

Company Registration Number: 9106099

Gould Family Company Limited

**Annual Report
31 December 2019**

Contents:

Company Information	1
Strategic Report	2
Report of the Directors	3
Independent Auditor's Report	5
Group Statement of Comprehensive Income	8
Group Statement of Financial Position	9
Company Statement of Financial Position	10
Group Statement of Changes in Equity	11
Company Statement of Changes in Equity	12
Group Statement of Cash Flows	13
Notes to the Financial Statements	14

SATURDAY



A16 13/02/2021 #60
COMPANIES HOUSE

Gould Family Company Limited Company Information

Directors	Mr M W Webb Mr R C Gould APCL Corporate Director No. 1 Limited APCL Corporate Director No. 2 Limited
------------------	---

Company Secretary	Argenta Secretariat Limited
--------------------------	-----------------------------

Registered Office	5th Floor, 70 Gracechurch Street London EC3V 0XL
--------------------------	--

Auditors	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD
-----------------	---

Gould Family Company Limited

Strategic Report

The Directors submit their Strategic Report for the Group for the year ended 31 December 2019.

Business Review

The Group continues to write insurance business in the Lloyd's insurance market as a Lloyd's Corporate Capital Member.

The financial statements incorporate the underwriting results of the Syndicates on which the Group participates for the 2016 (2018: 2015) year of account declared at 31 December 2018 (2018: 2017).

Results and Dividends

The results for the year are set out on page 8 of the Financial Statements. Dividends totalling £Nil were paid in the year (2018 - £Nil).

Financial Risk Management Objectives and Policies

The Group is principally exposed to financial risk through its participation on Lloyd's Syndicates. It has delegated sole management and control of its underwriting through each Syndicate to the managing agent of that Syndicate and it looks to the managing agents to implement appropriate policies, procedures and internal controls to manage each Syndicate's exposures to insurance risk, credit risk, market risk, liquidity risk and operational risk. The Group is also directly exposed to these risks, but they are not considered material for the assessment of the assets, liabilities, financial position and profit or loss of the Group.

Hedge accounting is not used by the Group.

Key Performance Indicators

	2019	2018
Capacity (youngest underwriting year)	£ 671,701	£ 726,826
Underwriting profit of latest closed year:		
as a % of capacity	2.7%	8.1%
Run-off years of account movement	£ -	£ -

Principal Risks and Uncertainties

Brexit

The UK left the EU on 31 January 2020 and negotiations in respect of the EU-UK Trade and Cooperation Agreement ("the Agreement") concluded on 24 December 2020, with the Agreement becoming effective from 1 January 2021. The Agreement consists of a Free Trade Agreement, a close partnership on citizens' security and an overarching governance framework. From 1 January 2021, UK financial services firms no longer have passporting rights allowing them to sell their services into the EU from their UK base without the need for additional regulatory clearances. In preparation for this, on 25 November the English High Court sanctioned a Part VII transfer of all policies insuring EEA risks from the syndicates to Lloyd's Insurance Company, Brussels. The Directors are monitoring the implications of the Part VII transfer along with general market conditions to identify whether it is appropriate to make any changes to the current strategy of the Company.

Coronavirus

In March 2020, the World Health Organisation declared Coronavirus (Covid-19) to be a global pandemic. Consideration has been given to the potential risks and uncertainties which may occur, however it is too early to assess the full impact on market conditions. As the Company participates on multiple syndicates they are regarded as having mitigated the potential effect as far as possible due to underwriting diversified risks.

Approved by the Board on 10th February 2021
and signed on its behalf by:

 **Mike Webb**

Mr M W Webb

Director

Gould Family Company Limited

Report of the Directors

The Directors submit their Report together with the audited Financial Statements of the Group for the year ended 31 December 2019.

Principal Activities

The principal activity of the Group is that of trading as a Lloyd's Corporate Capital Member through its interests in a Scottish Limited Partnership ("SLP"). The Group continues to underwrite for the 2020 and 2021 year of account through its participation in the SLP.

