

TESCO OVERSEAS INVESTMENTS LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015

Registered Number: 3193632

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# **TESCO OVERSEAS INVESTMENTS LIMITED**

## **STRATEGIC REPORT FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015**

The Directors present their Strategic Report of Tesco Overseas Investments Limited ("the Company") for the 53 weeks ended 28 February 2015.

### **Review of the business**

The principal activity of the Company is to act as a holding company for certain overseas subsidiaries and manage the foreign exchange risks associated with these investments. There has been no significant change in the nature of this activity during the period and the Directors do not expect this to change significantly throughout the next financial period.

### **Results and dividends**

The results for the period show a pre-tax profit of £5,328m (2014: loss of £325m).

A dividend of £5,100m (2014: £52m) has been paid in respect of the 53 weeks ended 28 February 2015.

### **Principal risks and uncertainties**

The main financial risks of the Company are fluctuations in foreign exchange rates and the performance of investments that the Company holds. To manage this risk, the Company reviews the performance of those companies in which it holds its investments.

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Tesco PLC Group (the "Group") and are not managed separately. Accordingly, the principle risks and uncertainties of the Group, which include the Company, are discussed on pages 22 to 25 of the Tesco PLC Group Annual Report for the 53 weeks ending 28 February 2015, which does not form part of this Report.

### **Key performance indicators (KPIs)**

Given the straightforward nature of the business, the Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

The development, performance and position of the operations of the Tesco PLC Group (the "Group"), which includes the Company, is discussed on pages 10 to 11 of the Group's Annual Report, which does not form part of this Report.

On behalf of the Board

30 June 2015



P. Moore

Director

Tesco Overseas Investments Limited

Registered Number: 3193632

Registered Office: Tesco House, Delamare Road, Cheshunt, Hertfordshire, EN8 9SL

# **TESCO OVERSEAS INVESTMENTS LIMITED**

## **DIRECTORS' REPORT FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015**

The Directors present their Report and the audited financial statements of Tesco Overseas Investments Limited (the "Company") for the 53 weeks ended 28 February 2015. (Prior 52 weeks ended 22 February 2014).

### **Political donations**

There were no political donations for the period (2014: none).

### **Future outlook**

The Company's future developments form a part of the Group's long-term strategy, which is discussed on pages 5 to 9 of the Group's Annual Report for the 53 weeks ended 28 February 2015, which does not form part of this Report.

### **Research and development**

The Company does not undertake any research and development activities.

### **Employees**

The Company had no employees during the period (2014: none).

### **Directors and their interests**

The following Directors served during the period and up to the date of signing the financial statements.

J Lloyd (resigned 23 January 2015)  
P Moore (appointed 21 January 2015)  
A Morris  
Tesco Services Limited

None of the Directors had any disclosable interests in the Company during this period.

A qualifying third-party indemnity provision as defined in Section 234 of the Companies Act 2006 is in force for the benefit of the Tesco PLC Company Secretary (who is also a Director of the Company) in respect of liabilities incurred as a result of his office, to the extent permitted by law. In respect of those liabilities for which Directors may not be indemnified, Tesco PLC maintained a Directors' and Officers' liability insurance policy throughout the financial period.

# TESCO OVERSEAS INVESTMENTS LIMITED

## DIRECTORS' REPORT FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015 (continued)

### Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report and Directors' 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 the Directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

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 accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; 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 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 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.


### Disclosure of information to auditors

Each Director who is a Director of the Company at the date of approval of these financial statements confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.
- This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the Board

30 June 2015



P Moore  
Director

Tesco Overseas Investments Limited

Registered Number: 3193632

Registered Office: Tesco House, Delamare Road, Cheshunt, Hertfordshire, EN8 9SL

# **TESCO OVERSEAS INVESTMENTS LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TESCO OVERSEAS INVESTMENTS LIMITED**

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### **Report on the financial statements**

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#### **Our opinion**

In our opinion, Tesco Overseas Investments Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 28 February 2015 and of its profit for the 53 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **What we have audited**

Tesco Overseas Investments Limited's financial statements comprise:

- the Balance Sheet as at 28 February 2015;
- the Statement of Comprehensive Income for the period then ended;
- the Statement of Changes in Equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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### **Opinion on other matter prescribed by the Companies Act 2006**

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In our opinion, the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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### **Other matters on which we are required to report by exception**

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#### **Adequacy of accounting records and information and explanations received**

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, 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.

We have no exceptions to report arising from this responsibility.

