

Registration number: 8022049

# Harrods Corporate Management Limited

Annual Report and Financial Statements  
for the period ended 28 January 2023



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## **Harrods Corporate Management Limited**

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## **Harrods Corporate Management Limited**

### **Strategic Report for the period ended 28 January 2023**

The Directors present their Strategic Report and financial statements for Harrods Corporate Management Limited (the "Company") for the 52 week period ended 28 January 2023 (2022: 52 weeks ended 29 January 2022).

#### **Principal activity**

The principal activity of the Company is the ownership and licensing of the Harrods trademark to several trading entities in the United Kingdom.

#### **Review of the business**

Profit for the period after taxation amounted to £16.0m (2022: £6.3m). The directors paid a dividend in the period of £23.0m (2022: £nil).

#### **Future developments**

The directors intend for the Company to transfer all trademarks to Harrods Limited. The transaction is expected to take place in the course of the financial year ending 3 February 2024 but has not yet received board approval. As board approval has not yet been received the financial statements have been prepared on a going concern basis.

#### **Principal risks and uncertainties**

##### **Interest rate risk**

The Company is exposed to increasing interest rates on its related party loan secured at a floating rate. However, given the significant cover that the Company enjoys on its income stream relative to its interest obligations, the directors have assessed that this does not present any significant risk.

##### **Liquidity risk**

The Company receives its income from royalties derived from the sales of Harrods Limited, Harrods International Limited and other subsidiaries of Harrods Group (Holding) Limited (the "Group") utilising the Harrods trademark name for commercial advantage. There is a risk that royalties received will significantly drop if trade conditions deteriorate in these companies in future at a sufficient scale to prevent the Company from meeting its interest obligations. Management is, however, confident that the current forecasts of trade by its licensees provides the Company sufficient comfort for the foreseeable future.

#### **Section 172(1) statement**

The Directors of the Company act in a way they consider, in good faith, is most likely to promote the success of the Company for the benefit of its' members as a whole, and in doing so have regard to the:

- a) likely consequence of any decision in the long term
- b) interests of the Company's employees
- c) need to foster the Company's business relationships with suppliers, customers and others
- d) impact of the Company's operations on the community and the environment
- e) desirability of the Company maintaining a reputation for high standards of business conduct
- f) need to act fairly between members of the Company

As the Company does not have any employees to consider, the following section outlines how the Directors take the remaining factors into account in their decision making in relation to the following stakeholder groups.

**Harrods Corporate Management Limited**  
**Strategic Report**  
**for the period ended 28 January 2023 (continued)**

**Our business relationships**

The Company's suppliers and customers are predominantly other related parties, with whom it maintains close working relationships, to align our respective requirements for our mutual economic benefit.

**Our community**

The Harrods group, including the Company, continues to support both local and national charities and encourages employees to volunteer for charity partners.

**Our environmental impact and sustainability**

The sustainability strategy that the group has adopted has been given a vision and identity and is now a strong voice within the decision-making practices of the group.

Harrods "Path to Sustainability" is closely aligned with Harrods strategy and purpose, with the business committing to being as responsible and sustainable operator as it can, in as short a timeframe as possible. The four strategic pillars cover operations, products, partnership, and people.

**Our long-term decision making**

The primary function of the group board is to develop the group's strategy and oversee its implementation in order to promote the long-term success of the business for the benefit of its stakeholders and deliver sustainable shareholder value. The business aims to ensure that decisions support the group's purpose and values, together with its strategic priorities.


**Our standards**

Harrods has developed five core values which underpin its behaviours and ways of working: We are Human, We Strive to Exceed, We Build Trust, We Take Pride and We are One. Harrods has robust company policies and practices which align with these values and are regularly monitored and reviewed. These company policies include clear procedures setting out how employees can raise any concerns.

**Our members**

The Company is an indirect 100% subsidiary of Qatar Holding LLC. The interests and views of the ultimate parent company is included in our long-term decision making and strategic priorities. The Group Board is currently comprised of two representatives of the Shareholder and the Managing Director of Harrods (all of whom also sit on the Harrods board) and two non-executive directors, which allows their interests to be represented.

Approved by the Board on 14 July 2023 and signed on its behalf by:



D J Webster  
Company secretary and director

## **Harrods Corporate Management Limited**

### **Directors' Report for the period ended 28 January 2023**

The Directors present their Annual Report and the Financial Statements for the 52 week period ended 28 January 2023 (2022: 52 weeks ended 29 January 2022).

