

Registration number 00879931

Genavco Insurance Limited

Directors' Report and Financial Statements

for the Period from 30 January 2011 to 28 January 2012

Ernst & Young LLP
1 More London Place
London
SE1 2AF

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Genavco Insurance Limited
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Genavco Insurance Limited

Directors' Report for the Period from 30 January 2011 to 28 January 2012

The directors present their report and the financial statements for the period from 30 January 2011 to 28 January 2012

Directors of the company

The directors who held office during the period were as follows

Mr P K Winstone - Chairman

Mr D Meur

Mr M J McClymont - Company secretary and director

Principal activity

The principal activity of the company is insurance broking

Business review

Fair review of the business

The Company's key performance indicator during the year was profit before taxation. There was a profit for the period before taxation of £75,003 (2011 £198,225). The directors did not recommend the payment of a dividend during the period (2011 £nil).

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.

Credit risk

The company's principal credit risk relates to the recovery of trade debtors. This is managed by requiring clients to pay within agreed credit terms. Non payment within these terms can put clients' insurance cover at risk.

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.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.


Genavco Insurance Limited
Directors' Report for the Period from 30 January 2011 to 28 January 2012

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Appointment of auditors

During the year Grant Thornton LLP resigned as auditors of the Company. The board has approved the appointment of Ernst & Young LLP as auditors for the current year and on an ongoing basis. Ernst & Young LLP offer themselves for reappointment as auditors in accordance with Section 485 of the Companies Act 2006.

Approved by the Board on 11 October 2012 and signed on its behalf by


Mr M J McClymont
Company secretary and director

Genavco Insurance Limited
Statement of Directors' Responsibilities

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and 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 company will continue in business.

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

Independent Auditor's Report to the Members of Genavco Insurance Limited

We have audited the financial statements of Genavco Insurance Limited for the period from 30 January 2011 to 28 January 2012, which comprises the Profit and Loss Account, the Statement of Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 28 January 2012 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

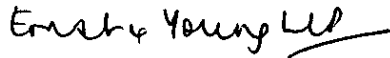
**Independent Auditor's Report to the Members of
Genavco Insurance Limited**

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Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Kevin Senior (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor

1 More London Place
London
SE1 2AF

15 October 2012

Genavco Insurance Limited

Profit and Loss Account for the Period from 30 January 2011 to 28 January 2012

		30 January 2011 to 28 January 2012	(As restated) 31 January 2010 to 29 January 2011
	Note	£	£
Turnover		1,479,480	1,571,280
Administrative expenses		<u>(1,412,272)</u>	<u>(1,379,403)</u>
Operating profit	2	67,208	191,877
Other interest receivable and similar income	6	<u>7,795</u>	<u>6,348</u>
Profit on ordinary activities before taxation		75,003	198,225
Tax on profit on ordinary activities	7	<u>(22,231)</u>	<u>(32,446)</u>
Profit for the financial period	14	<u>52,772</u>	<u>165,779</u>

Turnover and operating profit derive wholly from continuing operations

Genavco Insurance Limited

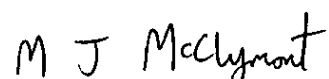
**Statement of Total Recognised Gains and Losses for the Period from 30 January 2011 to
28 January 2012**

		30 January 2011 to 28 January 2012	(As restated) 31 January 2010 to 29 January 2011
	Note	£	£
Profit for the financial period	14	52,772	165,779
Actuarial loss recognised on defined benefit pension scheme	14	(166,953)	(451,558)
Deferred tax on actuarial loss recognised on defined benefit pension scheme	14	43,947	126,436
Total recognised gains and losses relating to the period		<u>(70,234)</u>	<u>(159,343)</u>

Genavco Insurance Limited
(Registration number: 00879931)
Balance Sheet at 28 January 2012

	Note	28 January 2012 £	(As restated) 29 January 2011 £
Fixed assets			
Intangible fixed assets	8	12,177	28,412
Tangible fixed assets	9	<u>7,023</u>	<u>32,403</u>
		<u>19,200</u>	<u>60,815</u>
Current assets			
Debtors	10	2,077,205	1,990,239
Cash at bank and in hand	11	<u>1,693,681</u>	<u>1,733,703</u>
		3,770,886	3,723,942
Creditors Amounts falling due within one year	12	<u>(2,752,418)</u>	<u>(2,676,855)</u>
Net current assets		<u>1,018,468</u>	<u>1,047,087</u>
Net assets		<u><u>1,037,668</u></u>	<u><u>1,107,902</u></u>
Capital and reserves			
Called up share capital	13	500,000	500,000
Profit and loss account	14	<u>537,668</u>	<u>607,902</u>
Shareholders' funds	15	<u><u>1,037,668</u></u>	<u><u>1,107,902</u></u>

