

343676 L

**TESCO (PARTNERSHIP) LIMITED**  
**(Formerly Tesco (General Partner) Limited.)**

**REPORT AND ACCOUNTS**

**FOR THE PERIOD ENDED 26 FEBRUARY 1998**



## **TESCO (PARTNERSHIP) LIMITED**

(Formerly Tesco (General Partner) Limited)

### **DIRECTORS' REPORT**

The directors present their report and audited financial accounts for the period ended 26 February 1998.

### **PRINCIPAL ACTIVITY**

The company was incorporated on 19 September 1997 and did not carry out any activity in the period to 26 February 1998.

### **POST BALANCE SHEET EVENT**

On 27 February 1998 the company entered into a joint venture Partnership with British Land (T) Partnership Limited to purchase seven freehold properties owned by the Tesco group and five freehold properties owned by British Land Company PLC, with a total value of £335m.

### **CHANGE OF NAME**

On 19 November 1998 the company changed its name from Tesco (General Partner) Limited to Tesco (Partnership) Limited.

### **DIRECTORS AND THEIR INTERESTS**

The following Directors served during the period:-

R S Ager  
J A Bailey  
P V Mercer  
R Howell

None of the directors had any disclosable interests in the company during the period. R S Ager is also a director of Tesco PLC, the company's ultimate holding company, and as such his disclosable interests in Tesco PLC are all declared in the accounts of that Company.

For the directors as at 26 February 1998 who were not also directors of the ultimate holding company, his interests in the shares of Tesco PLC, at the beginning and end of the period, are given below:-

	<u>Ordinary Shares</u>	<u>Share Options*</u>
	<u>26 Feb</u> <u>1998</u>	<u>26 Feb</u> <u>1998</u>
J A Bailey	12,177	62,217
P V Mercer	16,769	223,515
R Howell	22,949	124,047

\* Executive share option scheme (1984,1994 & 1996) and Savings related share option scheme (1981). Details of those schemes are set out in the annual report and accounts of Tesco PLC.

**TESCO (PARTNERSHIP) LIMITED**  
(Formerly Tesco (General Partner) Limited)

**DIRECTORS' REPORT/ continued**

**RESPONSIBILITIES OF DIRECTORS**

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for the financial year.

The directors consider that in preparing the financial statements on pages 4 and 5 the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors 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.

**AUDITORS**

On 1 July 1998 Price Waterhouse merged with Coopers and Lybrand. Price Waterhouse have resigned as auditors and the new merged firm, PricewaterhouseCoopers, has been appointed to fill the casual vacancy.

A resolution to reappoint PricewaterhouseCoopers as auditors will be proposed at the next Annual General Meeting .

By order of the Board on 16/12/98



M J Field  
Secretary

Tesco (Partnership) Ltd  
Registered Number 3436754

**TESCO (PARTNERSHIP) LIMITED**  
(Formerly Tesco (General Partner) Limited)

**AUDITORS' REPORT TO THE SHAREHOLDERS OF TESCO DISTRIBUTION HOLDINGS LTD**

We have audited the financial statements on pages 4 and 5 which have been prepared under the historical cost convention, and the accounting policies set out on page 5.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 2, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

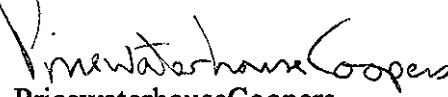
**BASIS OF OPINION**

We conducted our audit in accordance with the 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 26 February 1998 and have been properly prepared in accordance with the Companies Act 1985.

  
PricewaterhouseCoopers  
Chartered Accountants  
and Registered Auditors  
10 Bricket Road  
St Albans  
Herts AL1 3JX

16 December 1998


**TESCO (PARTNERSHIP) LIMITED**  
(Formerly Tesco (General Partner) Limited)

**BALANCE SHEET AS AT 26 FEBRUARY 1998**

	<u>Note</u>	<u>1998</u>
		£
DEBTORS:		
Amounts due from group undertakings		2
NET ASSETS		<u>2</u>
CAPITAL AND RESERVES		
Called up share capital	3	2
EQUITY SHAREHOLDERS' FUNDS	3	<u>2</u>

Approved by the Board on 16/12/98.

J A BAILEY



DIRECTOR

The notes on pages 5 form part of these accounts.

**TESCO (PARTNERSHIP) LIMITED**  
(Formerly Tesco (General Partner) Limited)

**NOTES TO THE ACCOUNTS - 26 FEBRUARY 1998**

1. **ACCOUNTING POLICIES**

**BASIS OF ACCOUNTS**

The financial statements are prepared in accordance with applicable accounting standards, under the historical cost convention, and are in accordance with the Companies Act 1985.

In accordance with FRS1 (Revised ), the company being the wholly owned subsidiary of another company which prepares a cash flow statement including the cash flow of this company, has not prepared a statement itself.

2. **PROFIT AND LOSS ACCOUNT**

The company did not trade during this period.

Auditors' remuneration is paid by other Group companies.

The company had no employees during the period.

The directors did not receive any emoluments for their services to the company.

3. **CALLED UP SHARE CAPITAL**

	<u>1998</u> £
Authorised 1,000 Ordinary Shares of £1.00 each	<u>1,000</u>
Allotted and Fully Paid 2 Ordinary Shares of £1.00 each	<u>2</u>

4. **PARENT COMPANY**

The company is a wholly owned subsidiary of Tesco PLC which is incorporated in Great Britain, and registered in England, and is the ultimate holding company. Copies of the Group accounts can be obtained from Tesco PLC, Tesco House, Delamare Road, Cheshunt, Hertfordshire, EN8 9SL.

5. **RELATED PARTY DISCLOSURES**

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemption under Financial Reporting Standard No. 8 "Related Party Disclosures", as the consolidated accounts of Tesco PLC in which the company is included are available at the address noted above.