GENAVCO INSURANCE LIMITED

FINANCIAL STATEMENTS

For the Period ended 31 JANUARY 2009

Company No. 00879931

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Company No. 00879931

The directors present their report together with the audited financial statements for the period ended 31 January 2009.

Principal activity
The company's principal activity continues to be that of insurance broking.

Business review
There was a profit for the period after taxation amounting to £277,995 (2008: £338,432). The company paid a dividend during the period of £500,000 (2008: £nil). It is the intention of the directors that the company continue the operation of the business as in previous periods.

Directors
The present membership of the Board is set out below. All served on the Board throughout the period.

Mr P K Winstone (Chairman)
Mr D Meur
Mr M J McClymont

Financial risk management 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 puts clients' insurance cover at risk.

Statement of directors' responsibilities
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors
Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with Section 485 of the Companies Act 2006.

BY ORDER OF THE BOARD

M. J. McClymont

M J McClymont
Secretary
31 July 2009

87 - 135 Brompton Road
Knightsbridge
London, SW1X 7XL

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF GENAVCO INSURANCE LIMITED

We have audited the financial statements of Genavco Insurance Limited for the period ended 31 January 2009 which comprise the principal accounting policies, the profit and loss account, the balance sheet, the statement of total recognised gains and losses and notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our 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 auditors' 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 the directors and auditor

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF GENAVCO INSURANCE LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 January 2009 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements for the period ended 31 January 2009.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS

LONDON
31 July 2009

Basis of Preparation

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

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

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.

Tangible Fixed Assets and Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:

Fixtures and fittings	between 4 and 5 years

Operating leases

Rental costs under operating leases are charged to the profit and loss account in equal amounts over the period of the lease.

Deferred taxation

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 scheme surpluses or deficits is netted against the respective retirement benefit surplus or obligation.

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.

Retirement benefits obligations

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 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 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 FRS 17 in Note 14 to the accounts.

GENAVCO INSURANCE LIMITED
PROFIT AND LOSS ACCOUNT

For the period ended 31 JANUARY 2009

	Note	52 weeks ended 31 January 2009 £	52 weeks ended 2 February 2008 £
Turnover	1	**1,688,888**	1,764,638
Administrative expenses		**(1,395,192)**	(1,333,358)
Operating profit		**293,696**	431,280
Interest receivable	2	**65,654**	86,893
Other finance income (FRS 17)		**22,010**	-
Profit on ordinary activities before taxation	1	**381,360**	518,173
Tax on profit on ordinary activities	4	**(103,365)**	(179,741)
Profit on ordinary activities after tax		**277,995**	338,432
Dividends		**(500,000)**	-
Retained (Loss)/ Profit transferred (from)/ to reserves	10	**(222,005)**	338,432

All transactions arise from continuing operations.

The accompanying accounting policies and notes form an integral part of these financial statements.

	Note	At 31 January 2009 £	At 2 February 2008 £
Fixed assets			
Tangible assets	5	**89,290**	115,519
Current assets			
Debtors	6	**2,021,119**	2,374,187
Cash at bank and in hand		**1,668,852**	1,789,174
		3,689,971	4,163,361
Creditors: amounts falling due within one year	7	**(2,437,062)**	(2,509,669)
Net current assets		**1,252,909**	1,653,692
Total assets less current liabilities		**1,342,199**	1,769,211
Provisions for liabilities and charges			
Deferred tax	8	**(9,034)**	(32,345)
		1,333,165	1,736,866
Capital and reserves			
Called up share capital	9	**500,000**	500,000
Profit and loss account	10	**833,165**	1,236,866
Shareholders' funds	11	**1,333,165**	1,736,866

The financial statements were approved by the Board of Directors on 31 July 2009.

