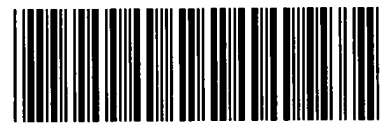


Company Registration No. 01697262

STORES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

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COMPANIES HOUSE

STORES GROUP LIMITED

COMPANY INFORMATION

Directors

J Burke
M Gleeson

Secretary

J Burke

Company number

01697262

Registered office

Hilmore House
Gain Lane
Bradford
West Yorkshire
England
BD3 7DL

Independent Auditors

PricewaterhouseCoopers LLP
Central Square
29 Wellington Street
Leeds
West Yorkshire
England
LS1 4DL

STORES GROUP LIMITED

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STORES GROUP LIMITED

STRATEGIC REPORT

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

The Directors present their Strategic report and the Company's audited financial statements for the period ended 2 February 2020. These financial statements are prepared under United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101).

The term 'Company' refers to Stores Group Limited and the terms 'Group' and 'Morrisons' refer to Wm Morrison Supermarkets PLC and its subsidiary undertakings.

Principal activities and future developments

The principal activity of the Company is that of an intermediate holding company. The Company is expected to continue with its principal activity for the foreseeable future.

Results and dividends

The profit for the financial period amounted to £262,000,000 (2019: result £nil) as the Company received a dividend of £262,000,000 (2019: £nil) from its subsidiary, Safeway Stores Limited.

The Directors authorised and paid an interim dividend of £2,620 per share which absorbed £262,000,000 of shareholders' funds (2019: £nil).

As at 2 February 2020 the Company had net assets of £264,500,000 (2019: £264,500,000).

Principal risks and uncertainties


From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks and uncertainties of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are disclosed on pages 28 and 29 of the Wm Morrison Supermarkets PLC Annual report and Financial Statements 2019/20, which does not form part of this report.

Key performance indicators (KPIs)

The KPIs of the Company are integrated with those of the Group and are not managed separately. The KPIs of the Company, which include those of the Group, are disclosed on pages 1, 5, 20, 21 and 22 of the Wm Morrison Supermarkets PLC Annual Report and Financial Statements 2019/20, which does not form part of this report.

Approval of the Strategic report

The Strategic report was approved by the Board and signed on its behalf by:



J Burke
Director

19 November 2020

STORES GROUP LIMITED

DIRECTORS' REPORT

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

The Directors present their Annual Report and the audited financial statements for the 52 week period ended 2 February 2020. These financial statements are prepared under United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101)

The term 'Company' refers to Stores Group Limited and the terms 'Group' and 'Morrisons' refer to Wm Morrison Supermarkets PLC and its subsidiary undertakings.

Matters discussed in the Strategic report

The Directors have chosen to present certain requirements of the Directors report within the Strategic report on page 1 of the Annual Report and Financial Statements, including the Company's principal activity, business review and details of proposed dividends.

Directors and their interests

The Directors who held office during the period and up to the date of signing of the financial statements were as follows:

J Burke

M Gleeson

J Goff

(appointed 30 January 2020)

(resigned 30 January 2020)

The Company is ultimately wholly owned by Wm Morrison Supermarkets PLC and none of the Directors who held office at the period end held any interest in the shares of the Company or any of its subsidiaries. The interest in the shares of the ultimate parent undertaking held by Directors of that company is disclosed in the Wm Morrison Supermarkets PLC Annual report and Financial Statements 2019/20, which does not form part of this report.

At no time during the period or subsequently did any Director have a material interest in any contract or arrangement with the Company or any of its subsidiaries which was significant in relation to the Group's business.

Going concern

The Directors' assessment of the Company's ability to continue as a going concern as set out in note 1 of these financial statements, has taken into consideration the effect that the current economic climate has on the Group and any implications this may have on the Company.

Notwithstanding net current liabilities of £868,668,000 (2019: £868,668,000), these financial statements have been prepared on a going concern basis.

The Company is a subsidiary undertaking of Wm Morrison Supermarkets PLC. The Company has obtained a letter of support from Wm Morrison Supermarkets PLC that confirms financial support will be provided where required, for the foreseeable future and at least twelve months from the date of signing the financial statements and, in particular, it will not demand repayment of any amounts currently outstanding.