Approved by the Board on 11 October 2012 and signed on its behalf by



Mr M J McClymont
Company secretary and director

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

In accordance with Financial Reporting Standard 1 Revised "Cash Flow Statements" the Company is exempt from preparing a cash flow statement as it is a wholly owned subsidiary within the Qatar Holding UK Limited group, which has prepared a group cash flow statement and whose financial statements are publicly available

The principle accounting policies of the company have remained unchanged from the previous period and are set out below

The 2011 comparatives have been restated in respect of a material error dealt with in note 21

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 when a debit note is issued to the insured with appropriate adjustments made where performance of services relating to insurance policies are not yet complete

Goodwill

Goodwill arising on the acquisition of businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over 3 years. Provision is made for any impairment where applicable

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life

Asset class	Amortisation method and rate
Goodwill	On a straight line basis at 33% per annum

Depreciation

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

Asset class	Depreciation method and rate
Fixtures and fittings	On a straight line basis at 20% or 25% per annum

Deferred tax

Deferred tax is recognised on all timing differences where the transactions or events that give the group an obligation to pay more tax in the future, or a right to pay less tax in the 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

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

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Foreign currency

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

Client Money

Insurance premiums received from clients but not yet paid over to underwriters are held in a fiduciary capacity. The obligation to remit these funds is recorded as part of trade creditors in the balance sheet. The time frame the company holds these funds is subject to contractual obligations such as terms of business agreements with insurance companies and insurance intermediaries.

Client money is held in non-statutory trust client bank accounts. The client money balance as at 28 January 2012 was £1,279,241 (2011 £966,719).

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

Defined Contribution Scheme

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

Defined Benefit Scheme

The company is a member 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 and the Harrods Holdings Group, in accordance with calculations made periodically by consulting actuaries.

The company has adopted the provisions of Financial Reporting Standard (FRS) 17 'Retirement Benefits'. 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 corporate 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 profit and loss account in respect of pension costs and other post-retirement benefits is the current service cost of providing the benefits, curtailment and settlement gains and losses and financial return on the pension fund, all reflected in the period to which they relate. The current service cost and costs from settlement and curtailments are charged against operating profit. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included in other finance costs. Actuarial gains and losses are recorded through the statement of recognised gains and losses. Disclosure has been made of the assets and liabilities of the scheme under FRS17 in Note 16 to the accounts.

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

2 Operating profit

Operating profit is stated after charging

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Operating leases - other assets	60,000	60,000
Depreciation of owned assets	28,454	29,407
Amortisation	16,235	16,235
Auditor's remuneration	23,988	23,005

3 Auditor's remuneration

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Audit of the financial statements	17,927	17,122
Other fees to auditors		
Other services pursuant to legislation	6,061	5,883
	23,988	23,005

4 Particulars of employees

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows

	30 January 2011 to 28 January 2012 No.	31 January 2010 to 29 January 2011 No.
Administration and support	18	17

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

The aggregate payroll costs were as follows

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Wages and salaries	832,484	792,791
Social security costs	87,385	83,594
Staff pensions	50,281	47,051
	<u>970,150</u>	<u>923,436</u>

5 Directors' remuneration

The directors' remuneration for the period was as follows

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Remuneration	210,862	193,012
Company contributions paid to money purchase schemes	19,039	18,855
	<u>229,901</u>	<u>211,867</u>

In respect of the highest paid director

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Remuneration	135,023	120,956
Company contributions to money purchase pension schemes	13,506	13,430
	<u>148,529</u>	<u>134,386</u>

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

6 Other interest receivable and similar income

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Bank interest receivable	4,485	2,876
Other interest receivable	<u>3,310</u>	<u>3,472</u>
	<u><u>7,795</u></u>	<u><u>6,348</u></u>