#### **Results and dividends**

The profit for the period, after taxation, amounted to £16.0m (2022: £6.3m). The directors paid a dividend in the period of £23.0m (2022: £nil).

#### **Directors of the Company**

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

M A Ward

D J Webster

T N B Parker (appointed 15 July 2022)

#### **KPIs**

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

#### **Political donations**

The Company made no political contributions or incurred any political expenditure during the year (2022: £nil).

#### **Going concern**

Harrods Corporate Management Limited generates its income through royalties paid by other members of the Harrods group. Management are confident that the Company holds sufficient liquidity to meet its obligations as they fall due over the 12 months from the date of signing the accounts, through access to the group's revolving credit facility and other group resources.

The Company is reliant on the continued financial support of other group companies. The Directors of the Company's parent company in the UK, Harrods Group (Holding) Limited, have confirmed that, if required, future liabilities of the Company will be met as they fall due by Harrods Group (Holding) Limited through a letter of support.

The Directors therefore have a reasonable expectation that the Company and the group 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.

#### **Post balance sheet events**

There are no events affecting the Company since the year end.

#### **Streamlined Energy & Carbon Reporting**

Whilst the Company meets the SECR compliance thresholds, the annual energy consumption is below the SECR threshold of 40MWh; indeed, the entity does not consume any energy.

#### **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 Corporate Management Limited**  
**Directors' Report**  
**for the period ended 28 January 2023 (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 14 July 2023 and signed on its behalf by:



.....  
D J Webster  
Company secretary and director

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

## **Harrods Corporate Management 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 FRS 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 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 COPORATE MANGEMENT LIMITED**

### **Opinion**

We have audited the financial statements of Harrods Corporate Management Limited ("the Company") for the 52-week period ended 28 January 2023 which comprise the Profit and Loss Account, Statement of Other 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 28 January 2023 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.





## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARRODS COPORATE MANGEMENT LIMITED (continued)

- Reading Board, HR Remuneration & Nomination Committee, Governance Risk & Compliance Committee and Management Executive Committee 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 Company 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 does not have any revenue streams.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Company-wide fraud risk management controls.

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 'tribunal' and 'error', unexpected journal entries posted to revenue and cash, journal entries associated with related parties, and 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.

Firstly, 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.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection laws, anti-bribery and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARRODS COPORATE MANGEMENT LIMITED (continued)**

### *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 fraud 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 5, 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.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARRODS COPORATE MANGEMENT LIMITED (continued)**

### **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](http://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.

**Chrissy Douka (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL  
Date: 18 July 2023

**Harrods Corporate Management Limited**

**Profit and Loss Account  
for the period ended 28 January 2023**

		<b>52 weeks ended 28 January 2023 £ m</b>	<b>52 weeks ended 29 January 2022 £ m</b>
Turnover	3	<u>52.3</u>	<u>34.4</u>
<b>Gross profit</b>		52.3	34.4
Administrative expenses		<u>(10.9)</u>	<u>(10.9)</u>
<b>Operating profit</b>	4	41.4	23.5
Interest payable and similar charges	5	<u>(19.1)</u>	<u>(13.2)</u>
<b>Profit before tax</b>		22.3	10.3
Taxation	6	<u>(6.3)</u>	<u>(4.0)</u>
<b>Profit for the financial period</b>		<u><u>16.0</u></u>	<u><u>6.3</u></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 Corporate Management Limited**

**Statement of Other Comprehensive Income  
for the period ended 28 January 2023**

	<b>52 weeks ended 28 January 2023 £ m</b>	<b>52 weeks ended 29 January 2022 £ m</b>
Profit for the period	<u>16.0</u>	<u>6.3</u>
<b>Total comprehensive income for the period</b>	<u><b>16.0</b></u>	<u><b>6.3</b></u>

**Harrods Corporate Management Limited**

**(Registration number: 8022049)**

**Balance Sheet  
as at 28 January 2023**

	Note	28 January 2023 £ m	29 January 2022 £ m
<b>Fixed assets</b>			
Intangible assets	7	424.5	435.3
<b>Current assets</b>			
Debtors	8	6.1	3.9
Cash at bank and in hand		4.6	2.5
		10.7	6.4
<b>Creditors: Amounts falling due within one year</b>	9	(412.8)	(412.3)
<b>Net current liabilities</b>		(402.1)	(405.9)
<b>Net assets</b>		22.4	29.4
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account		22.4	29.4
<b>Total equity</b>		22.4	29.4

