Registered number: 04688518

MMOW LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

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MMOW LIMITED

COMPANY INFORMATION

Directors	M J Cunningham J P D'Offay T S McDonald
Registered number	04688518
Registered office	1 Tower Place West Tower Place London EC3R 5BU

MMOW LIMITED

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STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

INTRODUCTION

The directors present their Strategic Report for MMOW Limited ("the Company") for the year ended 31 December 2018. The Company's registration number is 04688518.

The Company's principal activity is that of a holding company for Oliver Wyman Limited.

BUSINESS REVIEW

The results of the Company for the financial year ended 31 December 2018 are set out on page 9.

The profit after tax for the financial year is £22,963,000 *(2017: £37,917,000)*.

FINANCIAL KEY PERFORMANCE INDICATORS

The Company's key financial and other performance indicators (KPI's) during the year were as follows:

KPI's:

	2018	*2017*	*Movement*	*Movement*
	£000	*£000*	*£000*	*%*
Turnover	**26,634**	*35,000*	*(8,366)*	*(24)*
Profit before tax	**22,102**	*38,612*	*(16,510)*	*(43)*

Turnover of £26,634,000 *(2017: £35,000,000)* is derived from dividends received from Oliver Wyman Limited, the Company's immediate subsidiary.

The Company generated a profit before tax for the financial year of £22,102,000 *(2017: profit before tax £38,612,000)*. During 2018, the Company realised exchange losses on its US dollar held intergroup balances and loans of £3,645,000 *(2017: exchange gains of £4,432,000)* this contributed to the Company's reduced profit before tax when compared to 2017, along with the reduced dividend income year on year.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk and uncertainties relate to the exposure to foreign exchange, interest rates and uncertainties relating to the performance of its subsidiary undertaking. Those investments are exposed to the risk of competition for business in their respective markets, which they mitigate by continuing to enhance their value propositions to clients.

The Company is exposed to financial risk through its financial liabilities. Due to the nature of the Company's balance sheet the only financial risks the directors consider relevant to the Company are currency risk.

Currency Risk:
The Company is exposed to currency risk in respect of loans payable that are denominated in US Dollars. The gains or losses are subject to United Kingdom taxation.

This report was approved by the board on 22 August 2019 and signed on its behalf.

M J Cunningham
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £22,963,000 *(2017 - £37,917,000)*.

No interim dividend was paid in the year *(2017: £22,000,000)*. The directors do not recommend a final dividend *(2017: £nil)*.

DIRECTORS

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

M J Cunningham
J P D'Offay
T S McDonald

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

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.

FUTURE DEVELOPMENTS

The directors continue to have confidence in the future of the business and its continued operation.

GOING CONCERN

The directors acknowledge the guidance on going concern. As the Company currently has net current liabilities, MMOW Limited has the support of its parent company to provide adequate liquid resources to settle its obligations for the foreseeable future by means of a letter of support. With this support from the parent company, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

POLITICAL UNCERTAINTY

The Company's direct subsidiary, Oliver Wyman Limited, is subject to local and international economic and political instability. Oliver Wyman Limited manages this risk through monitoring of the economic environment as part of its ongoing forecasting process. As a consequence any impact in relation to local and international economic and political instability felt by Oliver Wyman Limited is indirectly felt by the Company.

The management of Oliver Wyman Limited has noted Article 50 of the Treaty of Lisbon (the procedure for a member to the leave the European Union ('EU')) after the UK referendum vote on 23 June 2016 to leave the EU. The final impact of leaving the EU on the economy, regulation and political stability is highly uncertain.

Oliver Wyman Limited has considered the key risks and impact to its business and operations in the event of a no deal Brexit, and, based on a balance of worse case versus likely scenario assumptions, is taking steps to mitigate these. A Brexit Operations Group has been established to collate activities within and across individual lines of business, and across all functional areas to ensure that Oliver Wyman Limited is Brexit ready and responsive to its clients in the UK, risks around standards of data protection and the storing and transfer of data between the EU and the UK, employees, and supplier readiness.

ENVIRONMENT

The Company is responsible for the health, safety and welfare of its contractors whilst working on behalf of the Company and for ensuring that its operations do not unnecessarily harm the environment. The Company is also required to seek assistance of competent persons and provide the resources necessary to meet its obligations. The Safety, Health and Environment ("SHE") Unit fulfils this need as part of the Facilities Management structure within Marsh & McLennan Global Security Services and provides support for all employees. The SHE unit works closely with Facilities Management, Human Resources and the Company's Occupational Health providers to accomplish this role.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed 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 ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

In September 2018, the Company's ultimate parent company, Marsh & McLennan Companies, Inc. (NYSE: MMC), a global professional services firm offering clients advice and solutions in risk, strategy and people, announced that it had reached an agreement to acquire Jardine Lloyd Thompson Group plc (LSE: JLT), a leading provider of reinsurance and employee benefits related advice, brokerage and associated services.