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

# TESCO OVERSEAS INVESTMENTS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TESCO OVERSEAS INVESTMENTS LIMITED (continued)

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### Responsibilities for the financial statements and the audit

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#### Our responsibilities and those of the Directors

As explained more fully in the Statement of Director's Responsibilities set out on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

#### What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



David Beer (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
St Albans  
30 June 2015

# TESCO OVERSEAS INVESTMENTS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015

	Notes	53 weeks to 28 February 2015 £m	52 weeks to 22 February 2014 £m
Income from shares in Group undertakings		5,193	53
Impairment of investments	6	(52)	(440)
<b>Operating profit/(loss)</b>		<b>5,141</b>	<b>(387)</b>
Net foreign exchange gain		187	62
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>5,328</b>	<b>(325)</b>
Tax on profit/(loss) on ordinary activities	5	-	-
<b>Profit/(loss) for the financial period</b>		<b>5,328</b>	<b>(325)</b>
<b>Other comprehensive expense:</b>			
Revaluation of available-for-sale financial assets		(16)	-
<b>Total comprehensive income/(expense) for the financial period</b>		<b>5,312</b>	<b>(325)</b>

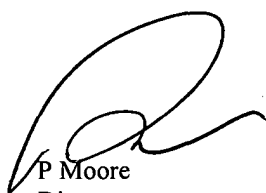
The notes on pages 10 to 15 form part of these financial statements.

# TESCO OVERSEAS INVESTMENTS LIMITED

## BALANCE SHEET AS AT 28 FEBRUARY 2015

		28 February 2015 £m	22 February 2014 £m
	Notes		
<b>Fixed assets</b>			
Investments	6	6,567	6,142
Available-for-sale financial assets	7	112	96
		6,679	6,238
<b>Current assets</b>			
Debtors	8	-	215
<b>Current liabilities</b>			
Creditors	9	(1,805)	(1,791)
<b>Net current liabilities</b>		<b>(1,805)</b>	<b>(1,576)</b>
<b>Total assets less current liabilities</b>		<b>4,874</b>	<b>4,662</b>
<b>Net assets</b>		<b>4,874</b>	<b>4,662</b>
<b>Capital and reserves</b>			
Share capital	10	4,644	4,644
Share premium		48	48
Other reserve		(16)	-
Retained earnings		198	(30)
<b>Total equity</b>		<b>4,874</b>	<b>4,662</b>

The financial statements on pages 7 to 15 were approved by the Board of Directors on 30 June 2015 and were signed on its behalf by:



P Moore  
Director  
Tesco Overseas Investments Limited

30 June 2015



# TESCO OVERSEAS INVESTMENTS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015

	Share capital	Share premium	Other reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m
<b>At 22 February 2014</b>	<b>4,644</b>	<b>48</b>	<b>-</b>	<b>(30)</b>	<b>4,662</b>
Profit/(loss)	-	-	-	5,328	5,328
Revaluation of available-for-sale financial assets	-	-	(16)	-	(16)
<b>Total comprehensive income/(expense)</b>	<b>4,644</b>	<b>48</b>	<b>(16)</b>	<b>5,298</b>	<b>9,974</b>
Dividends	-	-	-	(5,100)	(5,100)
<b>At 28 February 2015</b>	<b>4,644</b>	<b>48</b>	<b>(16)</b>	<b>198</b>	<b>4,874</b>
<b>At 23 February 2013</b>	<b>4,644</b>	<b>37</b>	<b>-</b>	<b>347</b>	<b>5,028</b>
Profit/(loss)	-	-	-	(325)	(325)
<b>Total comprehensive income/(expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(325)</b>	<b>(325)</b>
Shares issued	-	11	-	-	11
Dividends	-	-	-	(52)	(52)
<b>At 22 February 2014</b>	<b>4,644</b>	<b>48</b>	<b>-</b>	<b>(30)</b>	<b>4,662</b>

# TESCO OVERSEAS INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015

### 1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101

The financial statements of Tesco Overseas Investments Limited (the “Company”) for the period ended 28 February 2015 were approved by the Board of Directors on 30 June 2015 and the balance sheet was signed on the Board’s behalf by P Moore. Tesco Overseas Investments Limited is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”) and in accordance with applicable accounting standards. The financial statements have been prepared under the historical cost convention and the Companies Act 2006.

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Tesco PLC. The results of Tesco PLC are included in the consolidated financial statements of Tesco PLC which are available from Tesco House, Delamare Road, Cheshunt, Hertfordshire, EN8 9SL.