Approved and authorised by the Board on 14 July 2023 and signed on its behalf by:

.....  
M A Ward  
Director

# **Harrods Corporate Management Limited**

## **Statement of Changes in Equity for the period ended 28 January 2023**

	<b>Profit and loss account £ m</b>	<b>Total £ m</b>
At 31 January 2021	23.1	23.1
Profit for the period	6.3	6.3
Total comprehensive income	6.3	6.3
<b>At 29 January 2022</b>	<b>29.4</b>	<b>29.4</b>

	<b>Profit and loss account £ m</b>	<b>Total £ m</b>
At 30 January 2022	29.4	29.4
Profit for the period	16.0	16.0
Total comprehensive income	16.0	16.0
Dividends	(23.0)	(23.0)
<b>At 28 January 2023</b>	<b>22.4</b>	<b>22.4</b>

The notes on pages 14 to 20 form an integral part of these financial statements.

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## **Harrods Corporate Management Limited**

### **Notes to the Financial Statements for the period ended 28 January 2023**

#### **1 General information**

Harrods Corporate Management 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**

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £m to one decimal place.

FRS 102 can require the use of certain critical accounting estimates (including impairment of trademarks). It also requires management to exercise judgement in applying the Company's accounting policies.

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

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

##### **Measurement convention**

The Financial Statements have been prepared under the historical cost convention.

##### **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;
- the requirement to complete a Streamlined Energy and Carbon report.

This information is included in the Consolidated Financial Statements of Harrods Group (Holding) Limited, the ultimate UK parent undertaking, as at 28 January 2023 and these Financial Statements may be obtained from the Registrar of Companies.



## **Harrods Corporate Management Limited**

### **Notes to the Financial Statements for the period ended 28 January 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Going concern**

Harrods Corporate Management Limited generates its income through royalties paid by other members of the Harrods group. Management are confident that the Company holds sufficient liquidity to meet its obligations as they fall due over the 12 months from the date of signing the accounts, through access to the group's revolving credit facility and other group resources.

The Company is reliant on the continued financial support of other group companies. The Directors of the Company's parent company in the UK, Harrods Group (Holding) Limited, have confirmed that, if required, future liabilities of the Company will be met as they fall due by Harrods Group (Holding) Limited through a letter of support.

The Directors therefore have a reasonable expectation that the Company and the group 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.

##### **Turnover**

Turnover includes royalties received from trading entities using the Harrods brand name for commercial advantage.

Revenue is measured at the fair value of the consideration received or receivable.

##### **Interest payable**

Interest payable and similar charges, include interest payable on loans from group undertakings and are recognised as accrued in the profit or loss using the effective interest method.

##### **Intangible assets**

Trademarks are included at cost and are subject to an annual impairment review. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Trademarks are amortised over 50 years. The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

##### **Tax**

Current tax, including UK corporation tax and foreign tax, is provided as amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and bank accounts.

##### **Debtors**

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

##### **Creditors**

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

**Harrods Corporate Management Limited**

**Notes to the Financial Statements**  
**for the period ended 28 January 2023 (continued)**

**3 Turnover**

The turnover and profit on ordinary activities before taxation is attributable to continuing operations as follows:

	52 weeks ended 28 January 2023 £ m	52 weeks ended 29 January 2022 £ m
Royalties arising on licensing agreements	<u>52.3</u>	<u>34.4</u>

All turnover arose within the United Kingdom.

**4 Operating profit**

The operating profit is stated after charging:

	52 weeks ended 28 January 2023 £ m	52 weeks ended 29 January 2022 £ m
Amortisation of intangible assets	<u>10.8</u>	<u>10.8</u>

Audit fees for the period were £17,905 (2022: £16,277).

The Company did not employ any persons or incur any staff costs during the period (2022: £nil).

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 trivial to determine the proportion of their emoluments which relate to their services as Directors of this Company.

**5 Interest payable and similar charges**

	52 weeks ended 28 January 2023 £ m	52 weeks ended 29 January 2022 £ m
Interest payable on loans from group undertakings	<u>19.1</u>	<u>13.2</u>

The interest is set to be at 3% per annum above the base rate.