The acquisition of JLT accelerates MMC's strategy to be the preeminent global firm in the areas of risk, strategy and people solutions. JLT's track record of strong organic growth and attractive geographic diversification enhance MMC's ability to accelerate growth and margin expansion across products and geographies.

Under the terms of the transaction, holders of JLT's common shares will receive cash consideration of 19.15 pounds per share. Total cash consideration equates to 5.6 billion U.S. dollars in fully diluted equity value, or an estimated enterprise value of 6.4 billion U.S. dollars. The transaction completed 1 April 2019 and the transaction was funded by a combination of cash on hand and proceeds from debt financing.

The Company however is not directly involved in the financing of this transaction and it is anticipated that it will not be affected by the integration and expansion of the combined business into the Marsh & McLennan Companies, Inc. group of operating companies.

AUDITORS

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will continue as auditor of the Company.

This report was approved by the board on 22 August 2019 and signed on its behalf.

M J Cunningham
Director

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible for preparing the Strategic Report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements 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;
- 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 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 MMOW LIMITED

Report on the audit of the financial statements

Opinion
In our opinion the financial statements of MMOW Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 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 which comprise:

- the statement of comprehensive income;
- the statement of changes in equity;
- the statement of financial position; and
- the related notes 1 to 20.

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 Financial Reporting Council's (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.

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 strategic report and the directors' report for the financial year 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 MMOW 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.

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.

Adam Knight, FCA (Senior statutory auditor)

for and on behalf of

Deloitte LLP

London United
Kingdom
22 August 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £000	2017 £000
Turnover	4	**26,634**	*35,000*
Gross profit		**26,634**	*35,000*
Administrative expenses		**(6)**	*(6)*
Operating profit		**26,628**	*34,994*
Interest receivable and similar income	7	**68**	*4,436*
Interest payable and expenses	8	**(4,594)**	*(818)*
Profit before tax		**22,102**	*38,612*
Tax on profit	9	**861**	*(695)*
Profit for the financial year		**22,963**	*37,917*

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

All transactions derive from continuing activities.

The notes on pages 12 to 25 form part of these financial statements.

MMOW LIMITED
REGISTERED NUMBER: 04688518

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note		2018 £000		*2017 £000*
Fixed assets					
Investments	11		**71,462**		*71,462*
			71,462		*71,462*
Current assets					
Debtors: amounts falling due within one year	12	**861**		-	
Cash at bank and in hand	13	**20,674**		*21,481*	
		21,535		*21,481*	
Creditors: amounts falling due within one year	14	**(42,655)**		*(65,564)*	
Net current liabilities			**(21,120)**		*(44,083)*
Total assets less current liabilities			**50,342**		*27,379*
Net assets			**50,342**		*27,379*
Capital and reserves					
Called up share capital	15		**4,181**		*4,181*
Capital redemption reserve	16		**18,527**		*18,527*
Profit and loss account	16		**27,634**		*4,671*
			50,342		*27,379*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 August 2019.

M J Cunningham
Director

The notes on pages 12 to 25 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2017	**4,181**	**18,527**	**(11,246)**	**11,462**
Comprehensive income for the year				
Profit for the year	-	-	**37,917**	**37,917**
Dividends paid	-	-	**(22,000)**	**(22,000)**
At 1 January 2018	**4,181**	**18,527**	**4,671**	**27,379**
Comprehensive income for the year				
Profit for the year	-	-	**22,963**	**22,963**
At 31 December 2018	**4,181**	**18,527**	**27,634**	**50,342**

The notes on pages 12 to 25 form part of these financial statements.

1. GENERAL INFORMATION

MMOW Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the registered office is 1 Tower Place West, Tower Place, London, EC3R 5BU. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 1 and 2.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has elected to apply all amendments to FRS 102, as set out in the triennial review published in December 2017, prior to the mandatory adoption for accounting periods beginning on or after 1 January 2019..

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Marsh & McLennan Companies Inc. as at 31 December 2018 and these financial statements may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

2. ACCOUNTING POLICIES (CONTINUED)

2.3 GOING CONCERN

The directors acknowledge the guidance on going concern. As the Company currently has net current liabilities, MMOW Limited has the support of its parent company to provide adequate liquid resources to settle its obligations for the foreseeable future by means of a letter of support. With this support from the parent company, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

2.4 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.5 TURNOVER

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

(i) Interest income - Interest on deposits is recognised on an accrual basis using the effective interest rate method.

