

**GENAVCO HOLDINGS LIMITED**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

**53 WEEKS ENDED 2 FEBRUARY 2002**



**Company Number: 1703446**

# GENAVCO HOLDINGS LIMITED

## CONTENTS

Directors' Report	1-2
Auditors' Report	3-4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Accounts	7-8

# **GENAVCO HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

The Directors have pleasure in submitting their annual report and the audited accounts of the Company for the 53 weeks ended 2 February 2002.

### **Principal Activity**

Throughout the period under review, the Company acted as the holding company for its insurance broking subsidiary, Genavco Insurance Limited, a company registered in England and Wales.

### **Directors and their Interests**

The present Directors of the Company are:-

Mr. P.K. Winstone  
Mr. M.J. McClymont  
Mr. D Meur (Managing)  
Mr. A. Tanna

No Director in office at 2 February 2002 held any beneficial interest in the shares of Harrods Holdings Limited or any of its subsidiaries at 28 January 2001, date of appointment, or at 2 February 2002.

No Director has had a material interest, directly or indirectly, at any time during the period in any contract significant to the business of the Company.

### **Results & Dividends**

The profit after tax for the 53 weeks to 2 February 2002 was £500,000 (2001: £1,000,000).

A dividend has been paid for the period to 2 February 2002 amounting to £500,000 (2001 £1,000,000).

### **Auditors**

Grant Thornton were appointed auditors on 23 January 2002 to fill a casual vacancy in accordance with Section 388(1) of the Companies Act 1985.

**GENAVCO HOLDINGS LIMITED**  
**DIRECTORS' REPORT (Continued)**

**Single Member Company**

On 20 February 2001 the Company became a Single Member Company.

**Elective Resolutions**

On 23 January 2002, the Company passed Elective Resolutions dispensing with the holding of Annual General Meetings; the laying of accounts in general meetings and the annual appointment of auditors, in accordance with Sections 366A, 252 and 386 (all as amended) of the Companies Act 1985, respectively.

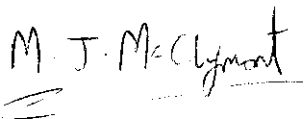
**Statement of Directors' Responsibilities**

Company law in the United Kingdom requires the Directors to prepare financial statements for each financial year that 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. The Directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 2 February 2002 and that applicable accounting standards have been followed.

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.

By Order of the Board



M J McClymont  
Company Secretary  
27 June 2002

Registered Office

87-135 Brompton Road  
London SW1X 7XL

**GENAVCO HOLDINGS LIMITED**  
**REPORT OF THE INDEPENDENT AUDITORS**  
**TO THE MEMBERS OF GENAVCO HOLDINGS LIMITED**

We have audited the final statements of Genavco Holdings Limited for the period ended 2 February 2002 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 8. 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 directors' report and the financial statements in accordance with United Kingdom law and accounting standards 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 United Kingdom auditing standards.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of Opinion**

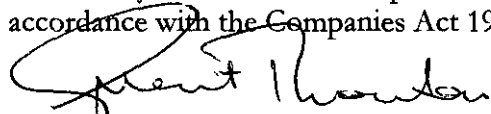
We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evident relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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.

**GENAVCO HOLDINGS LIMITED**  
**REPORT OF THE INDEPENDENT AUDITORS**  
**TO THE MEMBERS OF GENAVCO HOLDINGS LIMITED (continued)**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 2 February 2002 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS

London  
27 June 2002

**GENAVCO HOLDINGS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**52 WEEKS TO 2 FEBRUARY 2002**

	53 Weeks 2/2/02 £	52 Weeks 27/1/01 £
<b>Operating Profit</b>		
Income from shares in group undertakings	<u>500,000</u>	<u>1,000,000</u>
<b>Profit on Ordinary Activities before Taxation</b>	500,000	1,000,000
Taxation	<u>-</u>	<u>-</u>
<b>Profit on Ordinary Activities after Taxation</b>	500,000	1,000,000
Dividends	<u>500,000</u>	<u>1,000,000</u>
<b>Retained Result Transferred to/(from) Reserves</b>	<u><u>-</u></u>	<u><u>-</u></u>

The movements on the profit and loss account is shown in Note 5.

