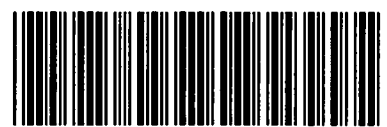


COSTCO LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 AUGUST 2022
Company Registration No. 02776034 (England and Wales)

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COMPANIES HOUSE

COSTCO LIMITED

COMPANY INFORMATION

Directors	L C Silveira R N Shah P R Kelly P Riel	(Appointed 25 October 2021) (Appointed 11 April 2022)
Secretary	R N Shah	
Company number	02776034	
Registered office	UK Home Office Hartspring Lane Watford Hertford UK WD25 8JS	
Auditor	KPMG LLP 1 Sovereign Square, Sovereign Street Leeds LS1 4DA	
Business address	UK Home Office Hartspring Lane Watford Hertford UK WD25 8JS	

COSTCO LIMITED

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COSTCO LIMITED

DIRECTORS' REPORT

FOR THE 52 WEEKS ENDED 28 AUGUST 2022

The directors present their annual report on the affairs of the Company together with the financial statements and auditor's report, for the 52 weeks ended 28 August 2022. Comparative figures are shown for the 52 weeks ended 29 August 2021.

Due to being a small company, the entity has taken the exemption from producing a strategic report.

Principal activities

The company is a wholly owned subsidiary of the Costco Wholesale UK Limited group ("The Group") which is engaged in operating cash & carry membership warehouses.

The principal activity of the company has been the holding of a freehold property for the group's operations and subsequent leaseback to the operating company, Costco Wholesale UK Limited.

The directors continue to review the property structure of the UK group, including Costco Limited, and are currently evaluating if there is a continued need to have the remaining property in a separate company. The timeframe for any decisions being made is over a year away from the date of signing these financial statements.

Directors

The directors who held office during the 52 weeks and up to the date of signature of the financial statements were as follows:

L C Silveira

R N Shah

P R Kelly

P Riel

J P Murphy

(Appointed 25 October 2021)

(Appointed 11 April 2022)

(Resigned 11 April 2022)

Going Concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons. The company was set up to hold a property that is rented to its immediate parent undertaking and receives stable rental income.

The company is reliant on Costco Wholesale UK Limited for its working capital requirements. The directors have performed a going concern assessment for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its immediate parent company, Costco Wholesale UK Limited, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Costco Wholesale UK Limited providing additional financial support during that period. Costco Wholesale UK Limited has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the assessment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Auditor

Pursuant to a shareholders' resolution, the company is not obliged to reappoint its auditor annually and KPMG LLP will therefore continue in office.

COSTCO LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE 52 WEEKS ENDED 28 AUGUST 2022

Statement of disclosure to auditor

The directors who held office at the date of approval of this directors' report confirm that so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Results and Dividends

The results are inconsistent year after year and are in line with the Director's expectations.

The directors do not recommend payment of dividend for the year (2021:nil)

Key performance indicators and outlook

The directors use the turnover, profit before tax and retained profit as the key performance indicators. Rental income was consistent with the prior period as the property leased to the operating company has a fixed annual rent which was unchanged

Under the current lease contract held by the company future rental income is expected to remain steady for the foreseeable future, subject to any impact from changes in the group property structure.

The senior management team of the group meet on a regularly basis in order to discuss and ensure that appropriate measures are in place to safeguard the operations and financial position of our business including the health of our employees and members in all our locations.

The company's parent company, Costco Wholesale UK Limited, has sufficient financial resources to continue to pay rentals due under the lease.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board

DocuSigned by:

.....
R N Shah

CE5905E13754F3...

Secretary

UK Home Office

Hartspring Lane

Watford

Hertfordshire

WD25 8JS

Date: 22.05.2023

COSTCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE 52 WEEKS ENDED 28 AUGUST 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COSTCO LIMITED

Opinion

We have audited the financial statements of Costco Limited ("the Company") for the period ended 28 August 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 August 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going Concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

Fraud and breached of law and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("Fraud Risk") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Considering remuneration incentive schemes and performance targets for management and directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risk throughout the audit team and remained alert to any indications of fraud throughout the audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF COSTCO LIMITED

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to the nature of revenue in the Company being expenses recharged to the parent companies.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Company-wide fraud risk management controls.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery, employment law and liquidity, recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF COSTCO LIMITED

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

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

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial period is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF COSTCO LIMITED

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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.



