

**PFT LIMITED**

Annual Report and Financial Statements

For the year ended 31 December 2015

Company Registration No. 00543180



**ANNUAL REPORT AND FINANCIAL STATEMENTS 2015**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS 2015**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

F S Dunsire  
R Tuff  
D N Williams

**REGISTERED OFFICE**

1 Tower Place West  
Tower Place  
London  
EC3R 5BU

**SOLICITORS**

Slaughter & May

**AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditors  
London  
United Kingdom

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2015. This directors' report has been prepared in accordance with the special provisions relating to small companies under s415A of the Companies Act 2006.

### **Principal activity and business review**

The principal activity is that of acting as trustee of funds held for pension scheme administration within the Mercer Limited group.

In 2015 the company charged Mercer Limited for services performed in its capacity as Trustee of funds. Mercer Limited charged the company a management fee for costs incurred on the company's account to deliver said services.

### **Results**

Turnover for the year was £260,511 (2014 - £239,361). Net profit before taxation was £12,405 (2014 - £11,398). The directors do not recommend the payment of a dividend (2014: £nil).

### **Directors**

The directors of the company during the year ended 31 December 2015 who, unless stated otherwise, all served as directors throughout the year, were:

F S Dunsire  
D N Williams  
C E Ross (resigned 27 February 2015)  
R Tuff (appointed 1 April 2015)

The directors had no beneficial interests in the shares of the company or any other group company incorporated within the United Kingdom during the year ended 31 December 2015.

### **Indemnity**

The group has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

### **Financial risk management and going concern**

The company is exposed to financial risk through its financial assets. Due to the nature of the company's business and the assets contained within the company's balance sheet the only financial risk the directors consider relevant to this company are credit risk and liquidity risk. These risks are mitigated by the nature of the debtor balances owed, with these due from other group companies who are able to repay these if required. The company has net assets and net current assets of £24,803. The company balance sheet consists mainly of intercompany debtors and the company is not reliant on funding from third parties. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

### **Membership**

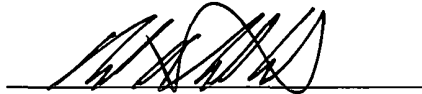
The company is a single member company pursuant to Section 123 (2)-(5) of the Companies Act 2006.

**DIRECTORS' REPORT (Continued)**

**Auditor**

Deloitte LLP were the company's auditor during the year and 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 behalf of the Board

A handwritten signature in black ink, consisting of several overlapping loops and strokes, positioned above a horizontal line.

**D N Williams**  
**Director**

1 Tower Place West  
Tower Place  
London EC3R 5BU

**28<sup>th</sup>** September 2016

## 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 Standard FRS 102 and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and 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 with reasonable accuracy at any time the financial position of the company and to 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**

We have audited the financial statements of PFT Limited for the year ended 31 December 2015 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes 1 to 9. 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), including FRS 102 'The Financial Reporting Standard' applicable in the UK and Republic of Ireland.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 2015 and of its profit 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 matters prescribed in the Companies Act 2006**

In our opinion the information in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report or in preparing a strategic report.



Timothy Steel (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

30 September 2016



**PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 December 2015**

	Note	2015 £	2014 £
Turnover	1	260,511	239,361
Administrative expenses		(248,106)	(227,963)
<b>Operating profit</b>		<u>12,405</u>	<u>11,398</u>
<b>Profit on ordinary activities before taxation</b>	2	12,405	11,398
Tax on profit on ordinary activities	5	-	-
<b>Retained profit for the financial year transferred to reserves</b>		<u><u>12,405</u></u>	<u><u>11,398</u></u>

All transactions derive from continuing operations.

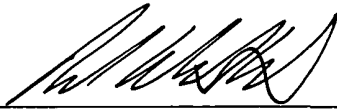
There were no other items of comprehensive income for 2015 or 2014 other than those included in the profit or loss account and accordingly no statement of comprehensive income is presented.

**BALANCE SHEET**  
As at 31 December 2015

	Note	2015 £	2014 £
<b>CURRENT ASSETS</b>			
Debtors due within one year	6	24,803	12,398
Creditors: amounts falling due within one year		—	—
<b>NET CURRENT ASSETS</b>		<u>24,803</u>	<u>12,398</u>
<b>TOTAL ASSEST LESS CURRENT LIABILITIES</b>		<u>24,803</u>	<u>12,398</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	1,000	1,000
Profit and loss account		<u>23,803</u>	<u>11,398</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<u>24,803</u>	<u>12,398</u>

The financial statements of PFT Limited, registered number 543180 were approved by the Board of Directors on ~~28<sup>th</sup>~~ September 2016.