The Company has no recognised gains and losses other than those included in the profits above, therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 7 & 8 form part of these accounts.

**GENAVCO HOLDINGS LIMITED**  
**BALANCE SHEET**  
**AT 2 FEBRUARY 2002**

		2/2/02	27/1/01
		£	£
<b>Note</b>			
	<b>Fixed Assets</b>		
3	Investments	<u>100,000</u>	<u>100,000</u>
	<b>Total Assets less Current Liabilities</b>	<u>100,000</u>	<u>100,000</u>
	<b>Capital and Reserves</b>		
4	Called up share capital	100,000	100,000
5	Profit and loss account	<u>-</u>	<u>-</u>
	<b>Equity Shareholders' Funds</b>	<u>100,000</u>	<u>100,000</u>

The notes on pages 7 & 8 form part of these accounts.

Approved by the Board on 27 June 2002

*D Meur*

D Meur

MANAGING DIRECTOR



# GENAVCO HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS

### 1 Accounting Policies

#### Basis of Financial Statements

The company has adopted FRS18 "Accounting Policies" in respect of these accounts. This has not resulted in any changes to the Company's accounting policies, which have been reviewed in light of FRS18.

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

Consolidated accounts for Genavco Holdings Limited, incorporating its wholly owned subsidiary Genavco Insurance Limited, have not been prepared as permitted by Section 228 of the Companies Act 1985.

#### Cash Flow Statement

The ultimate United Kingdom holding company Harrods Holdings Limited, produces a consolidated Cash Flow Statement in accordance with Financial Reporting Standard One (FRS 1 revised 1996). Consequently the Company has taken advantage of the exemption in FRS 1 from producing a Cash Flow Statement.

### 2 Information regarding Directors and Employees

No Director received any emoluments in respect of his services to the Company (2001 - £nil).

The Directors received a total of £158,872 in remuneration from the subsidiary, Genavco Insurance Limited, in respect of their services to that company (2001 £171,895). The emoluments of the highest paid Director was £96,962 (2001 £93,575).

There were no employees during the year (2001 - none).

### 3 Fixed Asset Investments

Investment in subsidiary; 500,000 shares (100%) at cost in Genavco Insurance Limited.

2/2/02	27/1/01
£	£

<u>100,000</u>	<u>100,000</u>
----------------	----------------

### 4 Called up Share Capital

Authorised, issued and fully paid:

100,000 ordinary shares of £1 each

<u>100,000</u>	<u>100,000</u>
----------------	----------------

**GENAVCO HOLDINGS LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**

	53 Weeks 2/2/02 £	52 Weeks 27/1/01 £
<b>5 Profit and Loss Account</b>		
At 27 January 2001	-	-
Retained profit for period	<u>-</u>	<u>-</u>
Balance at 2 February 2002	<u>-</u>	<u>-</u>
<b>6 Reconciliation of Movement in Shareholders' Funds</b>		
Profit for the financial year	500,000	1,000,000
Dividends	<u>(500,000)</u>	<u>(1,000,000)</u>
Net addition to shareholders' funds	-	-
Opening shareholders' funds	<u>100,000</u>	<u>100,000</u>
Closing shareholders' funds	<u>100,000</u>	<u>100,000</u>

**7 Contingent Liabilities**

The Harrods Holdings Group has a loan facility agreement of £350.0 million with Natwest Bank plc. This is guaranteed by Genavco Holdings Limited and other Group companies.

**8 Parent Undertakings**

The Company's immediate parent undertaking is Harrods (UK) Limited. The immediate parent undertaking of Harrods (UK) Limited is Harrods Holdings Limited, a company registered in England and Wales which is the parent undertaking of the Harrods Holdings Group and which is both the smallest and the largest Group which consolidates the results of the Company. The Group accounts will be filed with the Registrar of Companies in due course.

The ultimate parent undertaking is Alfayed Investment and Trust PVT LP, a partnership based in Bermuda. All interests in the Partnership continue to be under the control and held for the benefit of the Fayed family, the ultimate controlling party.