

1070277

TESCO DISPENSING LIMITED

REPORT AND ACCOUNTS

27 FEBRUARY 1993



TESCO DISPENSING LIMITED

DIRECTORS' REPORT

The directors present their report on the affairs of the company, together with the accounts and auditors' report for the 52 weeks ended 27 February 1993.

RESULTS AND DIVIDENDS

The net profit of the company after tax for the period was £71,000 (1992 - £2,468,000). The directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS

The company's principal activity was the operation of retail chemist outlets. The whole of the company's trade was transferred to Tesco Stores Limited, the company's immediate holding company, on 19 June 1992 after which date the company has not traded.

SIGNIFICANT CHANGES IN FIXED ASSETS

Changes in fixed assets are shown in Note 7 to the financial statements.

DIRECTORS AND THEIR INTERESTS

The following directors served during the period:-

Sir Ian MacLaurin
D E Reid
R S Ager
J A Bailey

None of the directors had any disclosable interests in the company.

For those directors at 27 February 1993 who were not also directors of the ultimate holding company, their interests in the shares of Tesco PLC at this date are given below:-


	Ordinary Shares		Executive & SAYE Options	
	1991	1992	1991	1992
J A Bailey	6,092	4,990	67,036	54,090

AUDITORS

Price Waterhouse have expressed their willingness to continue in office. In accordance with Section 384 of the Companies Act 1985, a resolution proposing their re-appointment as auditors of the company will be put to the Annual General Meeting.

Tesco Dispensing Limited
Registered Number 1070877

By Order of the Board



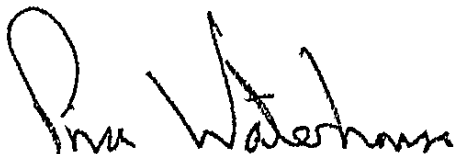
M FIELD
Secretary

5 April 1993

AUDITORS' REPORT TO THE MEMBERS OF TESCO DISPENSING LIMITED

We have audited the financial statements on pages 4 to 9 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company at 27 February 1993 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in dark ink, appearing to read 'Price Waterhouse', is written over the printed name of the firm.

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditor

10 Bricket Road
ST ALBANS
Herts AL1 3JX

5 April 1993

TESCO DISPENSING LIMITED

PROFIT & LOSS ACCOUNT

FOR THE 52 WEEKS ENDED 27 FEBRUARY 1993 (1992 - 19 WEEKS ENDED 29 FEBRUARY 1992)

	NOTE	52 WEEKS ENDED 27 FEB 93 £'000	19 WEEKS ENDED 29 FEB 92 £'000
Turnover excluding Value Added Tax	2	2,317	2,483
Cost of sales		1,559	1,709
		<hr/>	<hr/>
Gross profit		758	774
Administration expenses		648	723
		<hr/>	<hr/>
Operating profit	3	110	51
Profit on sale of tangible and intangible fixed assets	4	-	2,428
Interest receivable	5	-	2
		<hr/>	<hr/>
Profit on ordinary activities before taxation		110	2,481
Tax on profit on ordinary activities	6	39	13
		<hr/>	<hr/>
Profit for the financial period	12	71	2,468
		*****	*****

All company operations have been discontinued.

The company's recognised gains and losses comprise only the profit reported in the Profit and Loss account above.

The notes on pages 6 to 9 form part of these accounts.

TESCO DISPENSING LIMITED

BALANCE SHEET AS AT 27 FEBRUARY 1993

	<u>NOTE</u>	<u>1993</u>	<u>1992</u>
		£'000	£'000
FIXED ASSETS			
Intangible Assets	7	-	404
CURRENT ASSETS			
Debtors	8	3,534	3,026
Short-term deposits		-	50
		<u>3,534</u>	<u>3,076</u>
CREDITORS (amounts falling due within one year)	9	40	57
		<u> </u>	<u> </u>
NET CURRENT ASSETS		3,494	3,019
Total Assets less Current Liabilities		<u>3,494</u>	<u>3,423</u>
Provision for liabilities and charges	10	-	-
		<u>3,494</u>	<u>3,423</u>
		=====	=====
<u>CAPITAL & RESERVES</u>			
Called up Share Capital	11	-	-
Profit & Loss Account	12	3,494	3,423
		<u>3,494</u>	<u>3,423</u>
		=====	=====

Approved by the Board on 5 April 1993.

D E REID


DIRECTOR

The notes on pages 6 to 9 form part of these accounts.

TESCO DISPENSING LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 27 FEBRUARY 1993

1. ACCOUNTING POLICIES

Basis of Accounts

The accounts have been prepared in accordance with applicable accounting standards, under the historical cost convention, and are in accordance with the Companies Act 1985.

