

2686810

GEORGE DAVIES HOLDINGS LIMITED

Report and Accounts

31 December 2002

 ERNST & YOUNG



# George Davies Holdings Limited

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Registered No. 2686810

## **DIRECTOR**

A De Nunzio

## **SECRETARY**

D N Jagger

## **AUDITORS**

Ernst & Young LLP  
Cloth Hall Court  
14 King Street  
Leeds  
LS1 2JN

## **SOLICITORS**

Slaughter & May  
36 Basinghall Street  
London  
EC2B 7DB

## **REGISTERED OFFICE**

ASDA House  
Southbank  
Great Wilson Street  
Leeds  
LS11 5AD

DIRECTOR'S REPORT

The director presents his report and the accounts for the year ended 31 December 2002.

**RESULTS AND DIVIDENDS**

The company did not trade in this year or the prior period, and no other gains or losses were recognised. Accordingly neither a profit and loss account nor statement of total recognised gains and losses have been presented.

**PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The company's principal activity continued to be investment holding. The company is not expected to trade in the coming year.

**DIRECTOR AND HIS INTERESTS**

The director of the company during the year, at the year end and at the date of this report is listed on page 1.

The director's shareholdings and share options are holdings and options in Wal-Mart Stores, Inc. As Wal-Mart Stores, Inc. is incorporated in the USA, disclosure of these interests is not required.

**AUDITORS**

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the members at the Annual General Meeting.

On behalf of the board



A De Nunzio  
Director

27 June 2003

## George Davies Holdings Limited

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### STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the director to prepare accounts for each financial period which 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 those accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF GEORGE DAVIES HOLDINGS LIMITED**

We have audited the company's financial statements for the year ended 31 December 2002 which comprise the Balance Sheet and the related notes 1 to 8. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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.

**Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2002 and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & Young LLP*

Ernst & Young LLP  
Registered Auditor  
Leeds

*27 June 2003*

# George Davies Holdings Limited

## BALANCE SHEET as at 31 December 2002

		<i>31 December</i>	<i>31 December</i>
		<i>2002</i>	<i>2001</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
<b>FIXED ASSETS</b>			
Investments	3	3,200,004	3,200,004
<b>CURRENT ASSETS</b>			
Debtors	4	3,154,779	3,154,779
<b>CREDITORS: amounts falling due within one year</b>	5	(264,110)	(264,110)
<b>NET CURRENT ASSETS</b>		2,890,669	2,890,669
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,090,673	6,090,673
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	2,996,002	2,996,002
Capital redemption reserve	7	204,000	204,000
Profit and loss account	7	2,890,671	2,890,671
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>		6,090,673	6,090,673

**ERNST & YOUNG**



A De Nunzio  
Director

27 June 2003

# George Davies Holdings Limited

## NOTES TO THE ACCOUNTS as at 31 December 2002

### 1. ACCOUNTING POLICIES

#### *Accounting convention*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### *Group accounts*

Consolidated group accounts have not been prepared on the grounds that the company's results will be included in the consolidated accounts of Asda Group Limited, the immediate parent undertaking. These financial statements therefore present information about the company as an individual entity and not about its group.

#### *Investments*

Investments are stated at the lower of cost and net realisable value less any impairment value.

### 2. DIRECTORS' REMUNERATION

The directors' and auditors' remuneration are borne by ASDA Group Limited.

### 3. INVESTMENTS

	2002 £
Unlisted:	
Investment in subsidiary undertakings	3,200,004
Cost:	
At 31 December 2002 and 31 December 2001	3,305,004
Provision for impairment:	
At 31 December 2002 and 31 December 2001	105,000
Net book amount	3,200,004

In the directors' opinion, the aggregate value of investments in subsidiaries is not less than the balance sheet value.



# George Davies Holdings Limited

## NOTES TO THE ACCOUNTS

as at 31 December 2002

### 3. INVESTMENTS (continued)

Details of the investments in which the company hold more than 10% of the nominal value of any class of share capital are as follows:

<i>Name of company</i>	<i>Country of registration (or incorporation) and operation</i>	<i>Holding Proportion of voting rights and share held</i>
Subsidiary undertakings:		
Bandsound Limited	England and Wales	Ordinary shares 80%
George Davies Partnership Limited	England and Wales	Ordinary shares 100%*

\* Indirectly held

### 4. DEBTORS

<i>31 December</i>	<i>31 December</i>
<i>2002</i>	<i>2001</i>
<i>£</i>	<i>£</i>

Amounts owed by fellow subsidiary undertakings	3,154,779	3,154,779
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### 5. CREDITORS: amounts falling due within one year

<i>31 December</i>	<i>31 December</i>
<i>2002</i>	<i>2001</i>
<i>£</i>	<i>£</i>

Amounts owed to fellow subsidiary undertakings	264,110	264,110
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### 6. CALLED UP SHARE CAPITAL

#### Authorised

At 31 December 2001 and 31 December 2002

	<i>No.</i>	<i>£</i>
"A" Ordinary shares of £1 each	5,000,000	5,000,000

# George Davies Holdings Limited

## NOTES TO THE ACCOUNTS

as at 31 December 2002

### Allotted, called up and fully paid

At 31 December 2001 and 31 December 2002

	No.	£
"A" Ordinary shares of £1 each	2,996,002	2,996,002

### 7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share Capital	Capital redemption reserve	Profit and loss account	Total shareholders funds
	£	£	£	£
At 31 December 2002 and 31 December 2001	2,996,002	204,000	2,890,671	6,090,673

### 8. PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is Asda Group Limited, a company incorporated in England and Wales.

The smallest group at which consolidated accounts are prepared is Asda Group Limited. Copies of these accounts are available from Companies House; Crown Way; Cardiff, CF4 3UZ.

In the directors' opinion, the ultimate parent undertaking and controlling party is Wal-Mart Stores, Inc. which is incorporated in the USA. Copies of its consolidated accounts, which include this company, can be obtained from the Company Secretary, Wal-Mart Stores, Inc., Corporate Offices, 702 SW 8<sup>th</sup> Street, Bentonville, AR72716, USA.