(ii) Investments - Dividends from subsidiary undertakings are recognised when paid.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 TAXATION

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

2. ACCOUNTING POLICIES (CONTINUED)

2.8 IMPAIRMENT

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

i. Financial assets
For the Company's assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

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.

ii.Non-financial assets
At each statement of financial position date, the Company reviews the carrying amounts of its tangible and intangible assets acquired separately to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of income, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of income, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Internally generated intangible assets arising from the Company's internal system development projects are considered for impairment on a regular basis and those projects that no longer have a useful purpose either by the result of obsolescence or the Company's decision to migrate to other products, will be recognised in the statement of income in the quarter the asset is no longer in a condition useable by the Company in any capacity.

2. ACCOUNTING POLICIES (CONTINUED)

2.9 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. ACCOUNTING POLICIES (CONTINUED)

2.10 FINANCIAL INSTRUMENTS (continued)

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.11 DIVIDENDS

Dividends are the way that the Company makes distributions from the Company's profits to its shareholder. The dividend is determined in sterling, the economic currency of the Company. The Directors may choose to declare dividends in any currency provided that a sterling equivalent is announced.

The Board decides the level of dividend in consultation or with consideration of various stakeholders, including the management and delegation advisers of the Company's ultimate parent company, Marsh & McLennan Companies, Inc.. The amount and timing of a dividend may be changed at any time, and influenced by factors such as:

- the Company's working capital requirements to sustain its business plans,
- the Company's future capital investment needs, and
- the Company's excess financial resources.

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions 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 year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

Critical judgements in applying the Company's accounting policies

The following critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

(i) Impairment review of fixed assets investments

The Company has an annual process of reviewing its fixed asset investments for indicators of impairment. Areas of critical judgement include estimates of future discount rates, future earnings and consideration of whether there is a willing buyer in the market for these investments.

Impairment and impairment reversals are measured by comparing the carrying value of the asset with its future discounted cash flow. Any impairments that have subsequently been reversed are capped to their historical acquisition cost.

Key sources of estimation uncertainty

The Company has no key sources of estimation uncertainty.

4. TURNOVER

The whole of the turnover is attributable to dividends received from Oliver Wyman Limited.

Analysis of turnover by country of destination:

	2018	*2017*
	£000	*£000*
United Kingdom	**26,634**	*35,000*
	26,634	*35,000*

5. AUDITOR'S REMUNERATION

	2018 £000	2017 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	6	6

The Company has not engaged its auditor for any non audit services.

6. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

No remuneration was paid or is payable to the directors of MMOW Limited in respect of their services to the Company during the year or the previous year. The directors are remunerated for their services to other companies in the Marsh & McLennan Companies, Inc. Group and their remuneration is dealt with in the financial statements of those companies. The Company had no other employees during the current or prior years.

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 Oliver Wyman Limited, the group's principal employing company.

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2018 £000	2017 £000
Foreign exchange gain	-	4,432
Bank interest received	68	4
	68	4,436

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018 £000	2017 £000
Interest payable on intercompany loans	949	818
Foreign exchange losses	3,645	-
	4,594	818

9. TAXATION

	2018 £000	*2017* *£000*
CORPORATION TAX		
Current tax on profits for the year	**(861)**	*695*
TOTAL CURRENT TAX	**(861)**	*695*
DEFERRED TAX		
Current and prior years	**-**	*-*
TOTAL DEFERRED TAX	**-**	*-*
Tax on profit	**(861)**	*695*

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than *(2017 - lower than)* the standard rate of corporation tax in the UK of 19% *(2017 - 19.25%)*. The differences are explained below:

	2018 £000	*2017* *£000*
Profit before tax	**22,102**	*38,612*
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% *(2017 - 19.25%)*	**4,199**	*7,433*
EFFECTS OF:		
Exempt intra group dividend income	**(5,060)**	*(6,738)*
TOTAL TAX CHARGE FOR THE YEAR	**(861)**	*695*

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

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.

10. DIVIDENDS

	2018 £000	*2017 £000*
Dividend paid to parent, MMC International Limited	-	*22,000*
	-	*22,000*

11. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
COST OR VALUATION	
At 1 January 2018	**71,462**
At 31 December 2018	**71,462**
NET BOOK VALUE	
At 31 December 2018	**71,462**
At 31 December 2017	*71,462*

Details of the Company's subsidiary undertakings at 31 December 2018 are shown below, those marked with an asterisk (*) are not direct subsidiaries of the Company but are direct subsidiaries of Oliver Wyman Limited:

Name	Principle Activity	Country of Incorporation	Description of Shares	% of Issued shares held by the Company	Registered Office Address
Oliver Wyman Limited	Management Consultancy	United Kingdom	Ordinary	100%	1 Tower Place West, London, ECR 5BU
Oliver Wyman Energy Holdings Limited*	Dormant	United Kingdom	Ordinary and Ordinary A	100%	1 Tower Place West, London, ECR 5BU

