

SWAN INFRASTRUCTURE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 52 WEEKS TO 21 MARCH 2009

Company Number. 4077436



Swan Infrastructure Limited (formerly Swan Infrastructure Plc)

Directors' report

for the 52 weeks to 21 March 2009

The Directors present their report and the financial statements of Swan Infrastructure Limited ('the Company') for the 52 weeks to 21 March 2009.

Principal activity

The principal activity of the Company is the provision of IT services.

The Company has not traded during the financial year. Accordingly no Income statement, Statement of recognised income and expense and Cash flow statement have been prepared. The position as at 21 March 2009 is shown in the balance sheet on page 3.

Future outlook

There are no plans to commence any activities in the next financial year.

Key performance indicators (KPIs)

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

Dividends

During the financial year, there were no ordinary dividends paid (2008: £nil).

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the J Sainsbury plc group ('the Group') and are not managed separately. Accordingly the principal risks and uncertainties of the Group, which include those of the Company, are discussed on page 22 of the J Sainsbury plc Annual Report and Financial Statements 2009, which do not form part of this report.

Financial risk management

The financial risk management and policies of the Company are disclosed in note 7 of the financial statements.

Directors

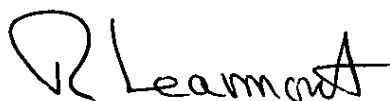
The Directors of Swan Infrastructure Limited who held office during the financial year are given below:

R J Learmont
Sainsburys Corporate Director Limited

Directors' and officers' insurance

The ultimate parent company purchased and maintained Directors' and Officers' liability insurance throughout 2008/09, which was renewed for 2009/10. The insurance does not provide cover in the event that the Director or Officer is proved to have acted fraudulently.

By order of the Board:



R J Learmont
Director
Date: 7 September 2009

Swan Infrastructure Limited (formerly Swan Infrastructure Plc)
Statement of directors' responsibilities in respect of the financial statements
for the 52 weeks ended 21 March 2009

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 the Directors have elected to prepare the Company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The financial statements are required by law to 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 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 that the financial statements comply with IFRS as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The Directors confirm they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that 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 and detection of fraud and other irregularities.

By order of the Board:



R J Learmont

Director

Date: 7 September 2009

Swan Infrastructure Limited (formerly Swan Infrastructure Plc)

Balance sheet

as at 21 March 2009 and 22 March 2008

	Note	2009 £'000	2008 £'000
Current liabilities			
Other payables	4	(191,200)	(191,200)
Net liabilities		<u>(191,200)</u>	<u>(191,200)</u>
Equity			
Called up share capital	5	1,075	1,075
Retained earnings		(192,275)	(192,275)
Total equity		<u>(191,200)</u>	<u>(191,200)</u>

The Company was dormant throughout the financial year.

For the financial year ended 21 March 2009, the Company was entitled to the exemption under section 249AA(1) of the Companies Act 1985.

No members have required the Company to obtain an audit of its accounts for the financial year in question in accordance with section 249B(2) of the Companies Act 1985.

The Directors acknowledge their responsibility for:

- i) Ensuring the Company keeps accounting records which comply with section 221; and
- ii) Preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of its financial year, and of its profit or loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the Company.

The financial statements on pages 3 to 8 were approved by the Board of Directors on 7 September 2009, and are signed on its behalf by:



R J Learmont
Director

Swan Infrastructure Limited (formerly Swan Infrastructure Plc)

Notes to the financial statements

for the 52 weeks to 21 March 2009

1. General information

Swan Infrastructure Limited ('the Company') is a private limited company incorporated in the United Kingdom. Its registered address is 33 Holborn, London EC1N 2HT.

The Company's financial period represents the 52 weeks to 21 March 2009 and the prior year represents the 52 weeks to 22 March 2008.

2. Summary of significant accounting policies

(a) Statement of compliance

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and International Financial Reporting Interpretations Committee ("IFRIC") interpretations and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS.

(b) Basis of preparation

The financial statements are presented in sterling, rounded to the nearest thousand (£000) unless otherwise stated and have been prepared on the going concern basis under the historical cost convention. The preparation of financial statements in conformity with IFRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The accounting policies herein have been applied consistently to all periods presented in the financial statements.

(c) New standards, interpretations and amendments to published standards

Effective for the Company in these financial statements:

- IFRIC 12 'Service Concession Arrangements'

The above new interpretation has had no material impact on the results or the financial position of the Company for the 52 weeks to 21 March 2009.

Effective for the Company for the financial year beginning 22 March 2009:

- Revised IAS 1 'Presentation of financial statements', amendments to IAS 1 relating to the disclosure of puttable instruments and obligations arising on liquidation
 - Revised IAS 27 'Consolidated and separate financial statements' relating to the cost of an investment on first time adoption
 - Amendments to IAS 32 'Financial instruments: Presentation' relating to puttable instruments and obligations arising on liquidation
 - Amendment to IFRS 2 'Share-based payment'
 - Amendment to IFRS 7 'Financial Instruments: Disclosures'
 - IFRS 8 'Operating Segments'
 - IFRIC 13 'Customer Loyalty Programmes'
 - IFRIC 14 'IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interactions'
 - IFRIC 15 'Agreements for the Construction of Real Estate'
 - IFRIC 16 'Hedges of a Net Investment in a Foreign Operation'
 - Amendments to various IFRSs and IASs arising from May 2008 Annual Improvements to IFRSs
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Swan Infrastructure Limited (formerly Swan Infrastructure Plc)

