

Registration number: 5985365

Harrods Property Limited

Annual Report and Financial Statements

for the period ended 29 January 2022



Harrods Property Limited

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Harrods Property Limited
Strategic Report
for the period ended 29 January 2022

The directors present their Strategic Report and Financial Statements for the 52 week period ended 29 January 2022 (2021: 52 weeks ended 30 January 2021).

Principal activity

The principal activity of the company is the holding of intercompany loan receivables. The company is an indirect subsidiary of Harrods Group (Holding) Limited and its principal activity is the holding of loan receivables of other subsidiaries in the group.

Review of the business

Profit for the period after taxation amounted to £16.1m (2021: 15.0m). The directors paid a dividend of £nil in the period (2021: £nil). During the period, a capital reduction of £522m was made, resulting in a decrease in the share premium of the company and an equal increase in Profit & Loss reserves. The total equity of the company remained the same.

Future developments

There are no significant foreseeable future developments as at 29 January 2022, apart from what has been covered in the post balance sheet event note below.

Principal risks and uncertainties

Business risk

Following the sales of its freehold properties in 2016 and the termination of the associated leases, there is no business risk apart from the credit risk outlined below.

Credit risk

The company has a significant loan to a group company. The loan to QH Partners Limited is ultimately considered recoverable against other assets and investments directly or indirectly supporting the nominal value of this loan.

Liquidity risk

The company has no significant cash outgoings. Therefore, there is deemed to be no liquidity risk.

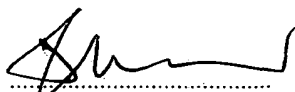
Covid-19

Management do not expect there to be significant long-term consequences on the business as a result of the pandemic.

Brexit

The company has assessed the implications of Brexit on its activities and they are deemed to be limited.

Approved by the Board on 15 July 2022 and signed on its behalf by:



D J Webster
Company secretary and director

Harrods Property Limited
Directors' Report
for the period ended 29 January 2022

The directors present their Annual Report and Financial Statements for the 52 week period ended 29 January 2022 (2021: 52 weeks ended 30 January 2021).

Results and dividends

The profit for the period after taxation, amounted to £16.1m (2021: £15.0m).

The directors paid a dividend in the period of £nil (2021: £nil).

Directors of the company

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

M A Ward

D J Webster

No director has had a material interest, directly or indirectly, at any time during the period in any contract significant to the company.

Going concern

The directors are confident the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Following the balance sheet date, all the company's liabilities were settled and offset against the amounts receivable from Harrods Limited, before the loan distribution as referred to in the post balance sheet event note.

The Directors of the Company's parent company in the UK, Harrods Group (Holding) Limited, have indicated that, if required, future liabilities of the Company will be met as they fall due by Harrods Group (Holding) Limited. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company has adequate funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

KPIs

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

Political donations

During the period the company did not make any political donations (2021: £nil).

Post balance sheet events

On 31 March 2022, an interim dividend in specie of £290.3m was declared resulting in the distribution of the loan receivable from Harrods Limited for the same value.

Disclosure of information to the auditors

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

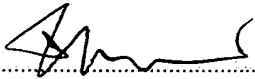
Harrods Property Limited

**Directors' Report
for the period ended 29 January 2022 (continued)**

Reappointment of auditors

The auditors KPMG LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 15 July 2022 and signed on its behalf by:



D J Webster
Company secretary and director

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

Harrods Property Limited

Statement of Directors' Responsibilities in respect of the annual report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland). 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARRODS PROPERTY LIMITED

Opinion

We have audited the financial statements of Harrods Property Limited ("the Company") for the 52-week period ended 29 January 2022 which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 29 January 2022 and of its profit for the 52-week period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, internal audit and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.



- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition as the Company's operations do not provide an opportunity to fraudulently recognise revenue.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included:
 - Journal entries associated with key words including 'instruct', 'error', 'fine', 'fraud', 'bribe', 'illegal' and 'litigation'
 - Unexpected journal entries posted to cash
 - Journal entries associated with related parties, specifically directors
 - Journal entries posted by specific users
 - Material post-closing journal entries

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal



controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and



for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Chrissy Douka'.

Chrissy Douka (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
Date: 20th July 2022

Harrods Property Limited

Profit and Loss Account for the period ended 29 January 2022

		52 weeks ended 29 January 2022 £ 000	52 weeks ended 30 January 2021 £ 000
Administrative expenses		(20)	(18)
Operating loss	3	(20)	(18)
Interest receivable and similar income	4	19,933	18,550
Profit before tax		19,913	18,532
Taxation	6	(3,784)	(3,521)
Profit for the financial period		<u>16,129</u>	<u>15,011</u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the period other than the results above.