Internal control

The Board is responsible for the system of internal control within the Company and for reviewing its effectiveness. The control system is intended to manage rather than eliminate the risk of not meeting the Company's strategic objectives. Any such system can only provide reasonable, not absolute, assurance against material misstatement or loss.

Directors' and Officers' liability insurance

The Group maintains insurance cover for the protection of Directors and senior management from personal liabilities and costs which may arise in the course of fulfilling their duties. this insurance was in force during the 52 weeks ended 2 February 2020 and to the date of approval of the Company financial statements.

STORES GROUP LIMITED

DIRECTORS' REPORT

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

Corporate and social responsibility

The Group recognises the importance of its corporate and social responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the Group's activities. The Company operates in accordance with Group policies, which are described in the Group's Annual report and financial statements 2019/20, which do not form part of this report. Initiatives designed to minimise the Group's impact on the environment include recycling and reducing energy consumption.

Political donations

There were no political donations for the period (2019: none) and the Company did not incur any political expenditure (2019: £nil).

Financial risk management

The financial risk management and policies of the Company are consistent with those of the Group. For further details, see pages 113 and 114 of the Wm Morrison Supermarkets PLC Annual Report and Financial Statements 2019/20, which does not form part of this report.

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

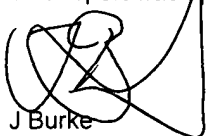
The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have 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.

This report was approved by the Board and signed on its behalf by:



J Burke

Director

19 November 2020

STORES GROUP LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF STORES GROUP LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Stores Group Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 2 February 2020 and of its profit for the 52 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial statements (the "Annual Report"), which comprise: the balance sheet as at 2 February 2020; the income statement and the statement of changes in equity for the 52 week period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

STORES GROUP LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF STORES GROUP LIMITED

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 2 February 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors 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.

In preparing the financial statements, the Directors are responsible for 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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

STORES GROUP LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF STORES GROUP LIMITED

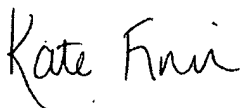
Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Kate Finn (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditor
Leeds
19 November 2020

STORES GROUP LIMITED

INCOME STATEMENT

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

		52 Weeks ended 2 February 2020 £000	52 Weeks ended 3 February 2019 £000
	Note		
Income from shares in Group undertakings		262,000	-
Profit/result on ordinary activities before taxation	3	<u>262,000</u>	<u>-</u>
Tax on profit/result on ordinary activities	4	-	-
Profit/result for the financial period		<u>262,000</u>	<u>-</u>

The income statement has been prepared on the basis that all operations are continuing operations.

There were no amounts recognised in other comprehensive income other than those included in the income statement.

The notes on pages 10 to 17 form part of these financial statements.

STORES GROUP LIMITED

BALANCE SHEET

AS AT 2 FEBRUARY 2020

	Note	2020 £000	2019 £000
Fixed assets			
Investments	6	1,133,168	1,133,168
Current assets			
Debtors	8	716,900	716,900
Creditors: amounts falling due within one year	9	(1,585,568)	(1,585,568)
Net current liabilities		(868,668)	(868,668)
Net assets		264,500	264,500
Shareholders' equity			
Called-up share capital	10	100	100
Retained earnings		264,400	264,400
Total shareholders' funds		264,500	264,500

The notes on pages 10 to 17 form part of these financial statements.

The financial statements on pages 7 to 17 were approved by the Board of Directors and authorised for issue on 19 November 2020 and are signed on its behalf by:


M Gleeson
Director

Company Registration No. 01697262

STORES GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

	Note	Called-up share capital £000	Retained earnings £000	Total shareholders' funds £000
Balance at 5 February 2018 and 3 February 2019		100	264,400	264,500
Profit for the financial period		-	262,000	262,000
Dividends	5	-	(262,000)	(262,000)
Balance at 2 February 2020		100	264,400	264,500

The notes on pages 10 to 17 form part of these financial statements.

STORES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

1 Accounting policies

Company information

Stores Group Limited is a private company, limited by shares, incorporated and domiciled in the United Kingdom. The registered office is Hilmore House, Gain Lane, Bradford, West Yorkshire, England, BD3 7DL.

