

VERULAM PROPERTIES LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018
Registered Number: 00726573



VERULAM PROPERTIES LIMITED*

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018

The Directors present their Annual Report and unaudited financial statements of Verulam Properties Limited (the "Company") for the 52 weeks ended 24 February 2018 (prior period: 52 weeks ended 25 February 2017 ("2017")).

Business review and principal activity

The Company had sold all of its investment properties in the earlier financial period ended 27 February 2016. Therefore, the Company did not receive rent or generate profit for the financial period ended 24 February 2018.

Results and dividends

The Company did not incur any expenditure and earn any income during the current and previous financial period.

The results for the 52 weeks ended 24 February 2018 reflect a profit before tax of £nil (2017: loss before tax of £3,605) and an after tax profit of £nil (2017: loss of £3,605). Net assets and net current assets at the end of the period were £13,892,834 and £ 13,892,834 respectively. (2017: net assets of £13,892,834 and net current assets of £13,892,834).

The Directors do not recommend payment of a dividend for the 52 weeks ended 24 February 2018 (2017: £nil).

Future developments

The Company did not carry out any activities and did not generate any revenue in the financial period ended 2018. The Company is expected to maintain the current performance level.

Going concern

As discussed in the future developments section above, the Company has ceased to trade. Therefore the financial statements have been prepared on a basis other than going concern.

Research and development

The Company does not undertake any research and development activities (2017: none).

Employees

The Company had no employees during the period (2017: none).

Political donations

There were no political donations for the period (2017: £nil) and the Company did not incur any political expenditure (2017: £nil).

Directors

The following Directors served during the period and up to the date of signing these financial statements:

J Gibney
Tesco Services Limited

None of the Directors had any disclosable interests in the Company during this period.

A qualifying third-party indemnity provision as defined in Section 234 of the Companies Act 2006 is in force for the benefit of the Tesco PLC Company Secretary (who is also a Director of Tesco Services Limited which is appointed to the Board of the Company) in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which Directors and Officers may not be indemnified, Tesco PLC maintained a Directors' and Officers' liability insurance policy throughout the financial period and up to the date of signing the financial statements.

VERULAM PROPERTIES LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018 (continued)

Strategic report

The Directors have taken advantage of the exemption provided by section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 from preparing a Strategic Report.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Companies Act 2006 requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework".

Under the Companies Act 2006, 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 then 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 of Directors and signed on 17 August 2018

Robert Welch

R Welch and on behalf of Tesco Services Limited
Director

Verulam Properties Limited

Registered number: 00726573

Registered office: Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom.

VERULAM PROPERTIES LIMITED**PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018**

	Notes	52 weeks ended 24 February 2018 £	52 weeks ended 25 February 2017 £
Administrative expenses		-	(3,605)
Operating result/(loss)	4	-	(3,605)
Result/(Loss) before taxation		-	(3,605)
Tax charge/(credit)	5	-	-
Result/(Loss) for the financial period		-	(3,605)

The above statement relates to the Company's discontinued operations during the 52 weeks ended 24 February 2018.

There is no other comprehensive income/loss in the periods presented; therefore no statement of comprehensive income has been prepared. Total comprehensive income is equal to result/(loss) for the period presented.

There are no material differences between the result/(loss) before taxation and the result/(loss) for the period stated above and their historical cost equivalents.

The notes on pages 6 to 9 form an integral part of the financial statements.

VERULAM PROPERTIES LIMITED**BALANCE SHEET AS AT 24 FEBRUARY 2018**

	Notes	24 February 2018	25 February 2017
		£	£
Current assets			
Debtors: amounts falling due within one year	6	24,851,121	24,889,868
Cash at bank and in hand		799,564	799,564
		25,650,685	25,689,432
Creditors: amounts falling due within one year	7	(11,757,851)	(11,796,598)
Net current assets		13,892,834	13,892,834
Total assets less current liabilities		13,892,834	13,892,834
Net assets		13,892,834	13,892,834
Capital and reserves			
Called up share capital	8	120,126	120,126
Profit and loss account		13,772,708	13,772,708
Total shareholders' funds		13,892,834	13,892,834

The notes on pages 6 to 9 form an integral part of the financial statements.

For the 52 weeks ending 24 February 2018, 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 479A.
- the Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements on pages 3 to 9 were approved by the Board of Directors on 17 August 2018 and signed on its behalf by:

Robert Welch

R Welch for and behalf of Tesco Services Limited

Director

Verulam Properties Limited

Registered Number: 00726573

Registered Office: Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom

VERULAM PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018

	Called up share capital*	Profit and loss account	Total
	£	£	
Balance as at 27 February 2016	120,126	13,776,313	13,896,439
Loss for the financial period	-	(3,605)	(3,605)
Balance as at 25 February 2017	120,126	13,772,708	13,892,834
Result for the financial period	-	-	-
Balance as at 24 February 2018	120,126	13,772,708	13,892,834

The notes on pages 6 to 9 form an integral part of the financial statements.