## Harrods Corporate Management Limited

### Notes to the Financial Statements for the period ended 28 January 2023 (continued)

#### 6 Taxation

Tax charged in the income statement

	52 weeks ended 28 January 2023 £ m	52 weeks ended 29 January 2022 £ m
<b>Current taxation</b>		
UK Corporation Tax	6.3	4.0
<b>Total tax on profit on ordinary activities</b>	<u>6.3</u>	<u>4.0</u>

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK (2022 - higher than the standard rate of corporation tax in the UK) of 19% (2022 - 19%).

The differences are reconciled below:

	52 weeks ended 28 January 2023 £ m	52 weeks ended 29 January 2022 £ m
Profit before tax	22.3	10.3
Corporation tax at standard rate	4.2	2.0
Expenses not deductible for tax purposes	2.1	2.0
<b>Total tax charge for the period</b>	<u>6.3</u>	<u>4.0</u>

The standard rate of tax applied to profit on ordinary activities is 19% (2022: 19%).

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.

**Harrods Corporate Management Limited**

**Notes to the Financial Statements**  
**for the period ended 28 January 2023 (continued)**

**7 Intangible assets**

	<b>Trademarks £ m</b>
<b>Cost or valuation</b>	
At 30 January 2022	541.0
At 28 January 2023	541.0
<b>Amortisation</b>	
At 30 January 2022	105.7
Amortisation charge	10.8
At 28 January 2023	116.5
<b>Carrying amount</b>	
At 28 January 2023	424.5
At 29 January 2022	435.3

**8 Debtors**

	<b>28 January 2023 £ m</b>	<b>29 January 2022 £ m</b>
Accrued income	6.1	3.9
	6.1	3.9

**9 Creditors**

	<b>28 January 2023 £ m</b>	<b>29 January 2022 £ m</b>
<b>Due within one year</b>		
Loans from group undertakings	400.0	405.0
Accruals and deferred income	2.5	1.4
Group relief payable	7.5	5.9
Corporation Tax Payable	2.8	-
	412.8	412.3

Loans from group undertakings refers to a loan from Harrods Limited of £400.0m (2022: £405.0m) bearing interest at a rate of 3% per annum above the base rate. The debt is unsecured and repayable on 30 days prior written notice. Loan repayments of £5.0m (2022: £17.0m) were made during the period.

## Harrods Corporate Management Limited

### Notes to the Financial Statements for the period ended 28 January 2023 (continued)

#### 10 Share capital

##### Allotted, called up and fully paid shares

	28 January 2023		29 January 2022	
	No.	£	No.	£
Allotted, called up and fully paid of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

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

Dividends of £23.0m were declared and paid to Harrods Holdings Limited (2022: nil).

#### 11 Capital commitments

The Company had no capital commitments at 28 January 2023 or 29 January 2022.

#### 12 Contingent liabilities

There were no contingent liabilities at 28 January 2023 or 29 January 2022.

#### 13 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.

#### 14 Parent and ultimate parent undertaking

The Company's immediate parent is Harrods Holdings Limited, a company incorporated in the United Kingdom. The ultimate UK parent undertaking of Harrods Holdings 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.

**Harrods Corporate Management Limited**  
**Notes to the Financial Statements**  
**for the period ended 28 January 2023 (continued)**

**15 Accounting estimates and judgements**

*Key sources of estimation uncertainty*

Impairment assessment of trademarks: Intellectual property of Harrods Corporate Management Limited is accounted for at cost less accumulated amortisation. An impairment review is carried out at the end of each year requiring management assessment of future cash flows of royalty income discounted to net present value at an appropriate rate. Stress tests are applied to consider the impact of possible negative future events on income forecasts. As at 28 January 2023, the intangible assets of the Company comprising its trademarks were £424.5m (2022: £435.3m).



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2 August 2023

Companies House  
Crown Way  
Cardiff  
CF14 3UZ

By Recorded Delivery

Dear Sirs

**ANNUAL REPORT AND ACCOUNTS**

I enclose for filing the Annual Report and Accounts for the period ended 28 January 2023 in respect of Harrods Group (Holding) Limited (company number 5990648).

Yours faithfully

Harriet Boyle  
Legal Counsel  
Harrods Limited



**Patch**