

Company Registration No: 00543180

PFT LIMITED

Annual Report and Financial Statements

For the year ended 31 December 2017



**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2017**

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DIRECTORS' REPORT

The directors present their annual report and audited financial statements for PFT Limited (the "Company") for the year ended 31 December 2017. The Directors' Report has been prepared in accordance with the special provisions relating to small companies entitled to the small companies' exemption. The Company's registration number is 00543180.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company's principal activity is that of managing the bank accounts held for pension scheme administration within the Mercer Limited group.

In 2017 the Company charged Mercer Limited for the activities undertaken. Mercer Limited charged the Company a management fee for costs incurred on the Company's account to deliver said services.

The Company generated a profit before tax of £10,592 (2016: £11,865). Turnover has decreased by £26,757 to £222,409 in 2017.

STRATEGIC REPORT

The Company qualifies as a small company as defined in S382 of the Companies Act 2006 and is exempt from the preparation of a strategic report as defined by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 No.1970.

GOING CONCERN

The directors acknowledge the guidance on going concern. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis in preparing the annual report and financial statements.

MEMBERSHIP

The Company is a single member company pursuant to Section 123 (2)-(5) of the Companies Act 2006.

DIRECTORS

The current directors and those who served throughout the year under review are as follows:

F S Dunsire
R Tuff
D N Williams

RESULTS AND DIVIDENDS

The results of the Company for the financial year ended 31 December 2017 are set out on page 7.

The profit after tax for the financial year is £10,592 (2016: £11,865 profit).

The directors do not recommend a payment of a dividend in relation to 2017 (2016: nil).

No interim dividends were paid in the year (2016: nil).

FUTURE DEVELOPMENTS

The directors remain confident that the Company will continue upon existing lines over the next 12 month period; however, it is expected that the Company's level of activity will reduce as clients continue to transition to alternative Trustee arrangements.

DIRECTORS' REPORT (continued)

INDEMNITY

The Company has put in place an indemnity to indemnify directors and officers of the Company against losses or liabilities sustained in the execution of their duties of office. The indemnity is a qualifying third party indemnity provision under s232 and 234 of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO AUDITOR

In the case of each of the persons who are directors of the Company at the date when this report was approved:

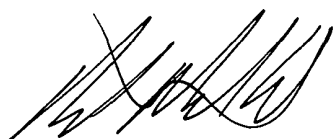
- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) 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 provision of s418 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.

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



D N Williams
Director

13 June 2018

PFT Limited
1 Tower Place West
Tower Place
London
EC3R 5BU

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 Financial Reporting Standard FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 year.

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 United Kingdom 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PFT 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 profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of PFT Limited (the 'company') which comprise:

- the statement of income and retained earnings;
- the statement of financial position;
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PFT LIMITED (continued)

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

Opinions on other matters 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 directors' report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PFT 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. or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.



Adam Knight FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

13 June

2018

PFT LIMITED**STATEMENT OF INCOME AND RETAINED EARNINGS
For the year ended 31 December 2017**

	Notes	2017 £	2016 £
TURNOVER	2	222,409	249,166
Administrative expenses		(211,817)	(237,301)
OPERATING PROFIT		<u>10,592</u>	<u>11,865</u>
PROFIT BEFORE TAXATION	3	10,592	11,865
Tax on profit	6	-	-
PROFIT FOR THE FINANCIAL YEAR		<u>10,592</u>	<u>11,865</u>
RETAINED PROFITS AT 1 JANUARY		35,668	23,803
Profit for the financial year		10,592	11,865
RETAINED PROFITS AT 31 DECEMBER		<u>46,260</u>	<u>35,668</u>

All transactions derive from continuing operations.

There were no other items of comprehensive income for 2017 or 2016 other than those included in the statement of income and retained earnings and accordingly no Statement of Comprehensive Income is presented.

The information on pages 9 to 13 forms an integral part of these financial statements.

PFT LIMITED

STATEMENT OF FINANCIAL POSITION
As at 31 December 2017


	Notes	2017 £	2016 £
CURRENT ASSETS			
Debtors: amounts falling due within one year	7	47,260	36,668
NET CURRENT ASSETS		<u>47,260</u>	<u>36,668</u>
TOTAL ASSETS		<u>47,260</u>	<u>36,668</u>
 CAPITAL AND RESERVES			
Called up share capital	8	1,000	1,000
Profit and Loss	9	46,260	35,668
SHAREHOLDERS' FUNDS		<u>47,260</u>	<u>36,668</u>

The statement of financial position has been prepared in accordance with the small companies regime under the 2006 Act.

The financial statements of PFT Limited (registered number 00543180) were approved by the Board of Directors and authorised for issue on 11 June 2018.

The information on pages 9 to 13 forms an integral part of these financial statements.

They were signed on its behalf by:



D N Williams
Director

13 June 2018

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

PFT Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Directors' Report on pages 1 and 2.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. Additionally, the financial statements are prepared under the small companies regime in accordance with FRS102 Section 1A.