DMeur

D Meur - Managing Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Total Recognised Gains and Losses

	52 weeks ended 31 January 2009 £	52 weeks ended 2 February 2008 £
Profit for the financial year	**277,995**	338,432
Actuarial (loss)/gain on pension assets	**(252,356)**	43,784
Deferred tax on actuarial loss/(gain)	**70,660**	(18,065)
Total gains and losses related to the period	**96,299**	364,151
Prior year adjustment	**-**	-
Total gains and losses recognised since last financial statements	**96,299**	364,151

1 Turnover and profit on ordinary activities before taxation

The turnover arises entirely from within the United Kingdom.

The profit on ordinary activities before taxation is stated after:

	52 weeks ended 31 January 2009	52 weeks ended 2 February 2008
	£	£
Auditor's remuneration:		
Audit services	**14,784**	14,219
Operating leases	**60,000**	62,709
Depreciation:		
Tangible fixed assets owned	**34,515**	38,773

2 Interest receivable

	52 weeks ended 31 January 2009	52 weeks ended 2 February 2008
	£	£
Net interest receivable from group undertakings	**41,853**	34,567
Interest on short term deposits	**23,801**	52,326
	65,654	86,893

3 Directors and employees

Staff costs during the period were as follows:

	52 weeks ended 31 January 2009	52 weeks ended 2 February 2008
	£	£
Wages and salaries	**802,816**	736,019
Social security costs	**86,900**	77,132
Pensions paid by employers	**46,997**	42,896
Life insurance	**2,498**	2,645
	939,211	858,692

The average number of employees of the company during the period was 17 (2008: 16).

Remuneration in respect of directors was as follows:

	52 weeks ended 31 January 2009	52 weeks ended 2 February 2008
	£	£
Emoluments	**201,956**	189,384
Pension contributions	**19,182**	18,293
	221,138	207,677

The amounts set out above include remuneration in respect of the highest paid director as follows:

	52 weeks ended 31 January 2009	52 weeks ended 2 February 2008
	£	£
Emoluments	**125,681**	116,879
Pension contributions	**13,736**	13,017
	139,417	129,896

There are 2 directors to whom retirement benefits are accruing under a defined benefit pension scheme (2008: 2) and 2 directors to whom retirement benefits are accruing under a defined contribution scheme (2008: 2).

4 Tax on profit on ordinary activities

The tax charge is based on the profit for the year and represents:

	52 weeks ended 31 January 2009	52 weeks ended 2 February 2008
	£	£
United Kingdom corporation tax at 28.33% (2008: 30%) comprises:		
Group relief	**(16,138)**	(28,938)
Deferred tax:		
- origination and reversal of timing differences	**(23,311)**	35,132
- offset against FRS 17 asset	**142,814**	173,547
	103,365	179,741

Factors affecting the tax charge for period

Profit on ordinary activities before tax	**381,360**	518,173
Profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 28.328% (2008: 30%)	**108,032**	155,452
Effect of:		
Expenses not deductible for tax purposes	**2,683**	2,588
Capital allowances for the period in excess of depreciation	**2,053**	(637)
Income and expenses assessed relieved on a cash basis	**(128,906)**	(186,341)
	(16,138)	(28,938)

5 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 2 February 2008	231,945
Additions	8,286
Disposals	(50,266)
At 31 January 2009	189,965
Depreciation	
At 2 February 2008	(116,426)
Provided in the period	(34,515)
Disposals	50,266
At 31 January 2009	(100,675)
Net book amount at 31 January 2009	**89,290**
Net book amount at 3 February 2008	115,519

6 Debtors

	At 31 January 2009 £	At 2 February 2008 £
Trade debtors	**1,731,780**	1,834,775
Amounts owed by other group undertakings	-	89,144
Prepayments and accrued income	**99,820**	52,461
Corporation tax	**16,138**	28,938
Defined benefit pension scheme asset (note 14)	**173,381**	365,155
Other debtors	-	3,714
	2,021,119	2,374,187

7 Creditors: amounts falling due within one year

	At 31 January 2009 £	At 2 February 2008 £
Trade creditors	**1,999,335**	2,066,359
Amounts owed to group undertakings	**359,793**	360,427
Accruals and deferred income	**56,737**	50,482
Other creditors	**21,197**	32,401
	2,437,062	2,509,669

8 Deferred taxation

Deferred taxation provided for in the financial statements is set out below. There were no unprovided amounts of deferred taxation at 31 January 2009 or 3 February 2008.