Basis of preparation of financial statements

These financial statements of the Company have been prepared in accordance with the Companies Act 2006 (the Act) as applicable to companies using Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). 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 as it is a member of a group which prepares publicly available consolidated financial statements and it is included in the consolidation for that group.

Going concern

These financial statements, which have been prepared on a going concern basis, under the historic cost convention and in accordance with applicable accounting standards in the United Kingdom, are presented as required by the Companies Act.

The Directors' assessment of the Company's ability to continue as a going concern has taken into consideration the effect that the current economic climate has on the Group and any implications this may have on the Company. The assessment specifically considered the impact that Covid-19 has had on the Group during the period since the reporting date and the ongoing economic uncertainty that exists, as set out in the Group's interim financial results for the 26 weeks ended 2 August 2020.

Whilst the pandemic has had a temporary impact on the Group's performance during the period through to the approval of these financial statements, the Group has continued to trade strongly, maintains a robust financial position providing it with sufficient access to liquidity to meet its needs in the short and medium-term, and has modelled its ability to absorb a number of more extreme downside scenarios than those experienced. Considering the nature of the Company's principal activities in the context of the Group, the Directors conclude that the Covid-19 pandemic does not present a significant risk to the going concern of the Company.

Further to this, the Company has obtained a letter of support from Wm Morrison Supermarkets PLC that confirms financial support will be provided where required, for the foreseeable future and at least twelve months from the date of signing the financial statements and, in particular, it will not demand repayment of any amounts currently outstanding.

Based on the Directors' assessment above and notwithstanding the Company having net current liabilities of £868,668,000 (2019: £868,668,000) these financial statements have been prepared on a going concern basis.

STORES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

1 Accounting policies

(Continued)

Basis of preparation of financial statements (continued)

Disclosure exemptions

The disclosure exemptions adopted by the Company in preparation of these financial statements in accordance with FRS 101 are as follows:

- a) IAS 1, 'Presentation of financial statements' (paragraph 38) – comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1;
- b) The following paragraphs of IAS 1, 'Presentation of financial statements':
 - (i) 10(d), (statement of cash flows);
 - (ii) 111 (cash flow statement information); and
 - (iii) 134-136 (capital management disclosures);
- c) IAS 7, 'Statement of cash flows';
- d) IAS 8 'Accounting policies, changes in accounting estimates and errors' (paragraph 30 and 31) – requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective;
- e) IFRS 7, 'Financial Instruments: Disclosures';
- f) The following requirements of IAS 24, 'Related party disclosures':
 - (i) paragraph 17 – key management compensation; and
 - (ii) the requirements to disclose related party transactions entered into with two or more wholly owned members of a group.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The area involving a higher degree of judgement or complexity, or area where assumptions and estimates are significant to the financial statements is impairment of non-financial assets. For further details, see pages 83 and 84 of the Wm Morrison Supermarkets PLC Annual Report and Financial Statements 2019/20, which does not form part of this report. The Directors do not expect Covid-19 to have a material impact on the judgements and estimates impacting the balance sheet as at 2 February 2020.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

STORES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

1 Accounting policies

(Continued)

New accounting standards, amendments and interpretations adopted by the Company

The following new standards, interpretations and amendments to standards are mandatory for the first time for the financial period ended 2 February 2020:

- IFRS 16 'Leases'; and
- IFRIC 23 'Uncertainty over Income Tax Treatments'

Amendments to the following standards:

- IAS 19 'Employee Benefits';
- IAS 28 'Investments in Associates';
- IFRS 9 'Financial Instruments'; and
- Improvements to IFRSs (2015-2017)

The Company has considered the above new standards, and amendments to published standards, and has concluded that they are either not relevant to the Company or they do not have a significant impact on the Company's financial statements.

Accounting reference date

The accounting period of the Company ends on the Sunday falling between 29 January and 4 February each year.

Current taxation

The current income tax charge is calculated on the basis of the tax laws in effect during the period and any adjustments to tax payable in respect of previous periods. Taxable profit differs from the profit as reported in the profit for the period as it is adjusted both for items that will never be taxable or deductible, and temporary differences. Current tax is charged to profit for the period, except when it relates to items charged or credited directly in other comprehensive income or equity in which case the current tax is reflected in other comprehensive income or equity as appropriate.