The functional currency of PFT Limited is considered to be pounds sterling because this is the currency of the primary economic environment in which the company operates. PFT Limited is a private company limited by shares.

PFT Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of:

- the presentation of a statement of cash flows and related notes;
- disclosure of inter-group transactions within the wholly owned group;
- exposure to and management of financial risks; and
- key management personnel.

The Company has adopted to present a single statement of income and retained earnings in place of the statement of comprehensive income and statement of changes in equity according to section 3.18 under FRS 102.

Going Concern

The directors acknowledge the guidance on going concern. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis in preparing the annual report and financial statements.

Turnover

Turnover comprises fees earned from Mercer Limited for the provision of banking arrangements for pension administration within the Mercer Limited group of companies.

Rendering of services

Revenue to provide services is recognised in the year in which the services are provided and when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the service at the end of the reporting year can be measured reliably and;
- the costs incurred and the costs to complete the service can be measured reliably.

Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2017**1. SIGNIFICANT ACCOUNTING POLICIES (continued)****Financial instruments (continued)**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Impairment

Assets other than those measured at fair value are assessed for indicators of impairment at each date of the statement of financial position. If there is objective evidence of impairment, an impairment loss is recognised in the statement of income as described below.

Financial assets

For the Company's assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Taxation

Current tax, including UK 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 reporting date.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the reporting 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. 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.

Critical judgements in applying the Company's accounting policies

No critical judgments have been applied to the Company's accounting policies during the year.

2. TURNOVER

The Company's turnover entirely consists of management fees charged to another group undertaking and are generated in the United Kingdom.

3. PROFIT BEFORE TAXATION

	2017	2016
	£	£
Services provided by the Company's auditors:		
Fees payable for the audit of financial statements	<u>5,567</u>	<u>5,405</u>

The audit fee and annual filing fees were borne by another group undertaking during the year and the prior year.

4. STAFF COSTS

The Company has no employees during the year (2016: nil)

5. INFORMATION REGARDING DIRECTORS

The directors are executives of other Group Companies. In such circumstances, it is not practicable to allocate their remuneration between services as executives of other Group Companies and their services as directors of the Company in the current year. Accordingly, we have not disclosed the remuneration of directors who work predominantly for other group companies during the current year.

Where the Company's directors are in receipt of share-based payments and awards as part of their overall remuneration, these are disclosed in the financial statements of Mercer Limited, the group's principal employing company.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2017

6. TAX ON PROFIT

The corporation tax rate for the year was 19.25% (2016: 20%).

	2017 £	2016 £
Current tax:		
UK corporation tax on profits for the year	-	-
Total tax on profit	<u>-</u>	<u>-</u>

The tax assessed is lower (2016: lower) than that resulting from applying the standard rate of corporation tax in the UK in 2017 of 19.25% (2016: 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>10,592</u>	<u>11,865</u>
Expected tax charge for the year, calculated at 19.25% (2016: 20%) of the profit before tax	2,039	2,373
Effects of:	-	-
Current year group relief received for nil consideration	<u>(2,039)</u>	<u>(2,373)</u>
Actual charge for the year	<u>-</u>	<u>-</u>

The rate of corporation tax reduced from 20% to 19% from 1 April 2017 and will reduce from 19% to 17% from 1 April 2020.

7. DEBTORS

	2017 £	2016 £
Amounts falling due within one year		
Amounts recoverable from Group undertakings	<u>47,260</u>	<u>36,668</u>

8. CALLED UP SHARE CAPITAL

	2017 £	2016 £
Allotted and fully paid		
1,000 ordinary shares of £1 each (2016: 1,000)	<u>1,000</u>	<u>1,000</u>

The Company has one class of ordinary shares which carry no right to fixed income.

9. RESERVES

Profit and Loss account:

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2017

10. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under FRS 102 Section 33.1A not to disclose transactions between entities within the Marsh & McLennan Companies, Inc. Group (the "Group"), where no less than 100% of voting rights are controlled within the Group, whose consolidated financial statements are publicly available. There are no other transactions requiring disclosure.

11. GROUP FINANCIAL STATEMENTS

Group financial statements are not prepared in line with section 401 of the Companies Act 2006. This company is itself a wholly-owned subsidiary and is included in the consolidated financial statements of Marsh & McLennan Companies, Inc., its ultimate parent company. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group.

12. IMMEDIATE AND ULTIMATE PARENT COMPANIES

The Company's immediate parent company is Mercer Limited, registered in England and Wales. The Company's ultimate parent company and controlling entity is Marsh & McLennan Companies, Inc., incorporated in the state of Delaware, United States of America.

The smallest and largest group in which the results of PFT Limited are consolidated is that headed by Marsh & McLennan Companies, Inc. The consolidated accounts of Marsh & McLennan Companies, Inc. are available to the public and may be obtained from:

Companies House
Crown Way
Cardiff
CF14 3UZ

and also from:

The Company Secretary
Marsh & McLennan Companies UK Limited
1 Tower Place West
Tower Place
London
EC3R 5BU