Statement of Directors Responsibilities

The Directors are responsible for preparing the Strategic Report, Report of the Directors' 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 Accounting Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under Company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group 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 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 Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The Directors who served at any time during the year and to the date of this report were as follows:

Mr M W Webb (Appointed 29 March 2019)
Mr R C Gould
APCL Corporate Director No. 1 Limited
APCL Corporate Director No. 2 Limited
Mr J A Mackay (Resigned 29 March 2019)

Gould Family Company Limited
Report of the Directors (continued)

Auditors

Mazars LLP have signified their willingness to act and continue to be appointed as the Company's auditors.

In the case of each of the persons who are Directors at the time this report is approved, the following applies:

- a) So far as the Directors are aware, there is no relevant audit information of which the Group's auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Approved by the Board on
10th February 2021 and
signed on its behalf by:

 **Mike Webb**

Mr M W Webb

Director

Gould Family Company Limited

Independent Auditor's Report

Independent auditor's report to the members of Gould Family Company Limited

Opinion

We have audited the financial statements of Gould Family Company Limited (the 'parent company') and its subsidiary Gould SLP (together, the 'group') for the year ended 31 December 2019 which comprise Group Statement of Comprehensive Income, Group Statement of Financial Position, Company Statement of Financial Position, Group Statement of Changes in Equity, Company Statement of Changes in Equity, Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2019 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the Company financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 as disclosed on page 2, and the consideration in the going concern basis of preparation on page 15 and non-adjusting post balance sheet events on page 27.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

Conclusions relation to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the 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 group's or the parent 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.

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.

Gould Family Company Limited Independent Auditor's Report (continued)

Other information (continued)

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 this regard.

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 Report of the Directors for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Report of the Directors.

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

- adequate accounting records have not been kept by the parent company, 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 specific by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities set out on page 3, 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 they 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Gould Family Company Limited

Independent Auditor's Report (continued)

Use of the audit 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.



Andrew Goldsworthy (Feb 11, 2021 12:47 GMT)

Andrew Goldsworthy (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St. Katharine's Way
London E1W 1DD

11/02/2021

Gould Family Company Limited
Group Statement of Comprehensive Income
Non Technical Account
For the year ended 31 December 2019

	Note	2019 £	2018 £
NET UNDERWRITING RESULT	1	20,808	58,312
Other income		35,979	27,154
Administration expenses		(20,083)	(24,637)
		<hr/>	<hr/>
Operating profit		36,705	60,829
Gain on financial instruments held at fair value through profit and loss		-	68,993
Interest receivable and similar income	2	13,979	6,692
Interest payable and similar charges	3	-	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation	4	50,682	136,514
Tax on profit on ordinary activities	5	1,026	(27,552)
		<hr/>	<hr/>
Profit for the financial year		51,708	108,962
Other comprehensive income:			
Currency translation differences		-	-
Tax on other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income	14	51,708	108,962
		<hr/>	<hr/>
Total comprehensive income for the year attributable to:			
Non-controlling interest		-	-
Owners of parent company		51,708	108,962
		<hr/>	<hr/>
		51,708	108,962
		<hr/>	<hr/>

All amounts relate to continuing operations.

The accounting policies and notes on pages 14 to 27 form part of these Financial Statements.

Gould Family Company Limited
Group Statement of Financial Position
As at 31 December 2019

	Notes	2019 £	2018 £
Fixed assets			
Investment in syndicate capacity	6	358,613	311,424
		<u>358,613</u>	<u>311,424</u>
Current assets			
Other debtors – due within one year	8	60	8,011
Other debtors – due within one year	8	24,551	25,056
Prepayments and accrued income		4,240	4,534
Cash at bank and in hand		384,746	405,316
		<u>413,599</u>	<u>442,917</u>
Current liabilities			
Creditors: Amounts falling due within one year			
Other creditors including taxation and social security	10	(628,690)	(666,147)
Accruals and deferred income		(4,320)	(4,320)
		<u>(633,010)</u>	<u>(670,467)</u>
Current liabilities		<u>(219,411)</u>	<u>(227,550)</u>
Creditors: Amounts falling due after one year			
Other creditors including taxation and social security	10	(5,020)	(1,400)
		<u>(5,020)</u>	<u>(1,400)</u>
Net assets		<u>134,182</u>	<u>82,474</u>
Capital and reserves			
Called up share capital	13	100	100
Profit and loss reserve	14	134,082	82,374
		<u>134,182</u>	<u>82,474</u>
Total shareholders' funds		<u>134,182</u>	<u>82,474</u>

The accounting policies and notes on pages 14 to 27 form part of these Financial Statements.

