

GENAVCO INSURANCE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 1 FEBRUARY 2020

FRIDAY



AA031Q8A

A06

12/03/2021

#154

COMPANIES HOUSE

GENAVCO INSURANCE LIMITED

CONTENTS

	Page
Directors' Report	1 - 2
Statement of Comprehensive Income	3
Balance Sheet	4 -5
Statement of Changes in Equity	6
Notes to the Financial Statements	7 – 21

GENAVCO INSURANCE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 1 FEBRUARY 2020

The directors present their report and the financial statements for the period ended 1 February 2020.

PRINCIPAL ACTIVITY

The principal activity of the company is insurance broking.

BUSINESS REVIEW

On 21 December 2017 the Company completed the sale of the business and some assets to Clear Group (Holdings) Limited. The transaction had an effective date of 1 December 2017. The initial consideration was £1,750,000. To facilitate the smooth transitioning of the business to Clear Group (Holdings) Limited there was a transitional period incorporated into the sale agreement from the completion date to 28 February 2018, during which Genavco Insurance Limited transacted business as normal. From 1 March 2018 the Company has been running down its insurance ledgers and client bank account. Further details of this transaction are given in note 7.

There was a profit for the period before tax of £24,327 (2019: £34,245). The directors did not recommend the payment of a dividend during the period (2019: £nil).

DIRECTORS

The directors who served during the period were:

D Meur
M J McClymont
M A Ward

FINANCIAL INSTRUMENTS

Objectives and policies

The company uses various financial instruments which include cash, trade debtors, trade creditors and amounts due to group undertakings that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The existence of these financial instruments exposes the company to a number of financial risks, especially credit risk which is explained in more detail below.

During the period under review the eligible regulatory capital, represented by net assets decreased to £1,990,745 (2019: £2,005,354). The net asset position is reviewed on a regular basis.

Going concern

Having taken into account the risks and uncertainties and the performance of the business as disclosed in this report and making sufficient enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis for preparing the annual report and accounts.

GENAVCO INSURANCE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 1 FEBRUARY 2020

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing 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 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board on 24 September 2020 and signed on its behalf.



Michael Ward
Director

Registered Office
87-135 Brompton Road
London
SW1X 7XL

GENAVCO INSURANCE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 1 FEBRUARY 2020**

	Note	3 February 2019 to 1 February 2020 £	4 February 2018 to 2 February 2019 £
Turnover		2,533	61,347
Gross profit		2,533	61,347
Administrative expenses		21,591	26,804
Operating profit		24,124	88,151
Interest receivable and similar income	6	203	2,152
Interest payable and expenses	-	-	-
(Loss)/Profit on sale of business assets	7	-	(56,058)
Profit before taxation		24,327	34,245
Tax on profit	8	(38,936)	17,157
Profit/(loss) for the period		<u>(14,609)</u>	<u>51,402</u>
Other comprehensive income for the period			
Actuarial gains on defined benefit pension scheme		-	-
Movement of deferred tax relating to pension scheme		-	-
Other comprehensive income for the period		<u>(14,609)</u>	<u>51,402</u>
Total comprehensive income for the period		<u>(14,609)</u>	<u>51,402</u>

GENAVCO INSURANCE LIMITED

**BALANCE SHEET
AS AT 1 FEBRUARY 2020**

Note		As at 1 February 2020 £	As at 2 February 2019 £
Current assets			
Debtors: amounts falling due within one year	9	75,591	97,045
Cash at bank and in hand	10	1,955,858	2,071,462
		2,031,449	2,168,507
Creditors: amounts falling due within one year	11	-40,704	-119,260
Net current assets		1,990,745	2,049,247
Total assets less current liabilities		1,990,745	2,049,247
Creditors: amounts falling due after more than one year	12	-	-43,893
Pension asset	15	-	-
Net assets		<u>1,990,745</u>	<u>2,005,354</u>
Capital and reserves			
Called up share capital	13	500,000	500,000
Profit and loss account		1,131,418	1,146,027
Contribution Reserve	14	359,327	359,327
		<u>1,990,745</u>	<u>2,005,354</u>

For the financial year in question the Company was entitled to exemption under section c.479a of the Companies Act 2006.