	Amount provided £
Balance at 2 February 2008	(32,345)
Transfer to profit and loss account	23,311
Balance at 31 January 2009	**(9,034)**

9 Called up share capital

	At 31 January 2009 £	At 2 February 2008 £
Authorised		
500,000 ordinary shares of £1 each	**500,000**	500,000
Allotted, called up and fully paid		
500,000 ordinary shares of £1 each	**500,000**	500,000

10 Reserves

	Profit and loss account £
At 2 February 2008	1,236,866
Loss for the financial period	(222,005)
Actuarial gain net of deferred tax	(181,696)
At 31 January 2009	**833,165**

11 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Profit for the financial period	**277,995**	338,432
Dividends	**(500,000)**	-
Net (reduction)/addition to shareholders' funds	**(222,005)**	338,432
Actuarial gain - net of deferred tax	**(181,696)**	25,719
Shareholders' funds at 2 February 2008	**1,736,866**	1,372,715
Shareholders' funds at 31 January 2009	**1,333,165**	1,736,866

12 Capital commitments

The company had no capital commitments at 31 January 2009 or 3 February 2008.

13 Contingent assets/liabilities

The Harrods Holdings 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 31 January 2009 or 3 February 2008.

14 Retirement benefit obligations

Pensions schemes operated

During the period the Harrods Holdings group principally operated two schemes in which the company participated:

(i) the Harrods Retirement Savings Plan ("the Stakeholder Scheme"), which is an approved defined contribution scheme; it was established in April 2006 and is provided and managed by Fidelity International.

(ii) the Harrods Group Pension Plan ("the Plan"), which is an approved defined benefit scheme.

Stakeholder Scheme

The pension cost under the defined contribution scheme amounted to £46,997 (2008: £42,896). A pension accrual of £nil (2008: £nil) is included in the balance sheet in relation to this scheme.

Defined Benefit Pension Scheme ("the Plan")

The employer closed the Plan to future accrual with the following changes taking place as of 5 April 2006:

(i) the Plan was closed to all existing members and all new employees with the effect that members would not accrue future pension benefits under the Plan

(ii) the existing accrued pension benefit of members is protected and preserved at its existing level as at 5 April 2006 and will be revalued until retirement as if the members had left the Group

(iii) a new defined contribution pension scheme, the Harrods Retirement Savings Plan, has been introduced with effect from 5 April 2006.

Retirement benefit obligations (continued)
In December 2006, the Harrods Group agreed with the Trustee of the Plan that it will be fully funded on a scheme specific basis by 31 January 2014 (within seven years). The resulting Funding Agreement was entered into on 15 December 2006.

An actuarial valuation of the Plan as at 6 April 2007 on a Scheme Specific Funding basis was carried out by qualified actuaries Hymans Robertson. The deficit on this basis was £67.5m as at 6 April 2007. At that time the amended contributions, in order for the Plan to be fully funded by 31 January 2014, were agreed as follows:

(i) monthly contributions totalling £10.6 million per annum with effect from 1 October 2007
(ii) monthly contributions totalling an estimated £0.7 million per annum to fund administrative expenses of the Plan, with effect from 6 April 2007
(iii) annual contribution estimated at £0.3m to fund the Pension Protection Fund levy and other such pension scheme levies as are payable by the employers and Trustee under the terms of the Pension Schemes Act 1993 and the Pension Act 2004.

Accordingly, during the year ended 31 January 2009, the participating employers made total contributions to the plan of £11.4m (2008: £15.3m). In addition, £38.9m (2008: £26.9m) was released from the Escrow account and transferred to the Plan. All participating employers have contributed to these payments.

Recognising the risks inherent in the performance of the financial markets during the seven year deficit correction period, the principal employer has also agreed to fund any deficits outside an agreed tolerance band during the period.