7 Taxation

Tax on profit on ordinary activities

	30 January 2011 to 28 January 2012 £	(As restated) 31 January 2010 to 29 January 2011 £
Current tax		
Adjustments in respect of previous years	(4,546)	-
Group relief (receivable)/payable	<u>(10,978)</u>	<u>2,380</u>
Total current tax	<u>(15,524)</u>	<u>2,380</u>
Deferred tax		
Origination and reversal of timing differences	(10,777)	(43,802)
Effect of changes in tax rates	4,585	-
Deferred tax relating to FRS 17	<u>43,947</u>	<u>73,868</u>
Total deferred tax	<u>37,755</u>	<u>30,066</u>
Total tax on profit on ordinary activities	<u><u>22,231</u></u>	<u><u>32,446</u></u>

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

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Factors affecting current tax charge for the period

Tax on profit on ordinary activities for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 26.32% (2011 - 28%)

The differences are reconciled below

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Profit on ordinary activities before taxation	<u>75,003</u>	<u>198,225</u>
Corporation tax at standard rate	19,743	55,503
Depreciation in excess of capital allowances	3,670	3,370
Employers defined benefit pension contributions	(43,947)	(62,668)
Expenses not deductible for tax purposes	9,556	6,175
Adjustments in respect of prior years	<u>(4,546)</u>	<u>-</u>
Total current tax	<u>(15,524)</u>	<u>2,380</u>

8 Intangible fixed assets

	Goodwill £	Total £
Cost		
At 30 January 2011	<u>48,706</u>	<u>48,706</u>
At 28 January 2012	<u>48,706</u>	<u>48,706</u>
Amortisation		
At 30 January 2011	20,294	20,294
Charge for the period	<u>16,235</u>	<u>16,235</u>
At 28 January 2012	<u>36,529</u>	<u>36,529</u>
Net book value		
At 28 January 2012	<u>12,177</u>	<u>12,177</u>
At 29 January 2011	<u>28,412</u>	<u>28,412</u>

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

9 Tangible fixed assets

	Fixtures and fittings £	Total £
Cost or valuation		
At 30 January 2011	194,322	194,322
Additions	3,074	3,074
Disposals	<u>(14,973)</u>	<u>(14,973)</u>
At 28 January 2012	<u>182,423</u>	<u>182,423</u>
Depreciation		
At 30 January 2011	161,919	161,919
Charge for the period	28,454	28,454
Eliminated on disposals	<u>(14,973)</u>	<u>(14,973)</u>
At 28 January 2012	<u>175,400</u>	<u>175,400</u>
Net book value		
At 28 January 2012	<u>7,023</u>	<u>7,023</u>
At 29 January 2011	<u>32,403</u>	<u>32,403</u>

10 Debtors

	28 January 2012 £	(As restated) 29 January 2011 £
Trade debtors	1,927,799	1,853,590
Amounts owed by group undertakings	21,605	-
Other debtors	2,685	-
Deferred tax	57,006	50,814
Prepayments and accrued income	<u>68,110</u>	<u>85,835</u>
	<u>2,077,205</u>	<u>1,990,239</u>

Deferred tax

The movement in the deferred tax asset in the period is as follows

	£
At 30 January 2011 restated (was -£30,671)	50,814
Deferred tax credited to the profit and loss account in respect of the current year	<u>6,192</u>
At 28 January 2012	<u>57,006</u>

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

The deferred tax asset/(liability) comprises:

	28 January 2012 £	(As restated) 29 January 2011 £
Decelerated capital allowances	12,756	10,072
Other timing differences	44,250	40,742
	57,006	50,814

Legislation was introduced in the Finance Act 2011 to reduce the main rate of corporation tax from 27% to 26% with effect from 1 April 2011 and to 25% with effect from 1 April 2012. The effect of these tax rate reductions is reflected in the recognised deferred tax asset of £57,006. On 21 March 2012 as part of the 2012 Budget, the UK government announced its intention to legislate to further reduce the rate to 24% with effect from 1 April 2012 and further, by 1% per annum falling to 22% with effect from 1 April 2014. These changes were not substantively enacted by the balance sheet date and therefore are not reflected in the closing deferred tax asset. The directors estimate the effect of these rate changes would be to reduce the deferred tax asset by £6,841 to £50,165.