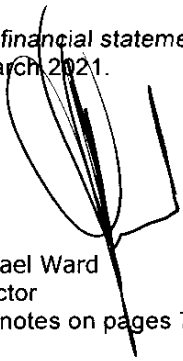
No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

GENAVCO INSURANCE LIMITED

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 March 2021.



Michael Ward
Director

The notes on pages 7 to 20 form part of these financial statements.

GENAVCO INSURANCE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 1 FEBRUARY 2020**

	Share capital £	Capital Contribution £	Retained earnings £	Total equity £
At 4 February 2018	500,000	359,327	1,094,625	1,953,952
Comprehensive income for the period	-	-	51,402	51,402
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	51,402	51,402
At 2 February 2019	500,000	359,327	1,146,027	2,005,354
	Share capital £	Capital Contribution £	Retained earnings £	Total equity £
At 3 February 2019	500,000	359,327	1,146,027	2,005,354
Comprehensive income for the period	-	-	(14,609)	-
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(14,609)	-
At 1 February 2020	500,000	359,327	1,131,418	1,990,745

GENAVCO INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 FEBRUARY 2020

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

Genavco Insurance Limited is a limited liability company incorporated in England. The registered office is 87-135 Brompton Road, London SW1X 7XL.

The individual entity financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. It is the view of the Directors that there were no critical accounting estimates used in the preparation of the Accounts and the Financial Statements of the company.

The following principal accounting policies have been applied:

1.2 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 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Harrods Group (Holding) Limited as at 1 February 2020 and these financial statements may be obtained from Registrar of Companies.

1.3 Turnover

Turnover represents the amount of broking commission earned by the company net of commission rebates, introductory commission and foreign exchange differences. Commission is recognised at the later of inception date and when a debit note is issued to the insured.

1.4 (Loss) / Profit on sale of business assets

Any income accruing to the purchaser as at 1 February 2020 in respect of business with an effective date on or after 1 December 2017 (as per the sale agreement) has been deducted from the net sale proceeds.

1.5 Tangible fixed assets

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life.

GENAVCO INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 FEBRUARY 2020

1. ACCOUNTING POLICIES (continued)

1.6 Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

1.7 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.

GENAVCO INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 FEBRUARY 2020

1.8 Pensions

Defined Contribution Scheme

The pension costs charged against profits represents the amount of the contributions payable to the scheme in respect of the accounting period.

Defined Benefit Scheme

Certain former employees were members of the Harrods Group Pension Plan under which retirement benefits are funded by contributions from the company. Payment is made to the pension trust, which is separate from the company, in accordance with calculations made periodically by consulting actuaries.

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet.

A net surplus is recognised only to the extent that it is recoverable by the company. The amount charged to the statement of comprehensive income in respect of pension costs and other post-retirement benefits includes the interest cost on the scheme liabilities for the period and the interest income on the scheme assets and are included in finance costs. In addition, administrative expenses which are funded by the group are also charged to the profit and loss account under operating costs.

Actuarial gains and losses including return on assets in excess or short of the interest income as well as movement in the liabilities due to changes in assumptions net of interest costs as well as experience adjustments are recorded in other comprehensive income.

Disclosure has been made of the assets and liabilities under FRS102 sections 28.41 and 28.41A.

1.9 Current and deferred taxation

Current tax liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the Balance Sheet date.

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in future, or a right to pay less tax in future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Deferred tax relating to defined benefit pension schemes surpluses or deficits is netted against the respective retirement benefit surplus or obligation.

1.10 Debtors

Debtors are measured at transaction price, less any impairment.

GENAVCO INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2020**

1.11 Creditors

Creditors are measured at the transaction price.