Harrods Property Limited

Statement of Comprehensive Income for the period ended 29 January 2022

	52 weeks ended 29 January 2022 £ 000	52 weeks ended 30 January 2021 £ 000
Profit for the period	16,129	15,011
Total comprehensive income for the period	<u>16,129</u>	<u>15,011</u>

Harrods Property Limited

(Registration number: 5985365)

Balance Sheet as at 29 January 2022

	Note	29 January 2022 £ 000	30 January 2021 £ 000
Current assets			
Debtors: due after more than one year	7	-	257,683
Debtors: due within one year	7	559,527	281,933
Cash at bank and in hand		1,081	1,081
		<u>560,608</u>	<u>540,697</u>
Creditors: Amounts falling due within one year	8	<u>(7,322)</u>	<u>(3,540)</u>
Net assets		<u>553,286</u>	<u>537,157</u>
Capital and reserves			
Called up share capital	9	100	100
Share premium reserve	9	-	522,046
Profit and loss account		<u>553,186</u>	<u>15,011</u>
Total equity		<u>553,286</u>	<u>537,157</u>

Approved and authorised by the Board on 15 July 2022 and signed on its behalf by:



 M A Ward
 Director

The notes on pages 13 to 19 form an integral part of these financial statements.

Harrods Property Limited

Statement of Changes in Equity for the period ended 29 January 2022

	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 2 February 2020	100	-	522,046	522,146
Profit for the period	-	-	15,011	15,011
Total comprehensive income	-	-	15,011	15,011
Other share premium reserve movements	-	522,046	(522,046)	-
At 30 January 2021	100	522,046	15,011	537,157

	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 31 January 2021	100	522,046	15,011	537,157
Profit for the period	-	-	16,129	16,129
Total comprehensive income	-	-	16,129	16,129
Capital reduction	-	(522,046)	522,046	-
At 29 January 2022	100	-	553,186	553,286

The notes on pages 13 to 19 form an integral part of these financial statements.

Harrods Property Limited

Notes to the Financial Statements for the period ended 29 January 2022

1 General information

Harrods Property Limited (the company) is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

87-135 Brompton Road
Knightsbridge
London
SW1X 7XL
United Kingdom

2 Accounting policies

Basis of preparation of financial statements

The Financial Statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of Financial Statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. It is the view of the Directors that there are no critical accounting estimates used in the preparation of the Accounts and the Financial Statements of the company.

The accounting policies set out below, have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The directors consider it appropriate for these Financial Statements to be prepared on a going concern basis.

Harrods Property Limited is a wholly owned subsidiary of Harrods Group (Holding) Limited which produces group accounts in accordance with the Companies Act 2006.

Harrods Property Limited

Notes to the Financial Statements for the period ended 29 January 2022 (continued)

2 Accounting policies (continued)

Financial Reporting Standard 102 reduced 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); and
- the requirements of section 33 Related Party Disclosures.

This information is included in the Consolidated Financial Statements of Harrods Group (Holding) Limited, the ultimate UK parent undertaking, as at 29 January 2022 and these Financial Statements may be obtained from the Registrar of Companies.

The accounting policies set out below, unless otherwise stated have been applied consistently to all periods presented in the financial statements.

Going concern

The directors are confident the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Following the balance sheet date, all the company's liabilities were settled and offset against the amounts receivable from Harrods Limited, before the loan distribution as referred to in the post balance sheet event note.

The Directors of the Company's parent company in the UK, Harrods Group (Holding) Limited, have indicated that, if required, future liabilities of the Company will be met as they fall due by Harrods Group (Holding) Limited. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company has adequate funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Harrods Property Limited

Notes to the Financial Statements for the period ended 29 January 2022 (continued)

2 Accounting policies (continued)

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like loans to related parties and group undertakings which are accounted for at cost less impairment.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Tax

The tax expense for the period comprises current 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand.

Debtors

Debtors are initially recognised at fair value and subsequently measured at amortised cost less any impairment.

Harrods Property Limited

Notes to the Financial Statements for the period ended 29 January 2022 (continued)

2 Accounting policies (continued)

Creditors

Creditors are initially recognised at fair value and subsequently measure at amortised cost.

3 Operating loss

Audit fees for the period were £16,277 (2021: £10,470).

4 Interest receivable and similar income

	52 weeks ended 29 January 2022 £ 000	52 weeks ended 30 January 2021 £ 000
Interest receivable on loans to group undertakings	<u>19,933</u>	<u>18,550</u>

5 Directors and employees

Key management personnel are the personnel who have authority and responsibility for planning, directing and controlling the activities of the company, and are considered to be the directors of the company. Remuneration for the directors of the company is paid for by another group company. It is not material to determine the proportion of their emoluments which relate to their services as directors of this company.

