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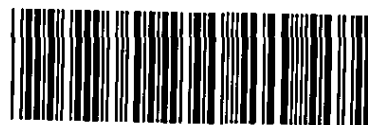
**Kurt Geiger Limited**

Annual Report and Financial Statements

Period Ended

3 February 2007

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**BDO Stoy Hayward**  
Chartered Accountants

## **Kurt Geiger Limited**

### **Annual report and financial statements for the period ended 3 February 2007**

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##### **Directors**

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#### **Directors**

Mr D N Christilaw  
Mr N C Clifford  
Ms R E Farrar-Hockley  
Ms B P Foley  
Ms S McClymont

#### **Secretary and registered office**

Mr D N Christilaw, 75 Bermondsey Street, London, SE1 3XF

#### **Company number**

00968046

#### **Auditors**

BDO Stoy Hayward LLP, 8 Baker Street, London, W1U 3LL

## **Kurt Geiger Limited**

### **Report of the directors for the period ended 3 February 2007**

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The directors present their report together with the audited financial statements for the period ended 3 February 2007

#### **Principal activity**

The principal activity of the company is the design, distribution and retailing of high quality branded shoes and accessories through free-standing shops and concessions within upmarket department stores

#### **Business review**

The company achieved an increase in turnover of 16.0% from £93,736,000 to £108,717,000. This was attributable to both the strong sales growth in its current outlets and the opening of new outlets during the period. Gross profit broadly increased in line with sales at 15.2%. The increase in profitability was driven from this turnover and gross profit growth in addition to maintaining overall cost efficiencies.

The company continued to expand its own store portfolio, opening new stores in Liverpool, Bristol and Regent Street in London, in addition to the opening of a further six outlets in both department store concessions and airports.

The key financial performance indicators that are used to monitor and manage the business are primarily gross turnover, like-for-like sales growth and EBITDA growth.

The directors define like-for-like sales as sales in stores that have been open for a full year at both the commencement and end of the financial period. The company achieved an increase in like-for-like sales of 10.5% during the period.

The directors define EBITDA as profit before interest, tax, depreciation and amortisation charges. The company achieved EBITDA of £8,057,000 during the period (2006: £7,337,000).

The balance sheet set out on page 8 of the financial statements demonstrates that the company's financial position has improved compared to the prior period in terms of net assets.

Like-for-like sales continue to grow and additional new own stores and concession outlets have been planned for 2007 and 2008 which should show further growth and profitability in the future.

#### **Results and dividends**

The profit and loss account is set out on page 7 and shows the profit for the period.

There was a profit for the period after taxation amounting to £5,517,000 (2006: £4,701,000). Retained Profit of £5,517,000 (2006: £4,701,000) has been transferred to reserves.

The directors did not recommend the payment of an interim dividend (2006: £1,000,000) during the period. The directors do not recommend payment of a final dividend.

## **Kurt Geiger Limited**

### **Report of the directors for the period ended 3 February 2007 (*Continued*)**

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#### **Financial Risk Management**

The main risks arising from the company's financial instruments are liquidity risk and currency risk

##### *Liquidity risk*

The company seeks to manage financial risk by ensuring significant liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably

Short term flexibility is achieved by overdraft facilities

##### *Currency risk*

The company is exposed to translation and transaction foreign exchange risk as a result of its foreign subsidiary operations and foreign suppliers

The company uses derivative financial instruments to manage exposures to fluctuations in foreign currency exchange rates and interest rates

#### **Charitable and political donations**

The charitable donations made and charged in the financial statements amounted to £nil (2006 - £6,000)

#### **Directors**

The directors of the company during the period together were as follows

Mr D N Christlaw  
Mr N C Clifford  
Ms R E Farrar-Hockley  
Ms B P Foley  
Ms S McClymont (appointed 2 January 2007)

None of the directors in office during the period held any beneficial interest in the shares of Kurt Geiger Limited or any of its subsidiaries. Their interests in the share capital of the ultimate parent company, Kurt Geiger Holdings Limited, are shown in that company's financial statements.

