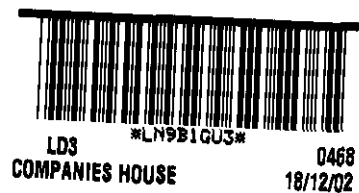


SEACROFT GREEN NOMINEE 2 LIMITED 4253572  
(Formerly SAILDAWN LIMITED)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE 32 WEEKS ENDED 23 FEBRUARY 2002



## SEACROFT GREEN NOMINEE 2 LIMITED

### DIRECTORS' REPORT

The directors present their report and audited financial statements for the 32 weeks ended 23 February 2002.

#### Review of business and future developments

The company was incorporated on 17 July 2001 as Saildawn Limited and changed its name to Seacroft Green Nominee 2 Limited on 6 August 2001. During the period the company has not traded and has not incurred any liabilities and consequently has made neither profit or loss.

#### Results and dividends

The company made neither a profit nor a loss after tax for the period. The directors do not recommend the payment of a dividend for the period.

#### Directors and their interests

The following directors served during the period:

R S Ager	appointed	(02/08/01)		
J A Bailey	appointed	(02/08/01)		
M J Field	appointed	(02/08/01)		
Instant Companies Ltd	appointed	(17/07/01)	Resigned	(02/08/01)

None of the directors had any disclosable interests, where applicable in the company during the period.

R S Ager is also a director of Tesco PLC, the company's ultimate parent company, and as such his disclosable interest in Tesco PLC is declared in the financial statements of the company.

For the directors as at 23 February 2002, who were not also directors of the ultimate parent company, their interests in the shares of Tesco PLC at the beginning and end of the period are given below:

	Ordinary shares		Share Options *			
	2002	At appointment	2002	Granted	Exercised	At appointment
J A Bailey	30,751	27,668	93,220	959	38,849	131,110
M J Field	18,361	18,195	69,937	0	0	69,937

\* Executive share option scheme (1984, 1994 and 1996) and savings related share option scheme (1981). Details of these schemes are set out in the annual report and financial statements of Tesco PLC.

# **SEACROFT GREEN NOMINEE 2 LIMITED**

## **DIRECTORS' REPORT**

### **Directors' responsibilities**

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 to 6 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.

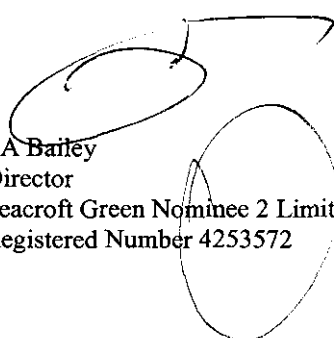
The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

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**

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

As approved by the Board on 4 December 2002



J A Bailey  
Director  
Seacroft Green Nominee 2 Limited  
Registered Number 4253572

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS  
OF SEACROFT GREEN NOMINEE 2 LIMITED**

**PricewaterhouseCoopers**  
10 Bricket Road  
St Albans AL1 3JX  
Telephone +44 (0) 1727 844155  
Facsimile +44 (0) 1727 845039

We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This opinion has been prepared for and only for the company's members in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 Companies Act 1985. 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.

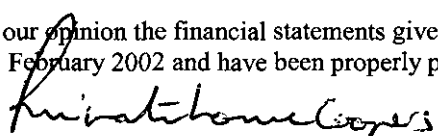
**Basis of audit opinion**

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 23 February 2002 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


12 December 2002

# SEACROFT GREEN NOMINEE 2 LIMITED

## BALANCE SHEET AS AT 23 FEBRUARY 2002

	Note	2002 £
DEBTORS:		
Amount due from parent undertaking		1
NET ASSETS		1
<hr/>		
CAPITAL AND RESERVES		
Called up share capital	3	1
<hr/>		
EQUITY SHAREHOLDER'S FUNDS		1
<hr/>		

Approved by the Board on     December 2002

  
J A Bailey  
Director

The notes on pages 5 to 6 form part of these financial statements.

# SEACROFT GREEN NOMINEE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 32 WEEKS ENDED 23 FEBRUARY 2002

### 1 ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

In accordance with FRS 2, group accounts are not prepared because the company is a wholly owned subsidiary of a body corporate, incorporated in Great Britain.

In accordance with FRS 1 (revised), the company, being the wholly owned subsidiary of another company which prepares a cash flow statement including the cash flows of this company, has not prepared such a statement itself.

### 2 PROFIT AND LOSS ACCOUNT

The company did not trade during the period ended 23 February 2002.

Auditors' remuneration is borne 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

	2002 £
Authorised:	
1,000 ordinary shares of £1 each	1,000
Allotted, issued and fully paid up:	
1 ordinary share of £1	1

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### 4 PARENT COMPANY

The immediate parent undertaking is Tesco Stores Limited.

The ultimate parent company is Tesco PLC, which is incorporated in Great Britain and registered in England and Wales, and which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the group financial statements can be obtained from The Company Secretary, Tesco PLC, Tesco House, PO Box 18, Delamare Road, Cheshunt, Hertfordshire EN8 9SL.

## **SEACROFT GREEN NOMINEE 2 LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE 32 WEEKS ENDED 23 FEBRUARY 2002 (continued)**

#### **5 RELATED PARTY TRANSACTIONS**

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemption under Financial Reporting Standard 8 "Related Party Disclosures", as the consolidated accounts of Tesco PLC, in which the company is included, are available at the address noted above.