December 2005 to take account of the requirements of FRS 17 "Retirement Benefits", in order to assess the liabilities of the Scheme at 31 December 2005.

The Directors consider that the share of the Scheme's underlying assets and liabilities attributable to the Company's employees cannot be separately identified. Accordingly all scheme assets and liabilities are included on the balance sheet of Willis Limited. The Scheme showed an overall deficit of \$102.8 million (£59.8 million) at 31 December 2005 compared with an overall deficit of \$157.3 million (£81.9 million) at 31 December 2004. Company contribution rates increased from 14.1 % to 14.5% of pensionable earnings with effect from 1 January 2005. In addition, the Scheme became contributory for employed members who joined pre-1995 at the rate of 2% in 2005 and 4% in 2006 to bring their contributions in-line with employed members who joined post-1995.

Full disclosures for the Scheme under FRS 17 are included in the financial statements of Willis Limited.

15. RELATED PARTY TRANSACTIONS

FRS 8 paragraph 3(c) exempts the reporting of transactions between Group companies in the accounts of companies 90% or more of whose voting rights are controlled within the Group. The Company has taken advantage of this exemption.