#### **Disabled persons**

It is the policy of the company to give full and fair consideration to applications for employment from disabled persons, to continue wherever possible the employment of members of staff who may become disabled and to ensure that suitable training, career development and promotion is afforded to such persons

## **Kurt Geiger Limited**

### **Report of the directors for the period ended 3 February 2007 (*Continued*)**

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#### **Employee involvement**

Information is provided regularly to employees by means of normal management communication channels using written material and face-to-face meetings

A general awareness of the company's performance is maintained through regular-weekly company bulletins and through individual performance appraisals, employees are made aware of their individual contribution to the company

#### **The environment**

The company has continued to adopt policies and procedures, which takes account of the need to preserve and protect the environment. The directors are committed to compliance with environmental best practice in all aspects of the business

#### **Policy on payment of creditors**

It is the company's policy to agree payment terms as part of any formal contract with a supplier and to make every endeavour to abide by the agreed terms. Where a purchase is not covered by a formal contract, and no agreement is reached in advance of raising an order, the policy is that any valid invoice will be paid in full

#### **Directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial period 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, 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which 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

**Kurt Geiger Limited**

**Report of the directors for the period ended 3 February 2007 (*Continued*)**

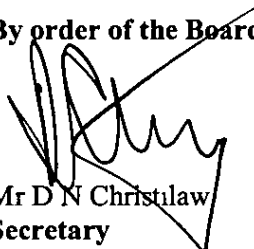
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**Auditors**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

**By order of the Board**



Mr D N Christilaw  
**Secretary**

Date 31 May 2007

## **Kurt Geiger Limited**

### **Report of the independent auditors**

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#### **To the shareholders of Kurt Geiger Limited**

We have audited the financial statements of Kurt Geiger Limited for the period ended 3 February 2007 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### *Respective responsibilities of directors and auditors*

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom 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 have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with those financial statements. We also 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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

#### *Basis of audit opinion*

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

**Kurt Geiger Limited**

**Report of the independent auditors (*Continued*)**

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*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 3 February 2007 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

*BDO Stoy Hayward LLP*

**BDO STOY HAYWARD LLP**

*Chartered Accountants*

*and Registered Auditors*

London

Date *31 May 2007*



**Kurt Geiger Limited****Profit and loss account for the period ended 3 February 2007**

	Note	53 weeks ended 3 February 2007 £'000	52 weeks ended 28 January 2006 £'000
<b>Turnover</b>	2	108,717	93,736
Cost of sales		(51,010)	(43,626)
<b>Gross profit</b>		57,707	50,110
Distribution costs		(43,662)	(38,375)
Administrative expenses		(7,789)	(6,303)
<b>Operating profit</b>	5	6,256	5,432
Interest receivable		176	120
Interest payable and similar charges	6	(53)	(7)
<b>Profit on ordinary activities before taxation</b>		6,379	5,545
Tax on profit on ordinary activities	7	(862)	(844)
<b>Profit on ordinary activities after taxation</b>	17	5,517	4,701

All transactions arise from continuing operations

There were no recognised gains or losses other than the profit for the period

The notes on pages 9 to 19 form part of these financial statements

# Kurt Geiger Limited

## Balance sheet at 3 February 2007

		3 February		28 January	
	Note	2007 £'000	2007 £'000	2006 £'000	2006 £'000
<b>Fixed assets</b>					
Tangible assets	9		4,600		4,204
Investments	10		13		13
			<u>4,613</u>		<u>4,217</u>
<b>Current assets</b>					
Stocks	11	19,702		16,970	
Debtors	12	9,686		6,910	
Cash at bank and in hand		6,283		4,691	
		<u>35,671</u>		<u>28,571</u>	
<b>Creditors: amounts falling due within one year</b>	14	(13,191)		(11,212)	
		<u></u>		<u></u>	
<b>Net current assets</b>			22,480		17,359
			<u>27,093</u>		<u>21,576</u>
<b>Total assets less current liabilities</b>			27,093		21,576
<b>Creditors: amounts falling due after more than one year</b>			-		-
			<u>27,093</u>		<u>21,576</u>
<b>Capital and reserves</b>					
Called up share capital	15		770		770
Profit and loss account	16		26,323		20,806
			<u>27,093</u>		<u>21,576</u>
<b>Shareholders' funds</b>	17		27,093		21,576
			<u>27,093</u>		<u>21,576</u>

The financial statements were approved by the Board and authorised for issue on 31 May 2007

Mr D N Christilaw  
Director

The notes on pages 9 to 19 form part of these financial statements

## Kurt Geiger Limited

### Notes forming part of the financial statements for the period ended 3 February 2007

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#### 1 Accounting policies

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

The company has adopted Financial Reporting Standard 20 (FRS 20) 'Share based payments' for the first time during the period. This standard requires the recognition of share based payments at fair value at the date of grant. The adoption of this standard has had no impact on the company.