### 2. ACCOUNTING POLICIES

#### Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101, *Reduced Disclosure Framework* (FRS 101) and the Companies Act 2006 (the Act). 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. Note 1 gives details of the Company’s parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

These are the first financial statements of the Company prepared in accordance with FRS 101. The Company’s date of transition to FRS 101 is 24 February 2013. The Company has notified its shareholders in writing about, and they do not object to, the use of the disclosure exemptions used by the company in these financial statements.

FRS 101 sets out amendments to EU-adopted IFRS that are necessary to achieve compliance with the Act and related Regulations. Note 12 gives details of the impact of these amendments to the Company’s previously adopted accounting policies in accordance with UK GAAP and a reconciliation of: (i) shareholders’ equity determined in accordance with UK GAAP to shareholders’ equity determined in accordance with FRS 101 as at 24 February 2013 and 22 February 2014; and (ii) profit or loss determined in accordance with UK GAAP to profit or loss determined in accordance with FRS 101 for the year ended 22 February 2014.

The disclosure exemptions adopted by the Company in accordance with FRS 101 are as follows:

- The requirements of IFRS 7 Financial Instruments: Disclosures.
- The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement.
- The requirements of IAS 7 Statement of Cash Flows;
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

The principal accounting policies adopted by the Company are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

# **TESCO OVERSEAS INVESTMENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015 (continued)**

### **2. ACCOUNTING POLICIES (continued)**

#### **Investments**

Investments in subsidiaries and associates are held at cost less any applicable provision for impairment.

#### **Available-for-sale financial assets**

Available-for-sale financial assets are recognised at trade date and are recognised at fair value. Gains and losses arising from changes in fair value are recognised directly in other comprehensive income until the asset is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in other comprehensive income is included in the Statement of Comprehensive Income for the period.

#### **Debtors**

Debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### **Creditors**

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### **Foreign currencies**

Transactions in foreign currencies are translated into pounds sterling at the exchange rate on the date of the transaction. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated into pounds sterling at the exchange rates prevailing at the balance sheet date. All foreign exchange differences are taken to the Statement of Comprehensive Income for the period.

#### **Current taxation**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date. The amount included in the Statement of Comprehensive Income is based on the profit on ordinary activities before taxation and is calculated at current local tax rates, taking into account timing differences and the likelihood of realisation of deferred tax assets and liabilities.

#### **Group relief on taxation**

The company may receive or surrender group relief from group companies without payment and consequently there may be no tax charge in the Statement of Comprehensive Income.

#### **Dividends**

Revenue is recognised when the Company's right to receive payment is established.

### **3. AUDITOR'S REMUNERATION**

The auditor's remuneration for the current and prior period was borne by another Group company.

### **4. STAFF COSTS AND DIRECTORS' REMUNERATION**

The Directors received no emoluments for their services to the Company (2014: £nil).

The Company had no employees during the period (2014: none).

# TESCO OVERSEAS INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015 (continued)

### 5. TAXATION ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES

#### Factors that have affected the tax charge

The standard rate of Corporation Tax in the UK was changed from 23% to 21% with effect from 1 April 2014. This gives an overall blended Corporation Tax rate for the Company for the full year of 21.2 % (2014: 23.1%).

	2015 £m	2014 £m
<b>Current tax:</b>		
UK Corporation tax on <b>profit/ (loss)</b> for the financial period	-	-
<b>Tax on profit/ (loss) on ordinary activities</b>	-	-

The tax assessed for the period is lower (2014: higher) than the blended rate of corporation tax in the UK of 21.2% (2014: 23.1%). The differences are explained below:

	2015 £m	2014 £m
Profit/(loss) on ordinary activities before tax	5,328	(325)
Profit/(loss) on ordinary activities multiplied by blended rate in the UK 21.2% (2014: 23.1%)	1,130	(75)
Effects of:		
Non-deductible provision for impairment	11	101
Non-taxable (gain)/loss on foreign exchange	(40)	(14)
Non-taxable dividends	(1,101)	(12)
Group relief claimed without payment	(11)	(9)
UK tax on overseas profit	11	9
<b>Total tax charge for the financial period</b>	-	-

# TESCO OVERSEAS INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015 (continued)

### 6. INVESTMENTS

	Shares in Group undertakings £m	Shares in joint ventures £m	2015 Total £m	Shares in Group undertakings £m	Shares in joint ventures £m	2014 Total £m
<b>Cost</b>						
At beginning of the period	6,585	-	6,585	6,109	-	6,109
Additions	375	102	477	476	-	476
<b>At end of the period</b>	<b>6,960</b>	<b>102</b>	<b>7,062</b>	<b>6,585</b>	<b>-</b>	<b>6,585</b>
<b>Impairment</b>						
At beginning of the period	443	-	443	3	-	3
Impairment	52	-	52	440	-	440
<b>At end of the period</b>	<b>495</b>	<b>-</b>	<b>495</b>	<b>443</b>	<b>-</b>	<b>443</b>
<b>Net book value</b>						
<b>At end of the period</b>	<b>6,465</b>	<b>102</b>	<b>6,567</b>	<b>6,142</b>	<b>-</b>	<b>6,142</b>

Impairment is to the Company's subsidiary Tesco Mauritius Holdings Limited.