Katharine L'Estrange (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square, Sovereign Street
Leeds.
LS1 4DA

Date **24 May 2023**

COSTCO LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE 52 WEEKS ENDED 28 AUGUST 2022**

		Period ended 28 August 2022 £'000	Period ended 29 August 2021 £'000
	Notes		
Turnover	3	1,176	1,176
Administrative expenses	4	(417)	(417)
Profit before taxation		759	759
Tax on profit	7	(182)	(210)
Profit for the financial 52 weeks		577	549
Other comprehensive income		-	-
Total comprehensive income for the 52 weeks		577	549

There were no recognised gains or losses in either period other than the result for each period.

All operations of the company continued throughout the current period. No operations were acquired or disposed during either financial period.

The notes on pages 11 to 16 form part of these financial statements.

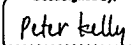
COSTCO LIMITED**BALANCE SHEET****AS AT 28 AUGUST 2022**

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	8		11,865		12,282
Current assets					
Debtors	9	186,346		185,392	
Net current assets			186,346		185,392
Total assets less current liabilities			198,211		197,674
Provisions for liabilities	10		(34)		(74)
Net assets			198,177		197,600
Capital and reserves					
Called up share capital	12		2,000		2,000
Share premium account			137,498		137,498
Profit and loss reserves			58,679		58,102
Total equity			198,177		197,600

The notes on pages 11 to 16 form part of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 22.05.2023 and are signed on its behalf by:

DocuSigned by:

 P R Kelly
 Director

Company Registration No. 02776034

COSTCO LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE 52 WEEKS ENDED 28 AUGUST 2022**

	Share capital £'000	Share premium account £'000	Profit and loss reserves £'000	Total £'000
Balance at 31 August 2020	2,000	137,498	57,553	197,051
Period ended 29 August 2021: Profit and total comprehensive income for the period	-	-	549	549
Balance at 29 August 2021	2,000	137,498	58,102	197,600
Period ended 28 August 2022: Profit and total comprehensive income for the period	-	-	577	577
Balance at 28 August 2022	2,000	137,498	58,679	198,177

The notes on pages 11 to 16 form part of these financial statements.

COSTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED 28 AUGUST 2022

1 Accounting policies

Company information

Costco Limited (the "Company") is a company limited by shares and registered in England and Wales. The principal accounting policies are summarised below. The accounting period covers 30 August 2021 to 28 August 2022. Comparative figures are shown for 31 August 2020 to 29 August 2021.

The Company's parent undertaking, Costco Wholesale UK Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Costco Wholesale UK Limited are available to the public and may be obtained from UK Home Office, Hartspring Lane, Watford, WD25 8JS. In these financial statements the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in March 2018. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000. The financial statements are prepared on the historical cost basis.

1.2 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons. The company was set up to hold a property that is rented to its immediate parent undertaking and receives stable rental income.

The company is reliant on Costco Wholesale UK Limited for its working capital requirements. The directors have performed a going concern assessment for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its immediate parent company, Costco Wholesale UK Limited, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Costco Wholesale UK Limited providing additional financial support during that period. Costco Wholesale UK Limited has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the assessment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Turnover

Turnover comprises rent receivable on property leases (excluding VAT and similar taxes) on an accruals basis.

COSTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEKS ENDED 28 AUGUST 2022

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

In accordance with FRS 102 the company is permitted to take up the option for investment property rented to another group entity to be treated as a tangible fixed asset. The Company has chosen this option and the property owned by the Company is shown at cost less accumulated depreciation.

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follow:

Freehold land and buildings	15-50 Years
-----------------------------	-------------

1.5 Basic financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

1.6 Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

2 Significant judgements and estimates

The preparation of financial statements usually requires management to make judgements, estimates and assumptions in applying the accounting policies. Any estimates and 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, with revisions to accounting estimates applied prospectively.

There were no judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

COSTCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE 52 WEEKS ENDED 28 AUGUST 2022****3 Turnover and other revenue**

	2022	2021
	£'000	£'000
Turnover analysed by class of business		
Rental income	1,176	1,176
	<u>1,176</u>	<u>1,176</u>
	2022	2021
	£'000	£'000
Turnover analysed by geographical market		
UK	1,176	1,176
	<u>1,176</u>	<u>1,176</u>

Turnover comprises rental income from a property lease with the parent undertaking arising wholly in the UK.