##### *Basis of consolidation*

Consolidated financial statements have not been prepared, as permitted by section 228 of the Companies Act 1985 as the company's ultimate parent, Kurt Geiger Holdings Limited, is incorporated in the United Kingdom and prepares group financial statements. These financial statements contain information about Kurt Geiger Limited as an individual group company and do not contain consolidated financial information as the parent of a group.

Kurt Geiger Limited is a wholly owned subsidiary of Kurt Geiger Holdings Limited, a company incorporated in the United Kingdom, which produces a consolidated cash flow statement in accordance with Financial Reporting Standard 1 (FRS 1) revised 1996. Consequently the company has taken advantage of the exemption in FRS 1 revised 1996, from producing a cash flow statement in these financial statements.

The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with other group companies, on the grounds that at least 90% of the voting rights in the company are controlled within the group and the company is included in consolidated financial statements prepared by Kurt Geiger Holdings Limited.

##### *Turnover*

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts and includes sales through concession departments.

##### *Fixed asset investments*

Investments held as fixed assets are stated at cost less any provision required for a permanent impairment in value.

##### *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:

Short leasehold	- period of lease
Fixtures, fittings, vehicles and equipment	- 3 to 5 years

##### *Stocks*

Stock is stated at the lower of cost and estimated net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

**1 Accounting policies (Continued)**

*Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

*Leased assets*

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Reverse premiums and similar incentives to enter into operating lease agreements are initially recorded as deferred income and released to the profit and loss account over the period to the date on which the rent is first expected to be adjusted to the prevailing market rate.

*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 benefit schemes*

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

The company participates in the Kurt Geiger Group Personal Pension Scheme, an approved defined contribution scheme, under which retirement benefits are funded by contributions from the company and employees.

## Kurt Geiger Limited

### Notes forming part of the financial statements for the period ended 3 February 2007 (*Continued*)

#### 1 Accounting policies (*Continued*)

##### *Financial instruments*

The company uses derivative financial instruments, primarily to manage exposures to fluctuations in foreign currency exchange rates and interest rates

Forward exchange contracts and swap agreements, used to manage currency fluctuations on group borrowings denominated in foreign currency, are valued at closing rates of exchange. The resulting gains or losses are offset against the foreign exchange gains or losses on the related borrowings.

Income and expenditure arising on financial instruments is recognised on the accruals basis, and credited or charged to the profit and loss account in the financial period to which it relates.

#### 2 Turnover

The turnover is wholly attributable to the principal activity of the company, being the design, distribution and retailing of women's and men's luxury footwear and accessories and arises solely within the United Kingdom.

#### 3 Employees

	53 weeks ended 3 February 2007 £'000	52 weeks ended 28 January 2006 £'000
Staff costs consist of		
Wages and salaries	15,450	13,592
Social security costs	1,275	1,102
Other pension costs	293	621
	<hr/>	<hr/>
	17,018	15,315
	<hr/>	<hr/>

The average number of employees, including directors, during the period was

	Number	Number
Branch staff	891	818
Head office staff	93	89
	<hr/>	<hr/>
	984	907
	<hr/>	<hr/>

## Kurt Geiger Limited

### Notes forming part of the financial statements for the period ended 3 February 2007 (Continued)

#### 4 Directors

	<b>53 weeks ended 3 February 2007 £'000</b>	<b>52 weeks ended 28 January 2006 £'000</b>
Directors' remuneration consists of		
Emoluments	717	1,057
Compensation for loss of office	-	88
Contributions made under Pension Schemes	39	50
	<u>756</u>	<u>1,195</u>

During the period, 3 directors (2006 - 3) participated in the defined contribution scheme