11 Cash at bank and in hand

	28 January 2012 £	29 January 2011 £
Fiduciary cash held under a non statutory trust	1,279,241	966,719
Company cash	414,440	766,984
	1,693,681	1,733,703

12 Creditors: Amounts falling due within one year

	28 January 2012 £	29 January 2011 £
Trade creditors	2,303,920	1,899,022
Amounts owed to group undertakings	359,327	700,910
Corporation tax	-	2,380
Other creditors	21,197	21,197
Accruals and deferred income	67,974	53,346
	2,752,418	2,676,855

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

13 Share capital

Allotted, called up and fully paid shares

	28 January 2012	29 January 2011
	£	£
500,000 Ordinary shares of £1 each (2011 500,000)	500,000	500,000

14 Reserves

	Profit and loss account £	Total £
At 30 January 2011 as restated	607,902	607,902
Profit for the period	52,772	52,772
Actuarial loss on pension schemes	(166,953)	(166,953)
Deferred tax relating to actuarial loss on pension schemes	43,947	43,947
At 28 January 2012	537,668	537,668

15 Reconciliation of movement in shareholders' funds

	30 January 2011 to 28 January 2012 £	(As restated) 31 January 2010 to 29 January 2011 £
Profit attributable to the members of the company	52,772	165,779
Other recognised gains and losses relating to the period	(123,006)	(325,122)
Net reduction to shareholders' funds	(70,234)	(159,343)
Shareholders' funds at start of period as restated to reflect prior year adjustment was previously £1,026,417	1,107,902	1,267,245
Shareholders' funds at end of period	1,037,668	1,107,902

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

16 Pension schemes

Defined contribution pension scheme

The Group operates 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 £50,281 (2011 - £47,051)

Contributions totalling £nil (2011 - £nil) were payable to the scheme at the end of the period

Defined benefit pension schemes

Harrods Group Pension Scheme

During the period the group operated the Harrods Group Pension Plan ("the Plan"), which is an approved defined benefit scheme, administered by Mercer. This scheme was closed to new membership and new accruals in April 2006.

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 2009 on a Scheme Specific Funding basis was carried out by the Scheme Actuary. The deficit on this basis was £103.0m as at 5 April 2009. An updated funding position at 31 December 2009 revealed a shortfall in assets of £88.0m, on which a recovery plan was based as agreed with the Plan Trustees.

In order for the Plan to be fully funded by 31 January 2014, the Trustees and Principal Employer agreed the following on 25 August 2010:

- Annual contributions totaling £14.0m per annum payable in each of January 2011, January 2012, January 2013 and January 2014
- Plan expenses (including any insurance premiums and PPF levies) of £1.0m per annum to continue to be met by the Employers
- Recognising the risks inherent in the performance of the financial markets during the deficit correction period, the principal employer has also agreed to fund any deficits outside an agreed tolerance band during the period.

During the period ended 28 January 2012, the participating employers made total contributions to the plan of £17.2m (2011 - £31.6m)

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows

	28 January 2012 £	29 January 2011 £
Fair value of scheme assets	4,113,660	4,155,045
Present value of scheme liabilities	<u>(4,088,240)</u>	<u>(3,629,971)</u>
	25,420	525,074
Irrecoverable surplus	<u>(25,420)</u>	<u>(525,074)</u>
Net asset/(liability) in the balance sheet	<u><u>-</u></u>	<u><u>-</u></u>

Scheme assets

Changes in the fair value of scheme assets are as follows

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Fair value at start of period	4,155,045	3,733,215
Expected return on assets	199,817	195,068
Actuarial gains and losses	33,262	87,314
Employer contributions	166,953	263,814
Benefits paid	(123,552)	(124,366)
Transfers	<u>(317,865)</u>	<u>-</u>
Fair value at end of period	<u><u>4,113,660</u></u>	<u><u>4,155,045</u></u>

Pension scheme assets have been reallocated between group companies to bring allocations into line with actuarial valuations to ensure that the same principle of allocation be used across both the scheme assets and liabilities. The allocation adjustment is disclosed under the "Transfers" line in the changes of fair value of scheme assets section above.

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

Analysis of assets

The major categories of scheme assets are as follows

	28 January 2012 £	29 January 2011 £
Equity instruments	1,265,647	1,315,318
Debt instruments	1,620,824	1,239,692
Cash	590,931	986,011
Other assets	636,258	614,024
	<u>4,113,660</u>	<u>4,155,045</u>

Actual return on scheme's assets

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Actual return on scheme assets	<u>233,079</u>	<u>282,382</u>

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company

The overall expected return on assets assumption is derived as the weighted average of the expected returns from each of the main asset classes