Gould Family Company Limited
Company Statement of Financial Position
As at 31 December 2019

	Notes	2019 £	2018 £
Fixed assets			
Investments	7	270,371	270,371
		<u>270,371</u>	<u>270,371</u>
Current assets			
Other debtors – due within one year	8	153,736	110,744
Prepayments and accrued income		-	-
Cash at bank and in hand		246,470	265,550
		<u>400,206</u>	<u>376,294</u>
Provision for deferred taxation		-	-
Current liabilities			
Creditors including taxation and social security			
Due within one year	10	(522,222)	(559,871)
Accruals and deferred income		(4,320)	(4,320)
		<u>(526,542)</u>	<u>(564,191)</u>
Net assets		<u>144,035</u>	<u>82,474</u>
Capital and reserves			
Called up share capital	13	100	100
Profit and loss reserve	14	143,935	82,374
Total shareholders' funds		<u>144,035</u>	<u>82,474</u>

Approved and authorised for issue by the Board
on 10th February 2021 and signed on its behalf by:

 **Mike Webb**

Mr M W Webb
Director

Company registration number: 9106099

The accounting policies and notes on pages 14 to 27 form part of these Financial Statements.

Gould Family Company Limited
Group Statement of Changes in Equity
For the year ended 31 December 2019

	Called up share capital £	Capital redemption reserve £	Share premium account £	Profit and loss account £	Capital contribution reserve £	Total £
Opening balance	100	-	-	(26,588)	-	(26,488)
Profit for the year	-	-	-	108,962	-	108,962
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	108,962	-	108,962
Proceeds from the issue of shares	-	-	-	-	-	-
Movement in reserves	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
As at 31 December 2018	100	-	-	82,374	-	82,474
Profit for the year	-	-	-	51,708	-	51,708
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	51,708	-	51,708
Proceeds from the issue of shares	-	-	-	-	-	-
Movement in reserves	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
As at 31 December 2019	100	-	-	134,082	-	134,182

Called up share capital represents the nominal value of shares that have been issued.

Capital redemption reserve records the nominal value of shares repurchased by the Group.

The share premium account records the amount above the nominal value received for shares issued, less transaction costs.

The profit and loss account represents cumulative profits and losses of the Group.

Capital contribution reserve relates to contributions to the equity capital of the Group.

The accounting policies and notes on pages 14 to 27 form part of these Financial Statements.

Gould Family Company Limited

Company Statement of Changes in Equity For the year ended 31 December 2019

	Called up share capital £	Capital redemption reserve £	Share premium account £	Profit and loss account £	Capital contribution reserve £	Total £
Opening balance	100	-	-	(26,588)	-	(26,488)
Profit for the year	-	-	-	108,962	-	108,962
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	108,962	-	108,962
Proceeds from the issue of shares	-	-	-	-	-	-
Movement in reserves	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
As at 31 December 2018	100	-	-	82,374	-	82,474
Profit for the year	-	-	-	61,561	-	61,561
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	61,561	-	61,561
Proceeds from the issue of shares	-	-	-	-	-	-
Movement in reserves	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
As at 31 December 2019	100	-	-	143,935	-	144,035

Called-up share capital represents the nominal value of shares that have been issued.

Capital redemption reserve records the nominal value of shares repurchased by the Company.

The share premium account records the amount above the nominal value received for shares issued, less transaction costs.

The profit and loss account represents cumulative profits and losses of the Company.

Capital contribution reserve relates to contributions to the equity capital of the Company.

The accounting policies and notes on pages 14 to 27 form part of these Financial Statements.

Gould Family Company Limited
Group Statement of Cash Flows
For the year ended 31 December 2019