	<b>53 weeks ended 3 February 2007 £'000</b>	<b>52 weeks ended 28 January 2006 £'000</b>
Highest paid director:		
Emoluments	310	430
Contributions made under Pension Schemes	14	12
	<u>324</u>	<u>442</u>

**Kurt Geiger Limited****Notes forming part of the financial statements for the period ended 3 February 2007 (Continued)****5 Operating profit**

	<b>53 weeks ended 3 February 2007 £'000</b>	<b>52 weeks ended 28 January 2006 £'000</b>
This has been arrived at after charging/(crediting)		
Depreciation of tangible fixed assets	1,801	1,828
Loss on disposal of fixed assets	-	77
Foreign exchange gains	(821)	(506)
Impairment provisions	-	294
Hire of plant and machinery – operating leases	90	85
Rent of land and buildings – operating leases	2,148	1,778
Auditors' remuneration – audit services	48	45
– non-audit services	18	27
	<u>          </u>	<u>          </u>

**6 Interest payable and similar charges**

	<b>53 weeks ended 3 February 2007 £'000</b>	<b>52 weeks ended 28 January 2006 £'000</b>
Interest payable on loan from parent undertaking	53	7
	<u>          </u>	<u>          </u>

# Kurt Geiger Limited

## Notes forming part of the financial statements for the period ended 3 February 2007 (Continued)

### 7 Taxation on profit from ordinary activities

	53 weeks ended 3 February 2007 £'000	52 weeks ended 28 January 2006 £'000
<i>Current tax</i>		
Corporation tax	790	1,067
Adjustment in respect of prior periods	(23)	-
Foreign tax	12	11
	<hr/>	<hr/>
Total current tax	779	1,078
	<hr/>	<hr/>
<i>Deferred tax</i>		
Accelerated capital allowances	(1)	(271)
Origination and reversal of timing differences	84	37
	<hr/>	<hr/>
Total deferred tax	83	(234)
	<hr/>	<hr/>
Total tax charge for the period	862	844
	<hr/>	<hr/>

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below

	53 weeks ended 3 February 2007 £'000	52 weeks ended 28 January 2006 £'000
Profit on ordinary activities before tax	6,379	5,545
	<hr/>	<hr/>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2006 - 30%)	1,914	1,664
Effects of		
Expenses not deductible for tax purposes	3	(73)
Depreciation in excess of capital allowances	(47)	77
Other timing differences	(88)	(7)
Group relief claimed	(980)	(583)
Adjustment in respect of prior periods	(23)	-
	<hr/>	<hr/>
Current tax charge for period	779	1,078
	<hr/>	<hr/>



**Kurt Geiger Limited****Notes forming part of the financial statements for the period ended 3 February 2007 (Continued)****8 Dividends**

The directors did not recommend the payment of an interim dividend (2006 - £1,000,000) or final dividend during the period

**9 Tangible assets**

	<b>Fixtures, fittings, vehicles and equipment £'000</b>	<b>Short leaseholds £'000</b>	<b>Total £'000</b>
<i>Cost or valuation</i>			
At 29 January 2006	16,349	101	16,450
Additions	2,197	-	2,197
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 3 February 2007	18,546	101	18,647
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 29 January 2006	12,166	80	12,246
Provided for the period	1,791	10	1,801
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 3 February 2007	13,957	90	14,047
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 3 February 2007	4,589	11	4,600
	<hr/>	<hr/>	<hr/>
At 28 January 2006	4,183	21	4,204
	<hr/>	<hr/>	<hr/>

## Kurt Geiger Limited

### Notes forming part of the financial statements for the period ended 3 February 2007 (Continued)

#### 10 Fixed asset investments

£'000

Shares in subsidiary undertakings

Shares at cost at 28 January 2006 and at 3 February 2007

13

The company has the following wholly owned subsidiary undertakings

Name of company	Class of share capital held	Proportion held	Incorporated	Nature of business
Kurt Geiger Shoes Limited	Ordinary	100%	UK	Non-trading
Carvela Limited	Ordinary	100%	UK	Non-trading
Shoeaholics Limited	Ordinary	100%	UK	Non-trading
Kurt Geiger France SAS	Ordinary	100%	France	Trading

