

COMPANY NUMBER: 2721178

J SAINSBURY EXECUTIVE PENSION SCHEME TRUSTEES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the period ended 31st March 2001



J Sainsbury Executive Pension Scheme Trustees Limited
Report of the Directors
for the 52 weeks to 31st March 2001

Review of the Business

The Company acts as Corporate Trustee of the J Sainsbury Executive Pension Scheme. The Company did not trade during the financial year and accordingly no profit and loss account, statement of recognised gains and losses or note of historical cost profits and losses have been prepared. The position as at 31st March 2001 is shown in the balance sheet on page 5.

Future Developments

No trading activity is planned in the Company in the next financial year.

Directors and their Interests

The Directors during the period were:-

J E Adshead CBE	
I D Coull	
J M E Evans	
R J Matthews	
R M Crann	
B A Crouch	
C P Pardoe	(Appointed 8 th March 2001)
J A Renshaw	(Resigned 7 th December 2000)
Sir Terence Heiser GCB	(Resigned 26th July 2000)
D Ware	(Resigned 8th March 2001)

J E Adshead, I D Coull and R J Matthews are also Directors of J Sainsbury plc.

J Sainsbury Executive Pension Scheme Trustees Limited

The Directors' shareholdings and options to purchase shares under Share Option Schemes in the ultimate parent company, J Sainsbury plc are as follows:-

		<u>Ordinary shares</u>			
		31 st March		2nd April	
		2001		2000	
J M E Evans		17,602		15,348	
R M Crann		1,915		1,741	
B A Crouch		7,435		7,001	
C P Pardoe		-		-	*
		<u>Options</u>			
		31 st March	Granted	Exercised	Lapsed
		2001	during period	during period	during period
					2nd April
					2000
J M E Evans	174,338	48,529	(1,234)	-	127,043
R M Crann	8,634	5,918	(220)	-	2,936
B A Crouch	37,156	10,458	-	(654)	27,352
C P Pardoe	30,855	-	-	-	30,855*

* At date of appointment

The Directors do not have any interests in the share capital of the Company.

There are three J Sainsbury Executive Pension Scheme Trustees Limited Directors who are also Directors of J Sainsbury plc. The interests of these Directors are disclosed in the Annual Accounts of J Sainsbury plc.

Auditors

In accordance with the Provision of Section 379A of the Companies Act 1985 (as amended) the Company has elected pursuant to Section 386 of the Act to dispense with the obligation to appoint auditors annually. PricewaterhouseCoopers will therefore continue in office.

By Order of the Board

H D Jarvis
Secretary



J Sainsbury Executive Pension Scheme Trustees Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company at the end of the period, 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

J Sainsbury Executive Pension Scheme Trustees Limited

AUDITORS' REPORT to the members of J Sainsbury Executive Pension Scheme Trustees Limited

We have audited the financial statements on pages 5 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of Directors and Auditors

The Directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with 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 the Company's affairs at 31st March 2001 and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers *PricewaterhouseCoopers*
Chartered Accountants and Registered Auditors
London

Date: 7 AUGUST 2001

J Sainsbury Executive Pension Scheme Trustees Limited

Balance Sheet

31st March 2001

	<u>Note</u>	2001 £	2000 £
Fixed Assets			
Investments	3	<u>1</u>	<u>1</u>
 Current Assets			
Debtors - amount owed by parent undertaking		2	2
Creditors - amounts falling due within one year			
Amount due to group undertaking		<u>(1)</u>	<u>(1)</u>
Net Current Assets		<u>1</u>	<u>1</u>
Total Assets less Current Liabilities		<u>2</u>	<u>2</u>
 Capital and Reserves			
Called up share capital	4	<u>2</u>	<u>2</u>

Approved by the Board on 1st August 2001 and signed on its behalf by

Director



The notes on pages 6 and 7 form part of these financial statements.

J Sainsbury Executive Pension Scheme Trustees Limited
Notes to the Financial Statements
for the 52 weeks to 31st March 2001

1. Accounting Policies

- a) These financial statements have been prepared under the historical cost convention, the accounting policies set out below and comply with all applicable accounting and financial reporting standards.
- b) Fixed asset investments are held at cost less any impairment.

2. Expenses

The Company has not traded during the period and any expenses incurred, including auditors' remuneration, have been borne by participating companies in the J Sainsbury plc group. The average monthly number of persons (including Executive Directors) employed by the Company during the period was nil (2000 : nil).

All of the Directors are also Directors or employees of the parent company J Sainsbury plc or other group undertakings. For those Directors who are also directors of J Sainsbury plc their emoluments are borne by J Sainsbury plc. However, the Directors do not believe it is possible to meaningfully allocate these emoluments between their respective duties. The emoluments of those Directors who are directors of the parent company are disclosed in the accounts of J Sainsbury plc. The Directors do not receive any remuneration from the Company (2000: nil).

3. Fixed Asset Investments

	2001	2000
	£	£
At the beginning of the period	1	-
Additions	-	1
Disposals	-	-
At the end of the period	<u>1</u>	<u>1</u>

The Company owns 1 share (being 50% of the called up share capital) of J Sainsbury Common Investment Fund Limited, the corporate trustee of the J Sainsbury Common Investment Fund.

The Company is exempt under Section 228(1) of the Companies Act 1985 from the requirement to prepare consolidated accounts as it and its subsidiary undertaking are included by full consolidation in the consolidated accounts of its ultimate parent J Sainsbury plc.

4. Called Up Share Capital

The authorised share capital comprises 100 Ordinary shares of £1 each. The issued, called up and fully paid share capital comprises 2 Ordinary shares of £1 each.

5. Ultimate Parent Undertaking and Controlling Party

The ultimate and immediate parent undertaking is J Sainsbury plc, which is registered in England and Wales. Copies of the parent's consolidated accounts may be obtained from The Secretary, J Sainsbury plc, Stamford House, Stamford Street, London SE1 9LL.

J Sainsbury Executive Pension Scheme Trustees Limited
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6. Cash Flow Statement

The Company has adopted Financial Reporting Standard 1 (Revised) and under the exemptions allowed for subsidiary companies has not prepared a Cash Flow Statement.

7. Related Party Transactions

The Company is exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the J Sainsbury plc group.