Notes to the financial statements

for the 52 weeks to 21 March 2009

2. Accounting policies (*continued*)

Effective for the Company for future financial years:

- Revised IFRS 3 'Business Combinations' and consequential amendments to IAS 27 'Consolidated and separate financial statements', IAS 28 'Investment in Associates' and IAS 31 'Interests in Joint Ventures'
- Amendments to IAS 39 'Financial Instruments: Recognition and Measurement' relating to eligible hedged items, embedded derivatives when reclassifying financial instruments
- IFRIC 17 'Distributions of Non-cash Assets to Owners'
- IFRIC 18 'Transfer of Assets from Customers'
- Amendments to various IFRSs and IASs arising from April 2009 Annual Improvements to IFRSs

The Company has considered the above new standards, interpretations and amendments to published standards that are not yet effective and concluded that they are either not relevant to the Company or that they would not have a significant impact on the Company's financial statements, apart from additional disclosures.

(d) Financial instruments

Financial liabilities

Other payables are initially recorded at fair value, which are generally the proceeds received. They are then subsequently carried at amortised costs.

(e) Judgements and estimates

The Company makes judgements and assumptions concerning the future that impact the application of policies and reported amounts. The resulting accounting estimates calculated using these judgements and assumptions will, by definition, seldom equal the related actual results but are based on historical experience and expectations of future events.

3. Employees, Directors' remuneration and administration expenses

The average monthly number of persons (including Directors) employed by the Company during the financial year was nil (2008: nil).

All of the Directors are also employees of the ultimate parent company, J Sainsbury plc, or other Group companies. The Directors' emoluments are borne by Sainsbury's Supermarkets Ltd a fellow Group company that makes no recharge to the Company. It is not possible to make an accurate apportionment of the Directors' emoluments as they serve as directors to a number of fellow Group companies. Accordingly, the above details do not include emoluments in respect of the Directors.

Administration expenses in the current and prior financial year have been borne by another Group company, Sainsbury's Supermarkets Ltd.

Swan Infrastructure Limited (formerly Swan Infrastructure Plc)

Notes to the financial statements

for the 52 weeks to 21 March 2009

4. Other payables

	2009	2008
	£'000	£'000
Current liabilities		
Amounts due to Group company	<u>(191,200)</u>	<u>(191,200)</u>

At the year ended 21 March 2009 all amounts owing to Group companies denominated in sterling are non-interest bearing and are repayable on demand.

5. Called up share capital

	2009	2008
	£'000	£'000
Authorised		
1,300,000 Ordinary shares of £1 each	<u>1,300</u>	<u>1,300</u>
 Issued, called up and fully paid		
1,075,000 Ordinary shares of £1 each	<u>1,075</u>	<u>1,075</u>

6. Related parties

The immediate parent company is Swan Infrastructure Holdings Limited and the ultimate parent company and controlling party of the Company is J Sainsbury plc, which is registered in England and Wales, and forms the only group into which the financial statements of the Company are consolidated. Copies of the ultimate parent company's financial statements may be obtained from www.j-sainsbury.co.uk.

Amounts due to/from the following related parties and their relationship to the Company are as follows:

Related party	Relationship to company	Balance at 21 March 2009		Balance at 22 March 2008	
		Due from	Due to	Due from	Due to
		£'000	£'000	£'000	£'000
JS Information Systems Limited	Fellow subsidiary of J Sainsbury plc	-	(191,200)	-	(191,200)

Swan Infrastructure Limited (formerly Swan Infrastructure Plc)

Notes to the financial statements

for the 52 weeks to 21 March 2009

6. Related parties (*continued*)

Key management personnel

The key management personnel of the Company comprise members of the Board of Directors. The Directors do not receive any remuneration from the Company (2008: £nil) as their emoluments are borne by other Group companies. The Company did not have any transactions with the Directors during the financial period (2008: £nil).

Transactions with ultimate parent company

There have been no transactions with the ultimate parent company, J Sainsbury plc (2008: £nil).

Transactions with Group companies

There have been no transactions with other Group companies. The balance as at 21 March 2009 with other Group companies is shown on page 6.

Transactions with other related parties

There have been no transactions with other related parties in the financial period (2008: £nil).

Swan Infrastructure Limited (formerly Swan Infrastructure Plc)

Notes to the financial statements

for the 52 weeks to 21 March 2009

7. Financial risk management

Treasury management

Treasury policies are reviewed and approved by the ultimate parent company's board. The J Sainsbury plc Chief Executive and Chief Financial Officer have joint delegated authority from the ultimate parent company's board to approve finance transactions.

The Group operates a central treasury function which is responsible for managing the Company's liquid resources, funding requirements and interest rate and currency exposures.

Interest rate risk

The Company has no exposure to interest rate fluctuations as amounts payable from Group companies are non-interest bearing.

Liquidity risk

The Company's exposure to liquidity risk is managed by funding cash flow requirements from the parent company.

Credit risk

The Company's exposure to credit risk is limited to amounts payable to Group companies.

Fair value estimation

The fair values of payables of less than one year are approximately their book values.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide services to the Group and to maintain an optimal capital structure.