

Registration number: 3165147

AIR HARRODS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the period ended
30 January 2021

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1. *Journal of the American Medical Association*, 1997; 277: 1033-1038.

COMPANY INFORMATION

Directors P D Norton
M A Ward

Company secretary D J Webster

Registered office 87-135 Brompton Road
Knightsbridge
London
SW1X 7XL

For the period ended 30 January 2021

The Directors present their report and the financial statements for the period ended 30 January 2021.

Principal activity

The company provides premium executive helicopter services.

Fair review of the business

There was a profit for the year after taxation amounting to £47 thousand (2020: profit of £39 thousand).

There are no other KPIs required to be reported other than turnover and operating profit that would give a fuller understanding to the business.

Going concern

The uncertainty arising from the unprecedented circumstances creates difficulty in forecasting the performance of the business through the next financial year. The business has worked hard to obtain a meaningful understanding of the impact the pandemic will have on our operations, people and customers. Sensitivity analyses and stress tests have been undertaken to ensure the business will remain resilient through the crisis, incorporating the loss of demand due to the reduction in air travel covid-19 has caused. The group's long-term viability is reinforced by the robust balance sheet and cash position at year end.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Directors of the company

The Directors who held office during the period were as follows:

P D Norton

M A Ward

Policy and practice 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. The company is sympathetic to, and pays particular attention to, the cash flow needs of its smaller suppliers. Trade creditors at the period end amount to 2 days (2020: 2 days) of average supply for the period.

Credit risk

The company's principal credit risk relates to the recovery of trade debtors. In order to manage credit risk the Directors set limits for customers based on a combination of payment history and references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

Interest rate risk

Exposure to interest rate risk is limited through the use of fixed interest rates on inter company loans.

DIRECTORS' REPORT

For the period ended 30 January 2021 (continued)

Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities for preparing the Annual 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.

Approved by the Board on 22 October 2021 and signed on its behalf by:



.....
M A Ward
Director

Profit and Loss Account

PROFIT AND LOSS ACCOUNT

For the period ended 30 January 2021

	Note	52 weeks ended 30 January 2021 £ 000	52 weeks ended 1 February 2020 £ 000
Turnover	2	1,339	1,627
Cost of sales		<u>(1,256)</u>	<u>(1,496)</u>
Gross profit		83	131
Administrative expenses		(91)	(98)
Other operating income	3	<u>61</u>	<u>-</u>
Operating profit	4	53	33
Other interest receivable and similar income	6	<u>12</u>	<u>15</u>
Net interest		12	15
Profit before tax		65	48
Taxation	8	<u>(18)</u>	<u>(9)</u>
Profit for the financial period		<u>47</u>	<u>39</u>

The above results were derived from continuing operations.

The notes on pages 8 to 22 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 January 2021

	52 weeks ended 30 January 2021 £ 000	52 weeks ended 1 February 2020 £ 000
Profit for the period	<u>47</u>	<u>39</u>
Actuarial (losses)/gains on defined benefit pension scheme	(75)	29
Movement of deferred tax relating to defined benefit pension	3	(5)
Defined benefit pension reserve tax rate change effect	<u>5</u>	<u>-</u>
	<u>(67)</u>	<u>24</u>
Total comprehensive (loss)/income for the period	<u>(20)</u>	<u>63</u>

BALANCE SHEET AS AT 30 JANUARY 2021
(Registration number: 3165147)

	Note	30 January 2021 £ 000	1 February 2020 £ 000
Fixed assets			
Tangible assets	9	3	3
Current assets			
Debtors	10	443	359
Cash at bank and in hand	11	637	671
		1,080	1,030
Creditors: Amounts falling due within one year	12	(203)	(201)
Net current assets		877	829
Net assets excluding pension		880	832
Net pension asset	17	382	450
Net assets		1,262	1,282
Capital and reserves			
Called up share capital	14	10,700	10,700
Profit and loss account	13	(9,438)	(9,418)
Total equity		1,262	1,282

For the financial period ending 30 January 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved and authorised by the Board on 22 October 2021 and signed on its behalf by:

M A Ward
Director

Financial Statements

STATEMENT OF CHANGES IN EQUITY For the period ended 30 January 2021

	Share capital £ 000	Profit and loss account £ 000	Total equity £ 000
At 2 February 2020	10,700	(9,418)	1,282
Profit for the period	-	47	47
Other comprehensive loss	-	(67)	(67)
Total comprehensive loss	-	(20)	(20)
At 30 January 2021	10,700	(9,438)	1,262

	Share capital £ 000	Profit and loss account £ 000	Total equity £ 000
At 3 February 2019	10,700	(9,481)	1,219
Profit for the period	-	39	39
Other comprehensive income	-	24	24
Total comprehensive income	-	63	63
At 1 February 2020	10,700	(9,418)	1,282

The notes on pages 8 to 22 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 January 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Basic Financial Instruments paragraph 11.41;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Harrods Group (Holding) Limited as at 30 January 2021.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when:

- The amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity;
- and specific criteria have been met for each of the company's activities.

Government grants

Government grants relate to the Coronavirus Job Retention Scheme, accounted for under the accrual model.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

1 Accounting policies (continued)

Tangible assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation

Depreciation is charged so as to allocate the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	between 3 to 10 years
Fixtures and fittings	between 3 to 10 years
Office equipment	3 years

Aircraft which are acquired as long-term business assets are depreciated over their expected useful lives at 3% of their cost on a straight line basis.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other operating income' in the Profit and Loss Account.

Amortisation

Asset class	Amortisation method and rate
Computer software	3 years

Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

1 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Defined contribution pension obligation

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

Defined benefit pension plan

Historically, certain company employees were members 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, in accordance with calculations made periodically by consulting actuaries.

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 surplus or deficit 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 includes the interest cost on the scheme liabilities for the period and the interest income on the scheme assets and are included in finance costs. In addition, administrative expenses which are funded by the group are also charged to the Profit and Loss Account under operating costs.

Actuarial gains and losses including return on assets in excess or short of the interest income as well as movement in the liabilities due to changes in assumptions net of the interest costs as well as experience adjustments are recorded in other comprehensive income.

The group pension assets and liabilities have been allocated amongst the contributing employers by reference to detailed data of the buyout liabilities of members and deferred members supplied by the scheme actuary as at the April 2015 triennial valuation.

Disclosure has been made of the assets and liabilities under FRS 102 sections 28.41 and 28.41A.

Group pension plan

Where the risks of a defined benefit plan are shared between entities under common control, each entity recognises the net defined benefit cost charged in its own financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

1 Accounting policies (continued)

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

Borrowing costs

All borrowing costs are recognised in the Profit and Loss Account in the period in which they are incurred.

Provisions

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

2 Revenue

In the opinion of the Directors, the company conducts only one class of business, in one significant geographical area, being the United Kingdom.

The analysis of the company's turnover for the period by class of business is as follows:

	52 weeks ended 30 January 2021 £ 000	52 weeks ended 1 February 2020 £ 000
UK	1,339	1,627

3 Other operating income

The analysis of the company's other operating income for the period is as follows:

	Note	52 weeks ended 30 January 2021 £ 000	52 weeks ended 1 February 2020 £ 000
Government grants	5	61	-

4 Operating profit

The loss on ordinary activities before taxation is stated after:

	52 weeks ended 30 January 2021 £ 000	52 weeks ended 1 February 2020 £ 000
Depreciation expense	1	-

5 Government grants

Air Harrods received funds in respect of the Coronavirus Job Retention Scheme during the year. The amount of grants recognised in the financial statements was £61k (2020 - £Nil).

6 Other interest receivable and similar income

	52 weeks ended 30 January 2021 £ 000	52 weeks ended 1 February 2020 £ 000
Interest receivable from group companies	3	2
Other finance income	9	13
	12	15

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

7 Employees

The aggregate payroll costs were as follows:

	52 weeks ended 30 January 2021 £ 000	52 weeks ended 1 February 2020 £ 000
Wages and salaries	803	930
Social security costs	95	102
Pension costs, defined contribution scheme	68	72
Pension costs, defined benefit scheme	5	6
	<u>971</u>	<u>1,110</u>

The average monthly number of employees during the period was 10 (2020: 11).