	2019 £	2018 £
Operating activities		
Profit on ordinary activities before tax	50,680	136,514
Amounts in respect of Loss due to Resigning Limited Partners in the subsidiary undertaking	-	-
	<u>50,680</u>	<u>136,514</u>
Adjusted for:		
losses on financial instruments held at fair value through profit and loss	(47,927)	(68,993)
Interest receivable and similar income	(13,977)	(6,692)
Decrease/(increase) in debtors	8,750	(33,309)
(Decrease)/increase in creditors	(22,079)	3,725
Corporation and overseas taxes paid	<u>(9,994)</u>	<u>(2,542)</u>
Net cash (outflow)/inflow from operating activities	<u>(34,547)</u>	<u>28,703</u>
Investing activities		
Interest received	13,977	6,692
Purchase of financial investments	-	-
Proceeds from sale of financial investments	<u>-</u>	<u>24,149</u>
Net cash inflow from investing activities	<u>13,977</u>	<u>30,841</u>
Financing activities		
Issue of shares	-	-
Share issue expenses	-	-
Capital contribution/redemption	-	-
Equity dividends paid	<u>-</u>	<u>-</u>
Net cash inflow from financing activities	<u>-</u>	<u>-</u>
Net cash (decrease)/increase in cash and cash equivalents	(20,570)	59,544
Effect of exchange rates on cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	<u>405,316</u>	<u>345,772</u>
Cash and cash equivalents at the end of the year	<u>384,746</u>	<u>405,316</u>
Consisting of:		
Cash at bank and in hand	384,746	405,316
Cash equivalents	<u>-</u>	<u>-</u>
	<u>384,746</u>	<u>405,316</u>

The Group has no control over the disposition of assets and liabilities at Lloyd's. Consequently, the cash flow statement is prepared reflecting only the movement in corporate funds, which includes transfers to and from the Syndicates at Lloyd's.

The accounting policies and notes on pages 14 to 27 form part of these Financial Statements.

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

Basis of preparation of Financial Statements

General information

The Company is a private company limited by shares and incorporated in England, United Kingdom.

The Financial Statements have been presented in Pounds Sterling ("Sterling") as this is the Group's functional currency, being the primary economic environment in which the Group operates.

Basis of preparation

These Financial Statements have been prepared in accordance with FRS 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* and applicable legislation, as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 ("SI 2008/410"). These Financial Statements have been prepared under the historical costs convention as modified for certain financial instruments held at fair value.

Basis of consolidation

The Group financial statements consolidate the financial statements of Gould Family Company Limited and its subsidiary undertaking drawn up to 31 December each year. No profit and loss account is presented for Gould Family Company Limited as permitted by section 408 of the Companies Act 2006. The profit attributable to the company is £61,561 (2018: profit £108,962).

Subsidiaries are consolidated from the date of their acquisition or incorporation, being the date that the Group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial operating policies of the investee so as to obtain benefit from its activities.

The subsidiary undertaking - been included in the Group financial statements using the purchase method of account. Accordingly, the Group profit and loss account and statement of cash flows include the results and cash flows of the subsidiary undertaking.

In the parent company financial statements investments in the subsidiary undertaking is accounted for at cost less impairment.

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

Basis of preparation of Financial Statements (continued)

Accounting policies

i Going concern

These Financial Statements have been prepared on a going concern basis. The Directors have considered the impact of Coronavirus (Covid-19) and believe that, due to participating on multiple syndicates and thus diversifying their risk, it will not impact on the Company's ability to continue as a going concern.

ii Turnover

Income relating to the Parent's membership of the Scottish Partnership is recognised when the Partnership records the amounts as being payable.

Net underwriting results

Profits or losses arising from the Group's Lloyd's underwriting activities are recognised in the year in which the results are receivable.

iii Financial instruments

The Group has chosen to apply the provisions of Section 11 *Basic Financial Instruments* and Section 12 *Other Financial Instruments* in full.

The Group holds both basic and non-basic financial instruments. The Group's financial instruments comprise of cash and cash equivalents, trade and other debtors, trade and other creditors and investments in a variety of basic and non-basic financial instruments, through both the Corporate and through the Syndicates.

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

Basic financial instruments are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment in the case of financial assets. Amounts that are receivable/payable within one year are measured at the undiscounted amount of the cash expected to be received/settled. Financial instruments subsequently measured at amortised cost include cash, debtors and creditors.

Where a financial instrument constitutes a financing transaction, it is initially measured at the present value of the future payments, discounted at a market rate of interest, and subsequently measured at amortised cost using the effective interest rate method.

At the end of each reporting year, the Group assesses whether there is objective evidence that any financial asset may be impaired. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in the profit and loss.

Investments in syndicate capacity are measured at fair value through profit or loss. The fair value of syndicate capacity is measured with reference to recent auction prices.