Deferred taxation

Accruals for tax contingencies require management to make judgements and estimates of the probable outcome of tax compliance issues. All accruals are included in current liabilities.

Amounts owed to/by Group undertakings

Amounts owed to/by Group undertakings are initially recorded at fair value, which is generally the proceeds received. They are subsequently carried at amortised cost. The amounts are non-interest-bearing and repayable on demand.

Investments

Investments comprise investments in equity instruments held for long term investment. They are measured at fair value through other comprehensive income, where the fair value can be measured reliably. Where the fair value of the instruments cannot be measured reliably, for example, when there is variability in the range of estimates, the investments are recognised at cost less accumulated impairment losses.

STORES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

1 Accounting policies

(Continued)

Impairment of non-financial assets

The Company tests non-financial assets if events or changes in circumstances indicate that the carrying amount may not be recoverable. Testing is performed at the level of a cash generating unit (CGU) in order to compare the CGU's recoverable amount against its carrying value. An impaired CGU is written down to its recoverable amount, which is the higher of value in use or its fair value less costs to dispose. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2 Employees and Directors

The Company does not have any employees (2019: none).

The emoluments of the Directors are paid by Wm Morrison Supermarkets PLC which makes no recharge to the Company. It is not possible to make an accurate apportionment of the emoluments of the Directors between Wm Morrison Supermarkets PLC and fellow subsidiaries. Accordingly, the above details include no emoluments in respect of Directors.

Where the Directors are also Directors of the ultimate parent company, Wm Morrison Supermarkets PLC, details of the emoluments and accrued benefits under the defined benefit pension schemes that the Directors received for the Period ended 2 February 2020 are disclosed in the Annual report and financial statements of that company.

3 Profit/result on ordinary activities before taxation

During the 52 weeks ended 2 February 2020, the Company received a dividend of £262m from its subsidiary, Safeway Stores Limited (2019: £nil).

Audit fees and expenses of £1,000 (2019: £nil) were borne by Safeway Limited. There are no fees in relation to non-audit services (2019: none).

STORES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

4 Tax on profit/result on ordinary activities

There was no corporation tax payable or receivable in the 52 weeks ended 2 February 2020 (2019: £nil).

The tax for the current period is different (2019: equal) to the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £000	2019 £000
Profit/result before taxation	262,000	-
Expected tax charge based on a corporation tax rate of 19% (2019: 19%)	49,780	-
Income not taxable	(49,780)	-
Total tax charge for the period	-	-

Factors affecting current and future tax charges

Legislation to reduce the standard rate of corporation tax to 17% from 1 April 2020 was included in Finance Act 2016 and was enacted in a previous period. The March 2020 Budget cancelled the planned reduction to 17% so the UK statutory tax rate will remain at 19% from 1 April 2020.

5 Dividends

Amounts recognised as distributions to equity holders in the period:

	2020 £000	2019 £000
Interim dividend for the period ended 2 February 2020 of £2,620 per share (2019: £nil per share)	262,000	-

6 Investments

	2020 £000	2019 £000
Investments in subsidiaries	1,133,168	1,133,168

The Directors believe that the carrying value of the investments is supported by either their underlying net assets or their future discounted cash flows.

In accordance with section 409 of the Companies Act 2006, a full list of related undertakings including the country of incorporation, the principal activity and the effective percentage of equity owned as at 2 February 2020 is disclosed below in note 7. The registered address of all undertakings is Hilmore House, Gain Lane, Bradford, BD3 7DL unless otherwise stated.