The company did not employ any persons or incur any staff costs during the period (2021: £nil).

6 Taxation

Tax charged in the income statement

	52 weeks ended 29 January 2022 £ 000	52 weeks ended 30 January 2021 £ 000
Current taxation		
Group relief receivable for the period	<u>3,784</u>	<u>3,521</u>

Harrods Property Limited

Notes to the Financial Statements
for the period ended 29 January 2022 (continued)

Notes to the Financial Statements (continued)

6 Taxation (continued)

The tax on profit before tax for the period is the same as the standard rate of corporation tax in the UK (2021 - the same as the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	52 weeks ended 29 January 2022 £ 000	52 weeks ended 30 January 2021 £ 000
Profit before tax	<u>19,913</u>	<u>18,532</u>
Effects of:		
Corporation tax at standard rate	<u>3,784</u>	<u>3,521</u>
Total tax charge	<u>3,784</u>	<u>3,521</u>

Changes to UK corporation tax rates were substantively enacted by the Finance Bill 2021 (on 24 May 2021). These included an increase in the corporation tax rate from 19% to 25% from 1 April 2023.

7 Debtors

	29 January 2022 £ 000	30 January 2021 £ 000
Debtors: due within one year		
Amounts owed by group undertakings	559,507	281,919
Other debtors	<u>20</u>	<u>14</u>
	<u>559,527</u>	<u>281,933</u>

Amounts owed by group undertakings include a non-interest bearing current account with Harrods Limited, which is payable on demand of £17.0m (2021: £16.5m). Also included is a non-interest bearing loan to QH Partners Limited, which is payable on demand of £265.5m (2021: £265.5m).

Also included is a loan account with Harrods Limited of £277.0m (2021: £257.7m - due after more than one year), which is repayable on 30 April 2022. During the period ended 29 January 2022, interest at 7.5% was accrued on the loan totalling £19.9m (2021: £18.5m). Interest of £19.3m was capitalised during the period and added to the loan. In the prior year, the balance was included in Amounts owed by group undertakings, due after more than one year.

Please refer to note 14 in relation to the subsequent distribution of the loan receivable.

Harrods Property Limited

Notes to the Financial Statements for the period ended 29 January 2022 (continued)

Notes to the Financial Statements (continued)

7 Debtors (continued)

	29 January 2022 £ 000	30 January 2021 £ 000
Debtors: due after more than one year		
Amounts owed by group undertakings	-	257,683

The balance in the prior year relates to the loan with Harrods Limited, which is repayable on 30 April 2022. This is now repayable within one year.

8 Creditors

	29 January 2022 £ 000	30 January 2021 £ 000
Due within one year		
Accrued expenses	17	19
Income tax liability	7,305	3,521
	<u>7,322</u>	<u>3,540</u>

9 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No. 000	£ 000	No. 000	£ 000
Allotted, called up and fully paid of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

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

Dividends are paid at the discretion of the Directors.

Share Premium

During the period a capital reduction was made totalling £522.0m, which resulted in a decrease in the share premium of £522.0m of the company and an equal increase in Profit & Loss reserves. The total equity of the company therefore remains the same.

Harrods Property Limited
Notes to the Financial Statements
for the period ended 29 January 2022 (continued)

Notes to the Financial Statements (continued)

10 Commitments

Capital commitments

The company had no capital commitments at 29 January 2022 or 30 January 2021.

11 Contingent liabilities

There were no contingent liabilities at 29 January 2022 or 30 January 2021.

12 Related party transactions

The company is a wholly owned subsidiary and has taken advantage of the exemption in FRS 102, section 33 "Related Party Disclosures" from disclosing transactions with other members of the group.

There are no other related party transactions.

13 Parent and ultimate parent undertaking

The company's immediate parent is Harrods Limited, a company registered in England and Wales. The ultimate UK parent undertaking of Harrods Limited is Harrods Group (Holding) Limited. The largest and smallest UK group of undertakings for which group accounts have been drawn up is that headed by Harrods Group (Holding) Limited, which can be obtained from the Registrar of Companies.

The company is an indirect 100% subsidiary of Qatar Holding LLC which is the strategic investment arm of Qatar Investment Authority, the ultimate controlling party, incorporated in Qatar.

14 Post balance sheet events

On 31 March 2022, an interim dividend in specie of £290.3m was declared resulting in the distribution of the loan receivable from Harrods Limited for the same value.