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.

Amounts contributed by Genavco Insurance Limited are summarized in the tables below.

Financial Reporting Standard 17 Disclosures
For the period ended 31 January 2009, the company has applied the Amendment to FRS17 Retirement Benefits which is effective for accounting periods commencing on or after 6 April 2007. This amendment replaces the existing disclosure requirements with those of IAS 19.

Retirement benefit obligations (continued)

Mercer, the new actuaries and administrators to the plan, as appointed by the Pension Trustees in 2008, carried out a valuation of the plan's assets and liabilities. The FRS17 liabilities of the plan as at 31 January 2009 were obtained by projecting forward the FRS17 liabilities as at 2 February 2008 calculated by Hymans Robertson, the previous actuaries.

The major assumptions used by the actuary were:

	% per annum		
	31 January 2009	2 February 2008	3 February 2007
Discount rate	**6.7%**	6.2%	5.3%
Inflation assumption	**3.5%**	3.5%	3.0%
Rate of increase in salaries	**n/a**	n/a	n/a
Rate of pension increases (LPI 5%)	**3.4%**	3.4%	2.9%
Rate of pension increases (LPI 2.5%)	**2.3%**	2.5%	2.5%
Longevity at age 60 for current pensioners			
- Men	**26.8**	26.7	24.6
- Women	**29.8**	29.6	27.6
Longevity at age 60 for future pensioners			
- Men	**28.0**	27.9	25.9
- Women	**30.8**	30.7	28.9

The sensitivities regarding these assumptions are as follows:

	Change in assumption	**Effect on value of liabilities**
Discount rate	Increase/decrease by 0.1% p.a.	Decrease/increase by 2.0% p.a.
Inflation assumption	Increase/decrease by 0.1% p.a.	Increase/decrease by 2.0% p.a.
Longevity	Increase by 1 year	Increase by 2%

Retirement benefit obligations (continued)

The company's share of the market value of the assets in the Plan, the expected long-term rate of return from them and the company's share of the present value of Plan liabilities, all as defined in accordance with FRS 17 and valued by the qualified independent actuary were as follows:

	As at 31 January 2009		As at 2 February 2008		As at 3 February 2007	
	£'000	**Expected long-term rate of return % per annum**	£'000	Expected long-term rate of return % per annum	£'000	Expected long-term rate of return % per annum
Equities	**857**	**7.7%**	1,009	7.1%	1,294	7.5%
Equity option	**-**	**n/a**	122	7.1%	-	n/a
Corporate bonds	**309**	**6.9%**	288	6.2%	215	5.5%
Government bonds	**511**	**4.2%**	235	4.2%	263	4.6%
Total return investments	**447**	**7.7%**	488	7.0%	444	7.5%
Other	**25**	**0%**	80	9.7%	107	9.8%
Cash earmarked for investment	**360**	**3.7%**	1,227	7.1%	-	n/a
Cash	**541**	**3.7%**	12	4.95%	-	n/a
Total assets held by the Plan	**3,050**		3,461		2,323	
Monies held in Escrow	**-**	**n/a**	18	4.95%	462	4.8%
Total market value of assets	**3,050**		3,479		2,785	
Present value of plan liabilities	**2,809**		3,009		(2,977)	
Surplus/(deficit) in the plan	**241**		470		(192)	
Irrecoverable surplus	**-**		(110)		-	
Surplus/(deficit) recognised in balance sheet	**241**		360		(192)	
Related deferred tax asset / (liability)	**(68)**		5		196	
Net pension asset / (liability) under FRS 17	**173**		365		4	

As required following changes to FRS17, the Plan assets at 31 January 2009 are shown at estimated bid value as either supplied by the relevant investment manager, where available, or using an adjustment factor applied by the Plan's investment consultant.