Remuneration to the Directors is paid for by other group companies. It is not practical to determine the proportion of their emoluments which relate to their services as Directors of this company.

8 Taxation

Tax charged in the income statement

	52 weeks ended 30 January 2021 £ 000	52 weeks ended 1 February 2020 £ 000
Current taxation		
UK corporation tax	11	4
Deferred taxation		
Arising from origination and reversal of timing differences	<u>7</u>	<u>5</u>
Tax expense in the income statement	<u>18</u>	<u>9</u>

Tax relating to items recognised in other comprehensive income or equity

	52 weeks ended 30 January 2021 £ 000	52 weeks ended 1 February 2020 £ 000
Deferred tax related to items recognised as items of other comprehensive income	<u>(3)</u>	<u>5</u>

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

8 Taxation (continued)

Factors affecting tax charge for the period

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK (2020: the same as the standard rate of corporation tax in the UK) of 19% (2020: 19%).

The differences are reconciled below:

	52 weeks ended 30 January 2021 £ 000	52 weeks ended 1 February 2020 £ 000
Profit before tax	<u>65</u>	<u>48</u>
Corporation tax at standard rate	12	9
Tax increase from other short-term timing differences	<u>6</u>	<u>-</u>
Total tax charge	<u>18</u>	<u>9</u>

Factors that may affect future tax charges

A UK corporation tax rate of 19% (effective 1 April 2020), was substantively enacted on 17th March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. This will increase the company's future current tax charge accordingly. Post year end, in the 2021 Budget, it was announced that from 1 April 2023 the corporation tax rate will rise to 25%. This will have an impact on the Company's deferred tax balances in future periods.

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

9 Tangible assets

	Equipment and other assets £ 000
Cost or valuation	
At 2 February 2020	<u>7</u>
At 30 January 2021	<u>7</u>
Depreciation	
At 2 February 2020	<u>4</u>
At 30 January 2021	<u>4</u>
Carrying amount	
At 30 January 2021	<u>3</u>
At 1 February 2020	<u>3</u>

10 Debtors

	30 January 2021 £ 000	1 February 2020 £ 000
Due within one year		
Trade debtors	440	353
Prepayments and accrued income	-	3
Deferred tax assets	<u>3</u>	<u>3</u>
	<u>443</u>	<u>359</u>
Total current trade and other debtors	<u>443</u>	<u>359</u>

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 January 2021 (continued)

11 Cash and cash equivalents

	30 January 2021 £ 000	1 February 2020 £ 000
Cash at bank and in hand	<u>637</u>	<u>671</u>

12 Creditors

	30 January 2021 £ 000	1 February 2020 £ 000
Due within one year		
Trade creditors	3	5
Amounts owed to group undertakings	11	4
Other payables	26	26
Accruals and deferred income	<u>163</u>	<u>166</u>
	<u>203</u>	<u>201</u>

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

13 Reserves

	30 January 2021 £ 000
Profit and loss account - b/fwd	(9,418)
Profit retained for the period	47
Actuarial losses on defined benefit pension scheme	(75)
Deferred tax relating to defined benefit pension scheme	3
DB pension reserve tax rate change effect	5
	(9,438)

The changes to each component of equity resulting from items of other comprehensive income for the current period were as follows:

	Retained earnings £ 000
Remeasurement loss on defined benefit pension schemes	(72)
DB pension reserve tax rate change effect	5
	(67)

The changes to each component of equity resulting from items of other comprehensive income for the prior period were as follows:

	Retained earnings £ 000
Remeasurement gain on defined benefit pension schemes	24

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 January 2021 (continued)

14 Share capital

Allotted, called up and fully paid shares

	30 January 2021		1 February 2020	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	10,700	10,700	10,700	10,700

Rights, preferences and restrictions

Each ordinary share represents one vote. There are no restrictions or preferences placed on these shares.

15 Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2020: £Nil).

16 Contingent liabilities

The Harrods Group (Holding) cash netting is guaranteed by Harrods Aviation Limited and other group companies.

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

17 Pension and other schemes

The company operates a defined contribution pension scheme and a defined benefit pension scheme.