*See Note 8 for a breakdown of the share capital.

VERULAM PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Verulam Properties limited (the "Company") for the 52 week period ended 24 February 2018 were authorised for issue by the Board of Directors on 17 August 2018 and the Balance Sheet was signed on the Board's behalf by R Welch, for and behalf of Tesco Services Limited.

These financial statements were prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101") and in accordance with applicable accounting standards. The financial statements have been prepared under the historical cost convention and the Companies Act 2006.

The functional currency of Verulam Properties Limited is considered to be Pound Sterling (£) because that is the currency of the primary economic environment in which the Company operates.

The Company's results are included in the consolidated financial statements of Tesco PLC which are available from Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom.

2. General information

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales under the Companies Act 2006.

The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 1.

3. Accounting policies

a. Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The Company is a qualifying entity for the purposes of FRS 101. Note 10 gives details of the Company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1; and
 - (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property.
- the requirements of paragraphs 10(d) and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IFRS 36 Impairment of Assets.

The principal accounting policies adopted by the Company are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

VERULAM PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018 (continued)

3. Accounting policies (continued)

b. Going concern

As discussed in the future developments section on page 1, the Company has ceased to trade. Therefore the financial statements have been prepared on a basis other than going concern.

No adjustments arose as a result of ceasing to apply the going concern basis of accounting.

c. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions in applying the Company's accounting policies to determine the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

There are no judgements and estimates that have a significant effect on amounts recognised in the financial statements.

d. Significant accounting policies

Income taxes

Current tax, including United Kingdom (UK) corporation tax and foreign tax, is provided at 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. The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the Profit and Loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

Group relief on taxation

The Company may receive or surrender group relief from Group companies without payment and consequently there may be no tax charge in the Profit and Loss Account.

Financial instruments

Financial assets and financial liabilities are recognised on the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other receivables

Trade receivables including intercompany balances are non-interest-bearing and are recognised initially at fair value, and subsequently at amortised cost using the effective interest rate method, less provision for impairment.

Trade and other payables

Trade payables including intercompany balances are non-interest-bearing and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

4. Results before taxation

The Company had no employees during the period (2017: none).

The Directors received no emoluments for the services to the Company (2017: £nil).

The auditor remuneration for the period is £nil (2017: £5,011). The non-audit fees for the period is £nil (2017: £nil).

VERULAM PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018 (continued)****5. Taxation****(a) Factors that have affected the tax charge**

The standard rate of corporation tax in the UK was 20% from 1 April 2015, and was changed from 20% to 19% from 1 April 2017.

This gives an overall blended corporation tax rate for the Company for the full year of 19.09%.

(b) Tax charged in the profit and loss account

	52 weeks ended 24 February 2018 £	52 weeks ended 25 February 2017 £
Current income tax:		
Adjustments in respect of previous periods	-	-
Total current income tax (charge) / credit	-	-

(c) Reconciliation of the effective tax charge

The differences between the total charge/(credit) shown above and the amount calculated by applying the blended rate of UK corporation tax to profit is as follows:

	52 weeks ended 24 February 2018 £	52 weeks ended 25 February 2017 £
Loss before tax	-	3,605
Tax on loss at blended corporation tax rate of 19.09% (2017: 20.00%)	-	(721)
Effects of:		
Utilisation of tax losses	-	721
Prior period items	-	-
Total income tax charge reported in the Profit and Loss Account	-	-

(d) Tax rate changes

The Finance Act 2016 included legislation to reduce the main rate of UK corporation tax from 20% to 19% from 1 April 2017 and to 17% from 1 April 2020. These rate reductions were enacted by the Balance Sheet date and therefore included in these consolidated financial statements. Temporary differences have been re-measured using the enacted tax rates that are expected to apply when the liability is settled or the asset realised.

6. Debtors: amounts falling due within one year

	24 February 2018 £	25 February 2017 £
Amounts owed by Group undertakings	24,851,121	24,889,868
	24,851,121	24,889,868

Amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

VERULAM PROPERTIES LIMITED · · ·**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED
24 FEBRUARY 2018 (continued)****7. Creditors: amounts falling due within a year**

	24 February 2018	25 February 2017
	£	£
Amounts owed to Group undertakings	11,757,851	11,796,598
	<u>11,757,851</u>	<u>11,796,598</u>

8. Called up share capital

	24 February 2018	25 February 2017
	£	£
Allotted, called up and fully paid		
120,126 ordinary shares of £1 each (2017: 120,126 ordinary shares of £1 each)	120,126	120,126
	<u>120,126</u>	<u>120,126</u>

9. Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

10. Ultimate group undertaking

The Company's immediate parent undertaking is Tesco Property Holdings Limited. The Company's ultimate parent undertaking and controlling party is Tesco PLC, a company is registered in England and Wales, and which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Tesco PLC financial statements can be obtained from the Company Secretary, Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom, the registered office of Tesco PLC.