Deferred Taxation

Provision for deferred taxation is made only to the extent that it is probable that a liability will crystallise.

Intangible Fixed Assets

Intangible fixed assets which comprise pharmacy licences, are stated at cost less accumulated amortisation. Amortisation is provided to write off the cost, less estimated residual values over their expected useful lives, and is calculated on a straight line basis over 15 years.

2. TURNOVER

All activities were carried out in the United Kingdom. Turnover was generated from the operation of chemist outlets.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The directors of the company received no emoluments in respect of their services (1992 £nil).

The average weekly number of employees during the period was Nil (1992 - Nil). Auditors' remuneration has been borne by the parent company.

The administrative expenses incurred during the period wholly relate to a management charge from Tesco Stores Limited, the immediate holding company, in respect of services provided.

TESCO DISPENSING LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 27 FEBRUARY 1993/cont.....

4. PROFIT ON SALE OF TANGIBLE AND INTANGIBLE FIXED ASSETS

Profit on sale of tangible and intangible assets comprises:

	Period ended <u>27 Feb 93</u> £'000	Period ended <u>29 Feb 92</u> £'000
Net book value of assets sold		
Tangible fixed assets	-	225
Intangible fixed assets	396	344
Quoted Investments	<u>-</u>	<u>54</u>
	396	623
Sale Proceeds	396	3,051
	<u>-</u>	<u>-</u>
Profit on sale	<u>-</u>	<u>2,428</u>

Current year disposals wholly relate to the transfer of the trade to Tesco Stores Limited, the company's immediate holding company, on 19 June 1992. The prior period disposal was to Lidlstore Limited on 21 October 1991.

5. INTEREST RECEIVABLE

	Period ended <u>27 Feb 93</u> £'000	Period ended <u>29 Feb 92</u> £'000
Interest receivable	<u>2</u>	<u>2</u>

6. TAXATION

	£'000	£'000
United Kingdom taxation:		
UK Corporate Tax at 33% (1992 - 33.0%)	-	(2)
Deferred taxation	-	(18)
Group relief	<u>39</u>	<u>33</u>
	<u>39</u>	<u>13</u>

TESCO DISPENSING LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 27 FEBRUARY 1993/cont.....

7. INTANGIBLE FIXED ASSETS £'000

PHARMACY LICENSES

Cost:

At 29 February 1992	404
Additions	-
Disposals	(404)

At 27 February 1993 -

Amortisation:

At 29 February 1992	-
Change for the period	8
Disposals	(8)

At 27 February 1993 -

Net Book Value:

At 27 February 1993 -

At 29 February 1992 404

8. DEBTORS

	27 Feb 1993 £'000	29 Feb 1992 £'000
Trade debtors	-	477
Amounts owed by group undertakings	3,534	2,549
	<u>3,534</u>	<u>3,026</u>

9 CREDITORS (Amounts falling due within one year)

Amounts owed to group undertakings.	39	-
Corporation tax	<u>1</u>	<u>57</u>
	<u>40</u>	<u>57</u>

10. PROVISIONS FOR LIABILITIES AND CHARGES

	Amount Provided		Potential Amount for Deferred Tax on all Timing <- Differences ->	
	27 Feb 1993 £'000	29 Feb 1992 £'000	27 Feb 1993 £'000	29 Feb 1992 £'000
Accelerated capital allowances	-	-	-	-
Unrealised capital gains	-	-	-	33
	<u>-</u>	<u>-</u>	<u>-</u>	<u>33</u>

TESCO DISPENSING LIMITED

NOTES TO THE ACCOUNTS continued...

11. CALLED UP SHARE CAPITAL

	27 Feb 1993	29 Feb 1992
	£	£
Authorised ordinary shares of £1	100	100
Issued and fully paid shares of £1 each	4	4

12. PROFIT AND LOSS ACCOUNT

	£'000
At 29 February 1992	3,423
Profit for the financial year	71
At 27 February 1993	<u>3,494</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	27 Feb 1993	29 Feb 1992
	£'000	£'000
Shareholders' funds at 29 February 1992	3,423	955
Profit for the financial year	71	2,468
Shareholders' funds at 27 February 1993	<u>3,494</u>	<u>3,423</u>

14. ULTIMATE HOLDING COMPANY

The company is a wholly owned subsidiary of Tesco Stores Limited, which is incorporated in Great Britain and registered in England and Wales. The ultimate holding company is Tesco PLC which is also incorporated in Great Britain and registered in England and Wales. Copies of the group accounts can be obtained from the Company Secretary, Tesco PLC, Tesco House, PO Box 18, Delamare Road, Cheshunt, Hertfordshire, EN8 9SL.