Interest income is recognised as it accrues using the effective interest method.

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

Accounting policies (continued)

iv Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Non-monetary assets and liabilities at the balance sheet date are maintained at the rate of exchange ruling when the contract was entered into.

United States and Canadian Dollar income and expenses in respect of the Group's underwriting activities are converted at the rate of exchange ruling at the date the transaction is processed or at an appropriate average rate.

v Investment in subsidiary

Investments in subsidiaries, joint ventures and associated companies are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries, joint ventures and associated companies, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

vi Taxation

The Group is taxed on its share of the underwriting results declared by Syndicates and these are deemed to accrue evenly over the calendar year in which they are declared. The Syndicate results included in these financial statements are declared for tax purposes in the calendar year following closure of the year of account.

vii Deferred taxation

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the Financial Statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the Financial Statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

Accounting policies (continued)

xix Critical accounting judgements and key sources of estimated uncertainty

In applying the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The estimates and underlying assumptions are reviewed on an ongoing basis.

The management and control of each Syndicate is carried out by the managing agent of that Syndicate, and the Group looks to the managing agent to implement appropriate policies, procedures and internal controls to manage each Syndicate. The critical accounting judgements and key sources of estimation uncertainty set out below therefore relate to those made by the Directors in respect of the Corporate only, and do not include estimates and judgements made in respect of the Syndicates.

Critical accounting judgements

The critical judgements that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the statutory Financial Statements are discussed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the Directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recoverability of receivables

The Group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the Directors consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

Measuring the fair value of the syndicate capacity

Syndicate capacity values, established by reference to the prices achieved in the annual capacity auction process, can vary significantly from year to year. The prices of individual syndicates' capacities are determined by reference to a number of factors, including, but not limited to: supply of and demand for capacity in the auction, shortage or surfeit of investor capital, expectation of market or individual syndicate profitability and investor sentiment.

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

1. Net Underwriting Result

The underwriting result of the syndicates on which the Group participated are brought into account in the year in which they are received.

The results for the 2015 year of account are included in these financial statements. The results for the 2016, 2017 and 2018 years of account will be included in the financial statements for the years ended 31 December 2019, 2020 and 2021 respectively.

2. Interest receivable and similar income

	2019 £	2018 £
Bank and other deposit interest	13,977	6,692
	<hr/>	<hr/>

3. Interest payable and similar charges

	2019 £	2018 £
Investment management expenses	-	-
	<hr/>	<hr/>

4. Profit on Ordinary Activities before Taxation

	2019 £	2018 £
Operating profit is stated after charging:		
Directors' remuneration	-	-
losses on financial instruments held at fair value through profit and loss	(47,927)	(68,993)
Loss/(profit) on exchange	11,948	(27,154)

The Group has no employees and no staff costs are met by the Group.

The Directors are considered to be the key management personnel of the Group.

The auditors charge a fixed fee to Argenta Private Capital Limited of £1,622 (2019: £1,560) for the provision of the statutory audit, they also provide non-audit services through an outsourcing arrangement of approximately £515.

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

5. Taxation	2019	2018
	£	£
Analysis of charge in year		
Current tax:		
UK corporation tax on profit of the year	9,476	21,233
Adjustment in respect of previous period	(11,311)	-
	<u>(1,835)</u>	<u>21,233</u>
Foreign tax	809	2,542
	<u>(1,026)</u>	<u>23,775</u>
Total current tax	(1,026)	23,775
Deferred tax:		
Origination and reversal of timing differences	-	3,777
Change in tax rate	-	-
	<u>(1,026)</u>	<u>27,552</u>
Total tax	(1,026)	27,552
Factors affecting tax charge for period		
The tax assessed for the period is different to the standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%). The differences are explained below:		
Profit on ordinary activities before tax	<u>50,680</u>	<u>136,514</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%)	9,629	25,938
Effects of:		
Difference in current and deferred tax rates	-	-
Deferred tax asset previously unrecognised	-	-
Foreign tax	656	2,059
Expenses not deductible for tax purposes	-	-
Other corporation computation adjustments for Lloyds corporate members	-	-
Prior period and other adjustments	<u>(11,311)</u>	<u>(445)</u>
Total tax (credit)/charge for the period	<u>(1,026)</u>	<u>27,552</u>

The results of the Group's participation on the 2017, 2018 and 2019 years of account and any calendar year movement on 2016 and prior run-offs, will not be assessed to tax until the year ended 31 December 2020, 2021 and 2022 respectively being the year after the calendar year result of each run-off year or the normal date of closure of each year of account.