Scheme liabilities

Changes in the present value of scheme liabilities are as follows

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Present value at start of period	3,629,971	3,545,468
Actuarial gains and losses	382,004	13,801
Interest cost	199,817	195,068
Benefits paid	(123,552)	(124,366)
Present value at end of period	<u>4,088,240</u>	<u>3,629,971</u>
Analysed as		
Present value arising from wholly or partly funded schemes	<u>4,088,240</u>	<u>3,629,971</u>

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

Principal actuarial assumptions

The principal actuarial assumptions at the balance sheet date are as follows

	28 January 2012 %	29 January 2011 %
Discount rate	4 70	5 60
Future pension increases	2 30	3 10
Inflation	3 10	3 60
Expected return on scheme assets - equity	6 20	7 60
Expected return on scheme assets - cash	2 60	4 00
Expected return on scheme assets - other	4 40	5 70

Post retirement (at age 60) mortality assumptions

	28 January 2012 Years	29 January 2011 Years
Current pensioners at retirement age - male	28 30	28 10
Current pensioners at retirement age - female	30 90	30 80
Future pensioners at retirement age - male	31 50	31 30
Future pensioners at retirement age - female	34 10	34 00

Amounts recognised in the profit and loss account

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Amounts recognised in operating profit		
Recognised in arriving at operating profit	-	-
Amounts recognised in other finance cost		
Interest cost	199,817	195,068
Expected return on scheme assets	(199,817)	(195,068)
Recognised in other finance cost	-	-
Total recognised in the profit and loss account	-	-

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... *continued*

Amounts recognised in the statement of total recognised gains and losses

	30 January 2011 to 28 January 2012 £	31 January 2010 to 29 January 2011 £
Actual return less expected return on scheme assets	33,262	87,314
Effect of surplus cap	181,790	(525,067)
Changes in assumptions	<u>(382,005)</u>	<u>(13,805)</u>
Actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses	<u>(166,953)</u>	<u>(451,558)</u>

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and (losses) since 1 January 2002 is (£1,167,357) (2011 - (£1,000,404))

History of experience adjustments on scheme assets and liabilities

Amounts for the current and previous 2 periods are as follows

	28 January 2012 £	29 January 2011 £	30 January 2010 £
Fair value of scheme assets	4,113,660	4,155,045	3,733,215
Present value of scheme liabilities	<u>(4,088,240)</u>	<u>(3,629,971)</u>	<u>(3,545,468)</u>
Surplus in scheme	<u>25,420</u>	<u>525,074</u>	<u>187,747</u>

Experience adjustments

	28 January 2012 £	29 January 2011 £
Experience adjustments arising on scheme assets	<u>33,262</u>	<u>87,314</u>

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... continued

17 Contingent liabilities

The Harrods Holdings Limited Group's cash netting facility is guaranteed by Genavco Insurance Limited and other group companies. The guarantee extends to Genavco Insurance Limited's non-client bank account only.

There were no other contingent liabilities at 28 January 2012 or 29 January 2011.

18 Commitments

Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2011 - £nil).

Operating lease commitments

As at 28 January 2012 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire

	28 January 2012 £	29 January 2011 £
Land and buildings		
Within one year	5,000	-
Within two and five years	-	60,000
	<u>5,000</u>	<u>60,000</u>

19 Related party transactions

The company is a wholly owned subsidiary of Harrods Group (Holding) Limited and, as permitted by Financial Reporting Standard 8 "Related Party Disclosures", transactions with other members of the Harrods Holdings Group are not disclosed.

Genavco Insurance Limited

Notes to the Financial Statements for the Period from 30 January 2011 to 28 January 2012

..... continued

20 Control

The company is controlled by Qatar Investment Authority. The company's immediate parent undertaking is Genavco Holdings Limited, a company registered in England and Wales. The ultimate UK parent undertaking of Genavco Holdings Limited is Harrods Group (Holding) Limited (formerly Qatar Holding UK Limited). The largest group of undertakings for which group accounts have been drawn up is that headed by Harrods Group (Holding) Limited (formerly Qatar Holding UK 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.

21 Prior year adjustment

Due to an error in the 2011 deferred tax computation, the tax charge was overstated by £81,485 and profit after tax was understated by £81,485. A prior year adjustment has been made to restate the comparative numbers in these accounts. The profit after tax for 2011 has been restated from £84,294 to £165,779 and the profit and loss reserves carried forward at 29 January 2011 has been restated from £526,417 to £607,902 and the deferred tax carried forward at 29 January 2011 has been restated from a creditor of £30,671 to a debtor of £50,814.