11. FIXED ASSET INVESTMENTS (continued)

Name	Principle Activity	Country of Incorporation	Description of Shares	% of Issued shares held by the Company	Registered Office Address
Oliver Wyman Energy Group Limited*	Dormant	United Kingdom	Ordinary	100%	1 Tower Place West, London, ECR 5BU
Oliver Wyman Energy Consulting Limited*	Management Consulting	United Kingdom	Ordinary	100%	1 Tower Place West, London, ECR 5BU
Oliver Wyman Energy US Limited*	Dormant	United Kingdom	Ordinary	100%	1 Tower Place West, London, ECR 5BU
Oliver Wyman sp. Z o.o.*	Management Consulting	Poland	Ordinary	100%	Nimbus, Al. Jerozolimskie, 98 00-807 Warsaw
Oliver Wyman SNC*	Management Consulting	France	Common	0.003%	1 Rue Euler 75008 Paris, France
Oliver Wyman S.L*	Management Consulting	Spain	Ordinary	48%	Paseo Castellana, 216 28046, Madrid, Spain
Oliver Wyman FZ-LLC*	Management Consulting	United Arab Emirates	Ordinary	100%	11th Floor Dubai Media City Area 500525 Dubai
Oliver Wyman Consulting Limited*	Management Consulting (in liquidation)	United Kingdom	Ordinary	100%	2 Chawley Park, Cumnor Hill, Oxford, OX2 9GG
Factern Limited*	Management Consulting	United Kingdom	Ordinary	47.5%	55 Baker Street 3rd Floor South, London, W1U 8EW

12. DEBTORS

	2018 £000	2017 £000
Amounts recoverable from other group undertakings in respect of taxation	861	-
	861	-

13. CASH AND CASH EQUIVALENTS

	2018 £000	2017 £000
Cash at bank and in hand	20,674	21,481
	20,674	21,481

14. CREDITORS: Amounts falling due within one year

	2018 £000	2017 £000
Amounts owed to group undertakings in respect of loans payable	39,579	37,298
Amounts owed to group undertakings	2,363	26,427
Amounts payable in respect of acquisition	-	1,132
Corporation tax	695	695
Accrued audit fees	12	6
Other creditors	6	6
	42,655	65,564

The amounts owed to group undertakings (with the exception of loans payable) are unsecured, interest free and repayable on demand.

The amounts owed to group undertakings in respect of loans are unsecured and attract interest of LIBOR plus 0.45% and are repayable upon demand. Accrued interest is settled in October each year.

The amount owed in respect of acquisition shown in 2017 relates to deferred consideration due to one of the former shareholders of Acadamee Limited. This was settled during 2018.

15. SHARE CAPITAL

	2018 £000	*2017 £000*
Allotted, called up and fully paid		
4,181,200 *(2017 - 4,181,200)* Ordinary shares of £1.00 each	**4,181**	*4,181*

16. RESERVES

Capital redemption reserve

The capital redemption reserve was created on incorporation of the Company for £18,526,582. This is considered to be a non-distributable reserve.

Profit and loss account

Includes all current and prior period retained profits and losses.

17. CONTINGENT LIABILITIES

The Company participates in cash pooling arrangements with banks. Each member of the pool guarantees against all losses incurred as a result of the failure of any other pool member. The maximum exposure to the Company is the total amount of its pooled funds at any point in time. As at 31 December 2018 the Company had a total amount of £20,674,000 in the pool *(2017: £21,481,000)*. All other members of the pooling arrangements are companies owned ultimately by Marsh & McLennan Companies, Inc.

18. 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.

19. POST BALANCE SHEET EVENT

In September 2018, the Company's ultimate parent company, Marsh & McLennan Companies, Inc. (NYSE: MMC), a global professional services firm offering clients advice and solutions in risk, strategy and people, announced that it had reached an agreement to acquire Jardine Lloyd Thompson Group plc (LSE: JLT), a leading provider of reinsurance and employee benefits related advice, brokerage and associated services.

The acquisition of JLT accelerates MMC's strategy to be the preeminent global firm in the areas of risk, strategy and people solutions. JLT's track record of strong organic growth and attractive geographic diversification enhance MMC's ability to accelerate growth and margin expansion across products and geographies.

Under the terms of the transaction, holders of JLT's common shares will receive cash consideration of 19.15 pounds per share. Total cash consideration equates to 5.6 billion U.S. dollars in fully diluted equity value, or an estimated enterprise value of 6.4 billion U.S. dollars. The transaction completed 1 April 2019 and the transaction was funded by a combination of cash on hand and proceeds from debt financing.

The Company however is not directly involved in the financing of this transaction and it is anticipated that it will not be affected by the integration and expansion of the combined business into the Marsh & McLennan Companies, Inc. group of operating companies.

20. CONTROLLING PARTY

The Company's immediate parent company is MMC International 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 MMOW 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
Maindy
Cardiff
CF14 3UZ

and also from:

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