STORES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

7 Related undertakings

Details of the Company's related undertakings at 2 February 2020 are as follows:

Related undertaking	Country of incorporation	Ownership interest (%)	Principal activity
Safeway Stores Limited**	United Kingdom	100	Grocery Retailer
Presto Stores Limited	United Kingdom	100	Dormant
Safeway Food Stores Limited	United Kingdom	100	Dormant
Alliance Property Holdings Limited	United Kingdom	100	Dormant
Amos Hinton and Sons Limited	United Kingdom	100	Dormant
Argyle Securities Limited*	United Kingdom	100	Dormant
Cordon Bleu Freezer Food Centres Limited	United Kingdom	100	Dormant
English Real Estates Limited	United Kingdom	100	Dormant**
Evermere Limited	United Kingdom	100	Dormant
Federated Properties Limited	United Kingdom	100	Dormant
Freehold Investments Limited***	Jersey	100	Property investment
J3 Property Limited*	United Kingdom	100	Dormant
Lease Securities Limited***	Jersey	100	Property management
Maypole Limited****	Guernsey	100	Investment company*****
Oldwest Limited*	United Kingdom	100	Dormant
Presto Stores (LC) Limited	United Kingdom	100	Dormant
Safeway Development Limited	United Kingdom	100	Dormant
Safeway (Overseas) Limited	United Kingdom	100	Grocery retailer (overseas)
Safeway Pension Trustees Limited	United Kingdom	100	Dormant
Safeway Pension Trustees Company Limited	United Kingdom	100	Dormant
Safeway Properties Limited	United Kingdom	100	Property investment
Safeway Stores (Gibraltar) Pension Trustees Limited*****	Gibraltar	50	Dormant
Safeway Stores (Ireland) Limited	United Kingdom	100	Dormant
Stalwart Investments Limited***	Jersey	100	Property investment
The Medical Hall Limited*****	Gibraltar	100	Pharmaceutical licence holder (Gibraltar)
Velligrist Limited	United Kingdom	100	Dormant

STORES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

7 Related undertakings

(Continued)

* Registered address Capella Building (Tenth Floor), 60 York Street, Glasgow, G2 8JX

** Neerock Limited, a subsidiary of the Morrisons Group, owns one share in this entity

*** Registered address Lime Grove House, Green Street, St Helier, Jersey, JE1 2ST

**** Registered address 1st and 2nd floors, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey, GY1 1EW

***** Wm Morrison Supermarkets PLC, a subsidiary of the Morrisons Group, owns one share in this entity

***** Registered address Suites 41/42 Victoria House, 26 Main Street, Gibraltar

***** Registered address 1st Floor, 5 Secretary's Lane, Gibraltar, GX11 1AA

8 Debtors

	2020 £000	2019 £000
Amounts owed by Group undertakings	716,900	716,900

Amounts owed by Group undertakings are non-interest bearing, unsecured and are repayable on demand.

Provisions for impairment of amounts owed by Group undertakings have been assessed on lifetime expected credit losses. As all balances are repayable on demand, and the Company expects to be able to recover the outstanding intercompany balances if demanded, no provision has been recognised in the 52 weeks ended 2 February 2020 (2019: £nil).

9 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Amounts owed to Group undertakings	1,585,568	1,585,568

Amounts owed to Group undertakings are non-interest bearing, unsecured and are repayable on demand.

10 Called-up share capital

	2020 £000	2019 £000
100,000 (2019: 100,000) Ordinary shares of £1 each	100	100

All issued shares are fully paid.

STORES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEKS ENDED 2 FEBRUARY 2020

11 Post balance sheet event

Impact of the Covid-19 pandemic

The Covid-19 outbreak was largely confined to China as at the 2 February 2020, but developed quickly in the weeks following this. On 11 March the World Health Organisation declared the virus a pandemic, and from 16 March the UK Government announced social distancing measures which impacted day-to day life, with additional, stay at home measures being enforced later. As the subsequent impact on the UK was not apparent at the balance sheet date it has been concluded this represents a non-adjusting post balance sheet event. The Directors have reassessed the position as at the date of signing these financial statements and there is no change in view regarding the pandemic being considered a non-adjusting event.

12 Ultimate holding company

The immediate parent undertaking is Safeway Limited.

The ultimate parent undertaking, controlling party and head of the smallest and largest group in which the results of the Company are consolidated is Wm Morrison Supermarkets PLC which is incorporated in United Kingdom and registered in England and Wales.

Copies of the financial statements of Wm Morrison Supermarkets PLC are available from:

The Company Secretary
Wm Morrison Supermarkets PLC
Hilmore House
Gain Lane
Bradford
West Yorkshire
BD3 7DL