Retirement benefit obligations (continued)

Profit and Loss disclosures	31 January 2009 £'000	2 February 2008 £'000
Analysis of amounts charged to operating profit		
Current service cost	-	-
Curtailment and settlements	-	-
Total operating (credit)/charge	-	-
Analysis of amounts included as other finance costs		
Expected return on pension plan assets	205	(164)
Interest cost on pension plan liabilities	(183)	164
Net financial income	22	-
Analysis of amounts recognised in statement of total recognised gains and losses		
Actual return less expected return on assets	(627)	(13)
Experience losses on liabilities	-	(51)
Impact of changes in assumptions relating to the present value of plan liabilities	265	218
Decrease/ (Increase) in irrecoverable surplus	110	(110)
Actuarial (loss)/ gain recognised in statement of total recognised gains and losses	(252)	44
Changes in the benefit obligation during the period were as follows:		
Benefit obligations at beginning of year	3,009	2,977
Interest cost	183	164
Actuarial (gains) / losses	(265)	(178)
Benefits paid	(118)	(130)
Effect of change in assumptions underlying present value of scheme liabilities	-	176
Benefit obligation at end of year	2,809	3,009
Changes in the plan assets during the period were as follows:		
Fair value of plan assets at beginning of year	3,479	2,785
Expected return on plan assets	205	164
Actuarial gains/(losses)	(627)	(13)
Monies paid from escrow account to plan	(377)	(261)
Monies paid to escrow account by employer	-	148
Employers contribution	488	621
Benefits paid	(118)	(130)
Effect of change in assumptions underlying present value of scheme assets	-	165
Fair value of plan assets at end of year	3,050	3,479
The actual return on plan assets follows:		
Actual return on plan assets	(422)	151

Retirement benefit obligations (continued)

History of experience gains and losses

The following disclosures will be built up over time as a five year history:

	31 January 2009		2 February 2008		3 February 2007		28 January 2006		29 January 2005	
	£'000	**%**	£'000	%	£'000	%	£'000	%	£'000	%
Benefit obligation at end of year	**2,809**		3,009		2977		3,374		2,631	
Fair value of plan assets at end of year	**3,050**		3,479		2785		2,159		1,732	
Surplus/ (deficit) in the plan	**241**		470		(192)		(1,215)		(899)	
Difference between actual and expected return on assets	**(627)**	**(20.5%)**	(13)	(0.4%)	26	0.9%	309	14.3%	55	3.2%
Experience (losses)/gains on liabilities	**nil**	**nil**	(51)	(1.7%)	(104)	(3.5%)	(27)	(0.8%)	nil	nil
Amount recognised in statement of total recognised gains and losses against liabilities	**(252)**	**(9.0%)**	44	1.8%	292	9.8%	(306)	(9.1%)	(86)	3.3%

Cumulative amount of (losses) / gains immediately recognized in STRGL, since introduction of FRS17 is a loss of (£212,000) (2008: gain of £41,000).

15 Operating lease commitments

	At 31 January 2009	At 2 February 2008
	£	£
Annual commitments under operating leases for occupied premises expire as follows:		
Within one year	-	-
In the second to fifth years	**60,000**	60,000
	60,000	60,000

16 Transactions with related parties

The company is a wholly owned subsidiary of Harrods Holdings Limited and, as permitted by Financial Reporting Standard 8 "Related party disclosures" transactions with other entities in the Harrods Holdings Group are not disclosed.

Insurance broking transactions have also been undertaken with parties related to the beneficial owners of the ultimate parent undertaking. These transactions generated turnover of £86,225 in the 52 weeks ended 31 January 2009 (2008: £80,988). Trade debtors include £109,392 (2008: £66,353) of insurance premiums due from the above related parties.

There are no other related party transactions.

17 Ultimate parent undertaking

The company's immediate parent undertaking is Genacvo Holdings Limited. The ultimate parent undertaking of Genavco Holdings Limited is AIT UK Holdings Limited which is the largest group which consolidates the results of the company. The AIT UK Holdings Group financial statements will be filed with the Registrar of Companies in due course.

The ultimate parent undertaking is Mafco Holdings Limited, a company incorporated in Bermuda. All interests in the company continue to be controlled and held for the benefit of the Fayed family.