The current UK corporation tax rate is 19%, and will continue to be 19% in 2020.

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

6. Intangible Assets

Group and Parent	2019	2018
	£	£
At 1 January	311,424	266,580
Additions	-	-
Disposals	(689)	(17,577)
Increase in fair value	47,878	62,421
	<hr/>	<hr/>
At 31 December	358,613	311,424

Investments in syndicate capacity are measured at fair value through profit or loss. The fair value of syndicate capacity is measured with reference to recent auction prices.

7. Financial Investments

Other financial investments – Parent

	2019	2018
	Cost	Cost
	£	£
Investment in subsidiary	270,371	270,371
	<hr/>	<hr/>
	270,371	270,371

Subsidiary undertaking

<i>Name</i>	<i>Country of incorporation</i>	<i>Percentage share</i>
Gould SLP	Scotland	100%

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

8. Debtors

Group	2019 £	2018 £
<i>Due within one year</i>		
Other	60	8,011
	<hr/>	<hr/>
<i>Due within after year</i>		
Other	24,551	25,056
	<hr/>	<hr/>
Parent	2019 £	2018 £
<i>Due within one year</i>		
Amounts due from group undertakings	153,736	110,744
Other	-	-
	<hr/>	<hr/>
	153,736	110,744
	<hr/>	<hr/>

9. Funds at Lloyd's

The amount of Funds at Lloyd's is represented in the balance sheet as:

Group	2019 £	2018 £
Cash	378,524	392,534
	<hr/>	<hr/>
Company	2019 £	2018 £
Cash	240,987	252,769
	<hr/>	<hr/>

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

10. Other creditors including taxation and social security

Group	2019 £	2018 £
<i>Due within one year: -</i>		
Corporation tax	9,475	21,233
Directors' loan accounts	618,514	639,894
Third party funds	-	-
Other creditors	5,021	5,020
	<u>633,010</u>	<u>666,147</u>
<i>Due after one year: -</i>		
Corporation tax	-	-
Directors' loan accounts	-	-
Third party funds	-	-
Other creditors	700	1,400
	<u>633,010</u>	<u>1,400</u>
Parent	2019 £	2018 £
<i>Due within one year: -</i>		
Corporation tax	-	21,233
Directors' loan accounts	517,902	534,318
Other creditors	4,320	4,320
Amount due to group undertakings	-	-
	<u>522,222</u>	<u>559,871</u>

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

11. Classification of Financial Instruments

The tables below set out the Group's financial instruments by classification.

Other financial investments – Group

	2019			2018		
	At fair value through profit or loss £	At amortised cost £	Total £	At fair value through profit or loss £	At amortised cost £	Total £
Financial assets						
Investments	-	358,613	358,613	311,424	-	311,424
Other debtors	-	24,611	24,611	-	33,067	33,067
Cash at bank and in hand	-	384,746	384,746	-	405,316	405,316
Other assets	-	-	-	-	-	-
	-	767,970	767,970	311,424	438,383	749,807
Financial liabilities						
Other creditors	-	633,710	633,710	-	667,547	667,547
	-	633,710	633,710	-	667,547	667,547

Other financial investments – Parent

	2019			2018		
	At fair value through profit or loss £	At amortised cost £	Total £	At fair value through profit or loss £	At amortised cost £	Total £
Financial assets						
Investments	-	270,371	270,371	270,371	-	270,371
Other debtors	-	153,736	153,736	-	110,744	110,744
Cash at bank and in hand	-	246,470	246,470	-	265,550	265,550
Other assets	-	-	-	-	-	-
	-	670,577	670,577	270,371	376,294	646,665
Financial liabilities						
Other creditors	-	522,222	522,222	-	559,871	559,871
	-	522,222	522,222	-	559,871	559,871

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

12. Financial Instruments held at fair value through profit or loss

The assets and liabilities carried at fair value through profit or loss have been categorised between the three levels of the fair value hierarchy that reflects the observability and significance of inputs used when establishing the fair value. The categorisation of these instruments is based on the lowest level input that is significant to the fair value measurement in its entirety.