1.12 Provisions

A provision is recognised when the company has a legal or constructive obligation as a consequence of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

2. OPERATING PROFIT

The operating profit is stated after charging:

	3 February 2019 to 1 February 2020	4 February 2018 to 2 February 2019
	£	£
Depreciation of tangible fixed assets	-	-
Auditors remuneration	-	-
Defined contribution pension cost	-	-

3. AUDITORS' REMUNERATION

	3 February 2019 to 1 February 2020	4 February 2018 to 2 February 2019
	£	£
Audit related assurance services	6,000	9,000
	<u>6,000</u>	<u>9,000</u>

GENAVCO INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2020

4. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	3 February 2019 to 1 February 2020	4 February 2018 to 2 February 2019
	£	£
Wages and salaries	-	2,768
Social security costs	-	-
Cost of defined contribution scheme	-	-
	<u>-</u>	<u>2,768</u>

The average monthly number of employees, including the directors, during the period was as follows:

	3 February 2019 to 1 February 2020	4 February 2018 to 2 February 2019
	No.	No.
Administration and support	<u>3</u>	<u>3</u>

5. DIRECTORS' REMUNERATION

	3 February 2019 to 1 February 2020	4 February 2018 to 2 February 2019
	£	£
Directors' remuneration	-	-
Company contributions to defined contribution pension schemes	-	-
	<u>-</u>	<u>-</u>

The highest paid director received remuneration of £nil (2019 - £nil).

The Company did not incur any directors' remuneration costs in the period to 2.2.19. Mr Meur and Mr

GENAVCO INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 FEBRUARY 2020

McClymont were remunerated via an agreement signed and settled on 21.12.17 (date the business was sold) to manage the transfer of the business to the Clear Group and to run off the Genavco business. Remuneration for Mr Ward is paid for by another Group company. It is trivial to determine the proportion of his remuneration which relate to his services as a director of this Company.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £nil (2019 - nil).

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	3 February 2019 to 1 February 2020	4 February 2018 to 2 February 2019
	£	£
Interest receivable from group companies	-	-
Other interest receivable	203	2,152
	<u>203</u>	<u>2,152</u>

7. SALE OF THE BOOK OF BUSINESS

On 21 December 2017 the Company completed the sale of the book of business and some other assets to Clear Group (Holdings) Limited. The transaction had an effective date of 1 December 2017. The initial consideration was £1,750,000.

To facilitate the smooth transitioning of the business to Clear Group (Holdings) Limited there was a transitional period incorporated into the agreement from the completion date to 28 February 2018. During the transitional period Genavco Insurance Limited transacted business in its own name.

Clear Group (Holdings) Limited has the right to all net income earned on insurance transactions with an effective date on or after 1 December 2017.

As at 3 February 2018, the net income processed with an effective date on or after 1 December 2017 amounted to £226,183. This is due to Clear Group (Holdings) Limited and was debited against the consideration paid of £1,750,000. The net book value of assets transferred to Clear Group (Holdings) Limited of £6,504 was also debited against the consideration paid, giving a net profit on sale of £1,517,313 at 3 February 2018.

A provision was created in respect of the estimated costs in running off the Genavco business in the year ending 3 February 2018. During the current financial year £57,844.17 was utilised and £13,322 was released. The provision at 1 February 2020 was £36,082.

GENAVCO INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2020**

GENAVCO INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2020**

8 TAXATION

	3 February 2019 to 1 February 2020	4 February 2018 to 2 February 2019
	£	£
Current Tax		
UK Corporation tax on profits for the period	4,622	-
Adjustments in respect of previous years	34,314	-17,157
Group relief receivable for the period	-	-
Total current tax charge/(credit)	38,936	-17,157
Deferred tax		
Current year charge	-	-
Rate change adjustment	-	-
Prior year adjustment	-	-
Immaterial unexplained difference	-	-
Total deferred tax charge	-	-
Taxation on profit on ordinary activities	38,936	-17,157
Total current and deferred tax charge /(credit) relating to items within other comprehensive income	-	-

FACTORS AFFECTING THE TAX CHARGE FOR THE PERIOD

The tax assessed for the period is the same as (2019 – the same as) the standard rate of corporation tax in the UK of 19% (2019 - 19%).

GENAVCO INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2020**

	3 February 2019 to 1 February 2020	4 February 2018 to 2 February 2019
	£	£
Profit before tax	<u>24,327</u>	<u>34,245</u>
Corporation tax at standard rate	4,622	6,507
Effects of:		
Expenses not deductible for tax purposes	-	-
Income not taxable	-	- 23,664
Adjustments to tax charge in respect of tax rate changes	-	-
Tax charge/ (credit)	<u>4,622</u>	<u>- 17,157</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The standard rate of tax applied to profit on ordinary activities is 19% (2019: 19%). The Finance (No 2) Act 2015 introduced a reduction in the corporation tax rate to 19% for financial years 2017, 2018 and 2019. The Finance Act 2016 further reduced the corporation tax rate to 17% from 1 April 2020, however in the 2020 budget, it was announced that corporation tax will remain at 19%.