The Company has taken advantage of the exemption under section 410(2) of the Companies Act 2006 by providing information only in respect of the subsidiary undertakings whose results or financial position, in the opinion of the Directors, principally affect the financial statements. A full list of the Company's subsidiary undertakings will be annexed to the next Annual Return filed at Companies House.

Subsidiary undertakings	Country of incorporation	Percentage of shares held	Nature of business
Tesco Holdings B.V	The Netherlands	100%	Holding company
Tesco Mauritius Holdings Limited	Mauritius	100%	Holding company
Tesco Kipa Kitle Pazarlama Ticaret Lojistik ve Gıda Sanayi A.S.	Turkey	95.49%	Trading company
<b>Joint ventures</b>			
Trent Hypermarket Limited	India	50%	Trading company

### 7. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2015 £m	2014 £m
Available-for-sale financial assets	112	96

Available-for-sale assets consist of the Company's investment in Lazada, an online retailer.

# TESCO OVERSEAS INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015 (continued)

### 8. DEBTORS

	2015 £m	2014 £m
Amounts owed by Group undertakings	-	215

Amounts owed by Group undertakings in the prior period relate to a TRL 785m loan note, which under the terms of the agreement was converted into equity after the end of the financial period as part of a rights issue.

### 9. CREDITORS

	2015 £m	2014 £m
Amounts owed to Group undertakings	1,805	1,791

Amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 10. SHARE CAPITAL

	2015 £m	2014 £m
Allotted, called up and fully paid:		
4,644,303,488 ordinary shares of £1 each (2014: 4,644,303,488)	4,644	4,644

### 11. DIVIDENDS

	53 weeks to 28 Feb 2015 £m	52 weeks to 22 Feb 2014 £m
Equity ordinary dividends paid £1.10 (2014: £0.01) per share	5,100	52

### 12. EXPLANATION OF TRANSITION TO FRS 101

As stated in note 2, these are the Company's first financial statements prepared in accordance with FRS 101.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the period ended 28 February 2015, the comparative information presented in these financial statements for the year ended 22 February 2014 and in the preparation of an opening FRS 101 balance sheet at 24 February 2013 (the Company's date of transition).

In preparing its opening FRS 101 balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to FRS 101 has affected the Company's financial position and financial performance is set out in the following tables and the notes that accompany the tables.

# TESCO OVERSEAS INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEKS ENDED 28 FEBRUARY 2015 (continued)

### 12. EXPLANATION OF TRANSITION TO FRS 101 (continued)

#### Reconciliation of equity

	Note	24 February 2013 (date of transition to FRS 101)			22 February 2014 (date of last UK GAAP financial statements)		
		UK GAAP £m	IAS 39 £m	FRS 101 £m	UK GAAP £m	IAS 39 £m	FRS 101 £m
<b>Fixed assets</b>							
Investments	a)	6,106	-	6,106	6,238	(96)	6,142
Available-for-sale financial assets	a)	-	-	-	-	96	96
<b>Current assets</b>							
Debtors		-	-	-	215	-	215
<b>Current liabilities</b>							
Creditors		(1,078)	-	(1,078)	(1,791)	-	(1,791)
<b>Net assets</b>		<b>5,028</b>	<b>-</b>	<b>5,028</b>	<b>4,662</b>	<b>-</b>	<b>4,662</b>
<b>Equity</b>							
Share capital		4,644	-	4,644	4,644	-	4,644
Share premium		37	-	37	48	-	48
Other reserve		-	-	-	-	-	-
Retained earnings		347	-	347	(30)	-	(30)
<b>Total equity</b>		<b>5,028</b>	<b>-</b>	<b>5,028</b>	<b>4,662</b>	<b>-</b>	<b>4,662</b>

#### Notes to the reconciliation of equity

- a) The Company's investment in Lazada was classified as an investment under UK GAAP and was recognised at cost, but meets the definition for an available-for-sale financial asset under FRS 101 and is recognised at fair value.

#### Reconciliation of total comprehensive loss

No differences.