Signed on behalf of the Board of Directors:



**D N WILLIAMS**  
Director

**STATEMENT OF CHANGES IN EQUITY**  
**As at 31 December 2015**

	Notes	Called up share capital £	Profit and loss account £	Total £
<b>As at 1 January 2014</b>		1,000	-	1,000
Changes on transition to FRS 102	9	-	-	-
<b>As at 1 January 2014</b>		1,000	-	1,000
Profit the financial year		-	11,398	11,398
<b>As at 31 December 2014</b>		1,000	11,398	12,398
<b>As at 1 January 2015</b>		1,000	11,398	12,398
Changes on transition to FRS 102	9	-	-	-
Profit the financial year		-	12,405	12,405
<b>As at 31 December 2015</b>		1,000	23,803	24,803

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2015**

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard (FRS 102) issued by the Financial Reporting Council. The accounting policies adopted by the directors are described in summary below. The business and assets were transferred to Mercer Limited on 16 July 1999.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 9 for an explanation of the transition.

The company's financial and liquidity positions are described in the Directors' report.

The results of the company are consolidated into Marsh & McLennan Companies Inc., and the company meets the definition of a qualifying company under FRS 102. Exemptions have been taken in relation to presentation of a cash-flow statement and inter-group transactions.

**Turnover**

Turnover comprises fees earned from Mercer Limited for the provision of banking arrangements for funds held in trust for pension administration within the Mercer Limited group.

**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 balance sheet date.

**Deferred taxation**

Deferred tax is provided in full on timing differences which 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. Deferred tax is not provided on timing differences arising from the revaluation of investment properties where there is no commitment to sell the asset. 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.

**2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

Auditor's remuneration of £5,300 (2014 – £5,200) for the audit of the company's annual accounts was borne by a fellow group undertaking in the current and prior year.

**3. EMPLOYEE INFORMATION**

The company had no employees during the year (2014 – nil).

**4. DIRECTORS' REMUNERATION**

No directors received emoluments in respect of services to PFT Limited.

Where directors of the company are also directors of other companies within the Marsh & McLennan group of companies, and their emoluments are paid in respect of services to those companies, their emoluments are disclosed in the accounts of the relevant companies within the group.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 December 2015**

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2015 £	2014 £
Current Tax:		
United Kingdom corporation tax at 20.25% (2014 – 21.49%)	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**Factors affecting tax charge for the year**

The tax assessed for the period is lower (2014 is lower) than that resulting from applying the standard rate of corporation tax in the UK: 2015 – 20.25% (2014 – 21.49%).

The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	12,405	11,398
	<u>12,405</u>	<u>11,398</u>
Expected Tax charge/(credit) for the year calculated at 20.25% (2014 – 21.49%) of the Profit before Tax	2,512	2,450
Effects of:		
Group relief surrendered/(claimed)	(2,512)	(2,450)
	<u>(2,512)</u>	<u>(2,450)</u>
	<u>-</u>	<u>-</u>

The rate of Corporation Tax reduced from 21% to 20% from 1 April 2015, and will reduce from 20% to 19% from 1 April 2017 and from 19% to 18% from 1 April 2020.

**6. DEBTORS DUE WITHIN ONE YEAR**

	2015 £	2014 £
Amounts owed by group companies:		
Parent and fellow subsidiary undertakings	24,803	12,398
	<u>24,803</u>	<u>12,398</u>
	<u>24,803</u>	<u>12,398</u>

The amounts receivable from group undertakings are repayable on demand and non-interest bearing.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 December 2015**

**7. CALLED UP SHARE CAPITAL**

	2015		2014	
	Number	£	Number	£
Authorised, called up and allotted Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

**8. ULTIMATE PARENT UNDERTAKING**

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 Delaware, USA.

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:

The Registrar of Companies  
 Companies House  
 Crown Way  
 Cardiff  
 CF4 3UZ

and also from

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

**9. Transition to FRS 102**

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014.

**Adjustments**

No adjustments were made to equity at 1 January 2014 or 31 December 2014 or to profit for the year to 31 December 2014.