Deferred Tax

Deferred tax provided for at 17% (2019: 17%) in the financial statements is set out below:

	3 February 2019 to 1 February 2020	4 February 2018 to 2 February 2019
	£	£
Timing differences in relation to:		
Pension scheme (note 15)	-	-
Total deferred tax liability	<u>-</u>	<u>-</u>

GENAVCO INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2020**

9. DEBTORS

	1 February 2020 £	2 February 2019 £
Trade debtors	-	-
Amounts owed by group undertakings	75,591	92,748
Other debtors	-	-
Prepayments and accrued income	-	4,297
	<u>75,591</u>	<u>97,045</u>

The prior year Trade Debtors balance of nil comprised trade debtors of £36,016 less a bad debt provision of £36,016.

10. CASH AND CASH EQUIVALENTS

	1 February 2020 £	2 February 2019 £
Fiduciary cash held under a non-statutory trust	-	39,165
Company cash	1,955,858	2,032,297
	<u>1,955,858</u>	<u>2,071,462</u>

GENAVCO INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2020**

11. CREDITORS: Amounts falling due within one year

	1 February 2020 £	2 February 2019 £
Trade creditors	-	36,868
Amounts owed to group undertakings	-	-
Other creditors	40,704	64,529
Accruals and deferred income	-	17,863
	<u>40,704</u>	<u>119,260</u>

The other creditors includes £36,082 (2019: £63,356) in respect of a provision recognised for run off expenses. Included in the run off expenses provision are some best estimates regarding quantum and timing. The other creditors also includes corporation tax payable.

12. CREDITORS: Amounts falling due after more than one year

	1 February 2020 £	2 February 2019 £
Run off provision	-	43,893

13. SHARE CAPITAL

	1 February 2020 £	2 February 2019 £
Allotted, called up and fully paid		
	<u>500,000</u>	<u>500,000</u>
500,000- Ordinary shares of £1 each		

14. CONTRIBUTION RESERVE

The Shareholders made a capital contribution during the year of £nil (2019: £nil)

GENAVCO INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 FEBRUARY 2020

15. PENSION COMMITMENTS

Defined contribution pension scheme

Up until the sale of the business the Company had access to the Harrods Retirement Savings Plan, which is an approved defined contribution scheme; it was established in April 2006 and is provided and managed by Fidelity International. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £nil (2019- £nil).

Contributions totalling £nil (2019-£nil) were payable to the scheme at the end of the period.

Defined benefit pension scheme

During the period the group operated the Harrods Group Pension Plan ('the Plan'), an approved defined benefit scheme. This scheme was closed to new membership and new accruals in April 2006. Up until the start of this financial year Genavco Insurance Limited has shared the pension scheme risks with other Harrods Group companies.

The funding position of the Plan is monitored by the Trustee and the Harrods Group on a quarterly basis and formally reviewed at each triennial actuarial valuation, or more frequently as required by the Pensions Act 2004.

An actuarial valuation of the Plan as at 5 April 2018 on a technical provision basis was carried out by the Scheme Actuary, with a surplus of £11m being calculated on that basis, a funding level of 102%. At the previous valuation at 5 April 2015, there was a deficit of £45m equating to a funding level of 93%.

Following the results of the April 2018 valuation, given that the scheme was now in surplus, the Group and the Pension Trustee agreed the following:

- Annual contributions reduced to nil.
- Plan expenses (including any insurance premiums and PPF levies) estimated at £1.0m per annum to continue to be met by the Employers.
- To bring forward the implementation of the Cashflow Driven Investment strategy involving de-risking the plan's assets.
- Recognising the risks that – albeit reduced - remain in the valuation of the plan, the principal employer has also agreed to fund any deficits outside an agreed tolerance band during this period.

A Flexible Apportionment Arrangement was agreed by the Company, Harrods Holdings Limited and the Harrods Group Trustees Limited, whereby all the Company's assets and liabilities as part of the Harrods Group Pension Plan were transferred to Harrods Holdings Limited. The Company signed this agreement on 19 October 2018.