#### 11 Stocks

	3 February 2007 £'000	28 January 2006 £'000
Goods held for resale	19,702	16,970

There is no material difference between the replacement cost of stocks and the amounts stated above

#### 12 Debtors

	3 February 2007 £'000	28 January 2006 £'000
Trade debtors	2,990	4,269
Other debtors	249	308
Amounts owed by other group undertakings	4,581	833
Prepayments and accrued income	1,347	898
Deferred tax asset (note 13)	519	602
	9,686	6,910

All amounts shown under debtors fall due for payment within one year

Amounts owed by group undertakings are unsecured and have no fixed date of repayment

**Kurt Geiger Limited****Notes forming part of the financial statements for the period ended 3 February 2007 (Continued)****13 Deferred tax asset**

The deferred tax recognised in the financial statements is set out below

	<b>3 February 2007 £'000</b>	<b>28 January 2006 £'000</b>
At 29 January 2006	602	368
(Utilised)/Provided in the period	(83)	234
	<hr/>	<hr/>
At 3 February 2007	519	602
	<hr/>	<hr/>
<i>Deferred taxation</i>		
Accelerated capital allowances	515	514
Sundry timing differences	4	88
	<hr/>	<hr/>
	519	602
	<hr/>	<hr/>

**14 Creditors: amounts falling due within one year**

	<b>3 February 2007 £'000</b>	<b>28 January 2006 £'000</b>
Trade creditors	7,816	4,982
Taxation and social security	2,698	1,958
Corporation tax	339	588
Other creditors	189	143
Amounts owed to other group undertakings	-	1,842
Accruals and deferred income	2,149	1,699
	<hr/>	<hr/>
	13,191	11,212
	<hr/>	<hr/>

# Kurt Geiger Limited

## Notes forming part of the financial statements for the period ended 3 February 2007 (Continued)

### 15 Share capital

	3 February 2007 £'000	28 January 2006 £'000
<i>Authorised</i>		
9,000,000 ordinary shares of 10p each	900	900
<i>Allotted, called up and fully paid</i>		
7,700,000 ordinary shares of 10p each	770	770

### 16 Reconciliation of movements in reserves

	Share capital £'000	Profit and loss account £'000	Shareholders' funds £'000
At 29 January 2006	770	20,806	21,576
Profit for the financial period	-	5,517	5,517
At 3 February 2007	770	26,323	27,093

### 17 Reconciliation of movements in shareholders' funds

	3 February 2007 £'000	28 January 2006 £'000
Profit for the financial period	5,517	4,701
Dividends (note 8)	-	(1,000)
Opening shareholders' funds	21,576	17,875
Closing shareholders' funds	27,093	21,576

### 18 Capital commitments

	3 February 2007 £'000	28 January 2006 £'000
Contracted but not provided for	1,156	1,052

## Kurt Geiger Limited

### Notes forming part of the financial statements for the period ended 3 February 2007 (Continued)

#### 19 Commitments under operating leases

The company has annual commitments under operating leases as follows

	3 February		28 January	
	2007	2007	2006	2006
	Land and	Other	Land and	Other
	buildings		buildings	
	£'000	£'000	£'000	£'000
Operating leases which expire				
Within one year	-	56	-	46
In two to five years	-	88	-	38
Over five years	2,269	-	1,781	-
	<u>2,269</u>	<u>144</u>	<u>1,781</u>	<u>84</u>

#### 20 Pensions

During the period, within the United Kingdom, the company participated in the Kurt Geiger Group Personal Pension Scheme, an approved defined contribution scheme established with Scottish Equitable

The pension cost under the Kurt Geiger Group Personal Pension Scheme amounted to £293,000 (2006 - £124,000) A pension accrual of £11,000 (2006 - £12,000) is included in the balance sheet in relation to this scheme

#### 21 Related party transactions

There were no related party transactions during the period

#### 22 Contingent liabilities

The Kurt Geiger Holdings Limited group's working capital facility from Lloyds TSB Plc is guaranteed by Kurt Geiger Limited and other group companies

#### 23 Ultimate parent company

At 3 February 2007 the company's ultimate parent undertaking was Kurt Geiger Holdings Limited which is the parent of both the smallest and largest group of which the company is a member and for which group financial statements are prepared The group financial statements will be filed with the Registrar of Companies in due course