Level (a) in the fair value hierarchy consists of assets and liabilities valued using unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis.

Level (b) in the fair value hierarchy consists of assets and liabilities that do not have directly quoted market prices available from active markets. Instead the price of a recent transaction for an identical asset or liability is used, provided that there has not been a significant change in economic circumstances or a significant lapse of time since the recent transaction.

Level (c) in the fair value hierarchy consists of those types of assets and liabilities for which fair values cannot be obtained directly from quoted market prices in active markets or in a recent transaction. These assets and liabilities are measured using a valuation technique to estimate what the transaction price would have been in an arm's length transaction.

The tables below set out Company's financial instruments held at fair value through profit or loss by level of hierarchy.

Other financial investments – Group

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2019						
Financial assets	-	358,613	-	358,613	-	358,613
Other investments	-	358,613	-	358,613	-	358,613
	-	358,613	-	358,613	-	358,613

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2018						
Financial assets	-	311,424	-	311,424	-	311,424
Other investments	-	311,424	-	311,424	-	311,424
	-	311,424	-	311,424	-	311,424

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

12 Financial Instruments held at fair value through profit or loss (continued)

Other financial investments – Parent

	Level (a) £	Level (b) £	Level (c) £	Fair value total £	Held at amortised cost £	Total £
2019						
Financial assets						
Subsidiary undertaking	-	-	-	-	270,371	270,371
	-	-	-	-	270,371	270,371
2018						
Financial assets						
Subsidiary undertaking	-	-	-	-	270,371	270,371
	-	-	-	-	270,371	270,371

13. Called-up Share Capital

Issued and fully paid	Number of shares			At 31 December
	At 1 January	Issued during the year	Redeemed during the year	
Par value per share				
100 Ordinary £1 shares	100	-	-	100
Total	100	-	-	100

The Ordinary £1 shares each hold one voting right. There are no restrictions on the distribution of dividends and the repayments of capital.

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

14. Profit and Loss Account

Group	2019	2018
	£	£
Retained profit/(loss) brought forward	82,374	(26,588)
Profit for the financial year	51,706	108,962
Amounts in respect of profit due to Resigning Limited Partners in the subsidiary undertaking	-	-
	<hr/>	<hr/>
Retained profit carried forward	134,080	82,374
Parent	2019	2018
	£	£
Retained profit/(loss) brought forward	82,374	(26,588)
Profit for the financial year	61,561	108,962
	<hr/>	<hr/>
Retained profit carried forward	143,935	82,374

15. Deferred Tax - Group

	2019		
	Tax losses	Claims Equalisation Reserve	Other
	£	£	£
At 1 January	-	-	-
Movement in the year	-	-	-
At 31 December	-	-	-
	<hr/>	<hr/>	<hr/>
	2018		
	Tax losses	Claims Equalisation Reserve	Other
	£	£	£
At 1 January	(3,777)	-	-
Movement in the year	3,777	-	-
At 31 December	-	-	-

The unused tax losses carried forward at the Statement of Financial Position date are £Nil. Unused tax losses are expected to be recoverable against the future profits of the Company and have no expiry date.

The deferred tax balance consists of timing differences relating to the taxation of underwriting results. Deferred tax assets are shown within other debtors (Note 7.2).

Gould Family Company Limited
Notes to the Financial Statements
For the year ended 31 December 2019

16. Related Party Disclosure

During the year the Directors made loans to and from the Company. At the Balance Sheet date the amount due (to)/from the Company was £517,902 (2018: £534,318).

During the year the Directors made loans to and from the Group. At the Balance Sheet date the amount due (to)/from the Group was £618,514 (2018: £639,894).

During the year, the company repaid loans from Gould SLP of £42,992. At the balance sheet date the amount due to/(from) the company was £(153,736) (2018: £(110,744)).

17. Ultimate Controlling Party

The Company is controlled by Mr R C Gould who holds 100% of the issued £100 ordinary share capital.

18. Post Balance Sheet Event

In March 2020, the World Health Organisation declared Coronavirus (Covid-19) to be a global pandemic. The full extent of the impact is not yet known, however as the Group participates on multiple syndicates the potential impact is mitigated due to the diverse spread of risks underwritten in them. This is a non-adjusting post balance sheet event.