In aggregate, during the period ended 1 February 2020, the participating employers made total contributions to the plan of £1.3m (2019: £15.5m).

In the prior period, Genavco Insurance Limited's share of scheme assets and liabilities was reallocated out to other contributing employers. Therefore at 1 February 2020, the business' share of scheme assets and liabilities was nil (2019:£nil).

GENAVCO INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2020

Reconciliation of present value of plan liabilities:

	1 February 2020 £	2 February 2019 £
At the beginning of the year	-	(4,609,514)
Interest cost	-	-
Actuarial gains	-	-
Deferred tax on pension scheme movement	-	-
Benefits paid	-	-
Transfers (change in allocation between contributing employers)	-	4,609,514
At the end of the year	-	-

Reconciliation of present value of plan assets

	1 February 2020 £	2 February 2019 £
At the beginning of the year	-	4,685,105
Interest income	-	-
Actuarial gains/(losses)	-	-
Contributions	-	-
Benefits paid	-	-
Past service cost	-	-
Transfers (change in allocation between contributing employers)	-	(4,685,105)
At the end of the year	-	-

GENAVCO INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2020**

Composition of plan assets:

	1 February 2020 £	2 February 2019 £
Equity Instruments	-	-
Debt instruments	-	-
Cash	-	-
Other assets	-	-
Total plan assets	<u>-</u>	<u>-</u>
	1 February 2020	2 February 2019
Fair value of plan assets	-	-
Present value of plan liabilities	-	-
Net pension scheme liability	<u>-</u>	<u>-</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Comprehensive Income was £nil (2019: (£1,983,157)).

Principal actuarial assumptions at 3 February 2018 (expressed as weighted averages):

Discount Rate	2.55%
Future pension increases	2.25%
Inflation	3.25%

Post retirement (at age 60) mortality assumptions at 3 February 2018:

Current pensioners at retirement age - male	27.7 years
Current pensioners at retirement age - female	29.4 years
Future pensioners at retirement age - male	29.6 years
Future pensioners at retirement age - female	31.3 years

GENAVCO INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 FEBRUARY 2020

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2020	2019	2018	2017	2016
	£	£	£	£	£
Defined benefit obligation	nil	nil	-4,609,514	-4,589,538	-4,452,467
Scheme assets	nil	nil	4,685,105	4,476,894	4,663,816
(Deficit)/surplus	nil	nil	75,591	-112,644	211,349

16. CONTINGENT LIABILITIES

There were no contingent liabilities at 1 February 2020. In the prior period, the Harrods Group (Holding) cash netting facility was guaranteed by Genavco Insurance Limited and other group companies. The guarantee extended to Genavco Insurance Limited's non-client bank account only.

17. CAPITAL MANAGEMENT

During the period under review the eligible regulatory capital, represented by net assets decreased to £1,955,367 (2019: £2,005,354). The net asset position is reviewed on a regular basis.

18. RELATED PARTY TRANSACTIONS

Mr D Meur, a director of the company, is also a director of another broking firm.

Included in turnover for the period ending 1 February 2020 was £nil (2019 loss of £8,276) representing the net retained income from business placed through Genavco Insurance Limited by this firm. Amounts due to Genavco Insurance Limited from this firm at 1 February 2020 was £nil (2019: £nil).

Included in the amounts owed by group undertakings as at 1 February 2020 is an amount due from Harrods Holdings Limited as a result of the Flexible Apportionment Arrangement explained in note 15. This amount is unsecured, has no repayment terms and bears no interest.

19. CONTROLLING PARTY

The company is controlled by Qatar Investment Authority. The company's immediate parent undertaking is 5A Holdings Limited, a company registered in England and Wales. The ultimate UK parent undertaking of 5A Holdings Limited is Harrods Group (Holding) Limited. The largest group of undertakings for which group accounts have been drawn up is that headed by Harrods Group (Holding) Limited. The group accounts will be filed with the Registrar of Companies in due course.

The company is an indirect 100% subsidiary of Qatar Holding LLC which is the strategic investment arm of Qatar Investment Authority, the ultimate controlling party, incorporated in Qatar.

GENAVCO INSURANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2020**