4 Operating profit

	2022	2021
	£'000	£'000
Operating profit for the period is stated after charging:		
Depreciation of owned tangible fixed assets	417	417
	<u>417</u>	<u>417</u>

5 Auditor's remuneration

	2022	2021
	£'000	£'000
Fees payable to the company's auditor and associates:		
For audit services	-	-
	<u>-</u>	<u>-</u>

Audit fees of £2,000 (2021: £2,000) for the company are borne by the parent company.

6 Employees

The average monthly number of persons (including directors) employed by the company during the 52 weeks was:

	2022	2021
	Number	Number
Total	-	-
	<u>-</u>	<u>-</u>

The company did not have any employees during the period.

During the period, no director was remunerated through the company (2021: £Nil). The notional cost of directors not remunerated through the company has been considered and is deemed to be trivial for the period ending 28 August 2022 nor for period ending 29 August 2021.

COSTCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE 52 WEEKS ENDED 28 AUGUST 2022****7 Taxation**

	2022	2021
	£'000	£'000
Current tax		
UK corporation tax on profits for the current period	222	222
	<u>222</u>	<u>222</u>
Deferred tax		
Origination and reversal of timing differences	(40)	(12)
	<u>(40)</u>	<u>(12)</u>
Total tax charge	<u>182</u>	<u>210</u>

The actual charge for the 52 weeks can be reconciled to the expected charge for the 52 weeks based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£'000	£'000
Profit before taxation	759	759
	<u>759</u>	<u>759</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	144	144
Tax effect of expenses that are not deductible in determining taxable profit	78	-
Permanent differences	-	48
Impact of tax rate changes (CT rate 19% vs DT 20%)	(40)	18
	<u>182</u>	<u>210</u>
Taxation charge for the period	<u>182</u>	<u>210</u>

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. The deferred tax liability at 28 August 2022 has been calculated based on these rates, reflecting the expected timing of reversal of the related temporary differences (2021:19%).

COSTCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE 52 WEEKS ENDED 28 AUGUST 2022**8 Tangible fixed assets****Freehold land
and buildings**
£'000**Cost**

At 30 August 2021 and 28 August 2022

20,159

Depreciation and impairment

At 30 August 2021

7,877

Depreciation charged in the 52 weeks

417

At 28 August 2022

8,294

Carrying amount

At 28 August 2022

11,865

At 29 August 2021

12,282

Freehold land amounting to £7,090,000 (2021: £7,090,000) has not been depreciated.

9 Debtors**Amounts falling due within one year:****2022**
£'000**2021**
£'000

Amounts owed by group undertakings

186,346

185,392

Amount owed by group undertakings are non-interest bearing and payable on demand.

10 Provisions for liabilities**Notes****2022**
£'000**2021**
£'000

Deferred tax liabilities

11

34

74

11 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

Liabilities
2022
£'000**Liabilities**
2021
£'000**Balances:**

Accelerated capital allowances

34

74

COSTCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE 52 WEEKS ENDED 28 AUGUST 2022****11 Deferred taxation****(Continued)**

	2022
	£'000
Movements in the 52 weeks:	
Liability at 30 August 2021	74
Credit to profit or loss	(40)
	<u>34</u>
Liability at 28 August 2022	<u>34</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

12 Share capital

	2022	2021
	£'000	£'000
Ordinary share capital		
Issued and fully paid		
2,000,000 of £1 each	<u>2,000</u>	<u>2,000</u>

13 Related party transactions

The company is controlled by Costco Wholesale UK Limited, the immediate parent undertaking, which indirectly controls 100% of the company's voting rights. The ultimate controlling party is Costco Wholesale Corporation.

As 100% of the company's voting rights are controlled within the group headed by Costco Wholesale Corporation, the company has taken advantage of the exemption contained in FRS 102 and has therefore not disclosed transactions or balances with entities which form part of the group headed by Costco Wholesale Corporation.

14 Ultimate controlling party

The immediate parent company is Costco Wholesale UK Limited, which heads up the smallest group to consolidate these financial statements. Copies of Costco Wholesale UK Limited financial statements are available to the public and can be obtained from UK Home Office, Hartspring Lane, Watford, WD25 8JS.

The ultimate parent company and controlling party is Costco Wholesale Corporation a company incorporated in the United States of America, which is the parent undertaking of the largest group to consolidate these financial statements. Copies of Costco Wholesale Corporation consolidated financial statements are available to the public and can be obtained from 999 Lake Drive, Issaquah, WA 98027, U.S.A.