Defined contribution pension scheme

The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £68k (2020: £72k).

Defined benefit pension schemes

The Harrods Group Pension Plan

During the period the group operated the Harrods Group Pension Plan ("the Plan"), an approved defined benefit scheme. 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 2018 on a technical provision basis was carried out by the Scheme Actuary, with a surplus of £11m being calculated on that basis, a funding level of 102%. At the previous valuation at 5 April 2015, there was a deficit of £45m equating to a funding level of 93%.

Following the results of the April 2018 valuation, given that the scheme was now in surplus, the Group and the Pension Trustee agreed the following:

- Annual contributions reduced to nil.
- Plan expenses (including any insurance premiums and PPF levies) estimated at £1.0m per annum to continue to be met by the Employers.
- To bring forward the implementation of the Cashflow Driven Investment strategy involving de-risking the plan's assets.
- Recognising the risks that – albeit reduced – remain in the valuation of the plan, the principal employer has also agreed to fund any deficits outside an agreed tolerance band during this period.

In aggregate, during the period ended 30 January 2021, the participating employers made total contributions to the plan of £33k (2020: £1.3m).

The next triennial valuation scheduled for April 2021 has already commenced and while the workings are still being finalised, the initial draft result indicates a further improvement in the surplus.

The total cost relating to defined benefit schemes for the period recognised in the profit and loss account as an expense was £5k (2020: £5k).

The total cost relating to defined benefit schemes for the period included in the cost of an asset was £Nil (2020: £Nil).

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

17 Pension and other schemes (continued)

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	30 January 2021 £ 000	1 February 2020 £ 000
Fair value of scheme assets	3,345	3,301
Present value of defined benefit obligation	<u>(2,874)</u>	<u>(2,759)</u>
Defined benefit pension scheme surplus	471	542
Deferred tax on pension scheme	<u>(89)</u>	<u>(92)</u>
Net pension scheme asset	<u><u>382</u></u>	<u><u>450</u></u>

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	30 January 2021 £ 000
Present value at start of period	2,759
Past service cost	1
Interest cost	46
Effect of change in assumptions	185
Benefits paid	(84)
Effect of experience adjustments	<u>(33)</u>
Present value at end of period	<u><u>2,874</u></u>

The impact of GMP Equalisation costs are included in the Past service cost line above. The impact of the RPI/CPI wedge included in the Effect of change in assumptions above is estimated at £33k.

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 January 2021 (continued)

17 Pension and other schemes (continued)

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	30 January 2021 £ 000
Fair value at start of period	3,301
Interest income	56
Return on plan assets, excluding amount include in interest income	77
Administrative expenses	(5)
Benefits paid	(84)
Fair value at end of period	<u>3,345</u>

Analysis of assets

The major categories of scheme assets are as follows:

	30 January 2021 £ 000	1 February 2020 £ 000
Cash and cash equivalents	86	105
Debt instruments	2,578	2,508
Other Assets	<u>681</u>	<u>688</u>
	<u>3,345</u>	<u>3,301</u>

Return on scheme assets

	30 January 2021 £ 000	1 February 2020 £ 000
Return on scheme assets	<u>132</u>	<u>420</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.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 January 2021 (continued)

17 Pension and other schemes (continued)

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	30 January 2021 %	1 February 2020 %
Discount rate	1.50	1.70
Future pension increases	2.25	1.95
Inflation	2.95	2.85

Post retirement mortality assumptions

	30 January 2021 Years	1 February 2020 Years
Current UK pensioners at retirement age - male	27.60	27.40
Current UK pensioners at retirement age - female	29.30	29.10
Future UK pensioners at retirement age - male	29.40	29.30
Future UK pensioners at retirement age - female	31.20	31.00

18 Obligations under leases and hire purchase contracts

Obligations under leases and hire purchase contracts in the period are £Nil (2020 - £Nil).

19 Parent and ultimate parent undertaking

The company's immediate parent is Harrods Aviation Limited, incorporated in United Kingdom.

The most senior parent entity producing publicly available financial statements is Harrods Group (Holding) Limited. These financial statements are available upon request from the Registrar of Companies in due course.

The ultimate controlling party is Qatar Investment Authority.