

Certified as a True Copy of the Original

*W. Wallace*  
SFM Corporate Services Limited  
as Secretary

4966651

TESCO PROPERTY (NOMINEES) (NO 1) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 26 FEBRUARY 2006



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25/08/2006

## **DIRECTORS' REPORT**

The directors present their report and audited financial statements for the year ended 26 February 2006.

### **Principal activity**

The principal activity of the company is to act as a nominee company.

### **Review of the business and future developments**

The business performed in line with expectations during the year. The directors envisage that it will continue to perform satisfactorily.

### **Results and dividends**

There was no profit for the year. The directors do not recommend a dividend.

### **Directors and their interests**

The directors who served during the year were:

SFM Directors (No2) Limited	Appointed: 28/10/2003
SFM Directors Limited	Appointed: 28/10/2003

### **Company Secretary**

SFM Corporate Services Limited served as company secretary during the year.

None of the directors had any disclosable beneficial interests in the company.

### **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 7 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.

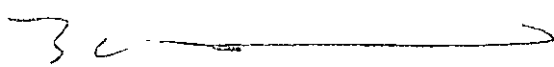
The directors have responsibility for ensuring that the company and the group keep accounting records which disclose with reasonable accuracy the financial position of the company which enables it to ensure that the financial statements comply with the Companies Act 1985.

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**

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

By order of the Board on 23 Aug 2006



SFM Directors Limited, Director



per pro SFM Directors Limited  
as Director

Tesco Property (Nominees) (No 1) Ltd  
Registered number 4966637

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TESCO PROPERTY (NOMINEES) (NO 1) LIMITED

We have audited the financial statements of Tesco Property (Nominees) (NO1) Limited for the year ended 26 February 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of directors and auditors:** As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body 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 into 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion :** We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 26 February 2006 and of its result for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
St Albans

27 August 2006

TESCO PROPERTY (NOMINEES) (NO 1) LIMITED

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 26 FEBRUARY 2006**

	Note	2006 £	2005 £
Rental income		-	-
<b>GROSS PROFIT</b>		-	-
Administrative expenses		-	-
<b>OPERATING PROFIT</b>	2	-	-
Net interest payable		-	-
<b>PROFIT ON ORDINARY ACTIVITIES</b>		-	-
Dividends: ordinary dividends on equity shares		-	-
<b>RETAINED PROFIT FOR THE YEAR</b>		-	-

The company had no recognised gains or losses other than those reflected in the profit and loss account above.

Turnover and results are derived from continuing operations in the United Kingdom.

The notes on pages 6 and 7 form part of these financial statements.

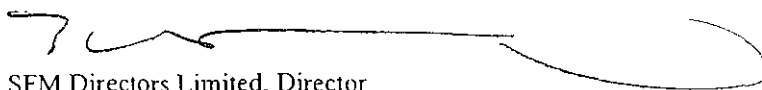
TESCO PROPERTY (NOMINEES) (NO 1) LIMITED

**BALANCE SHEET AS AT 26 FEBRUARY 2006**

	Note	2006 £	2005 £
CURRENT ASSETS			
Debtors	4	1	1
NET CURRENT ASSETS		1	1
TOTAL ASSETS LESS CURRENT LIABILITIES		1	1
NET ASSETS		1	1
CAPITAL AND RESERVES			
Called up share capital	5	1	1
EQUITY SHAREHOLDERS FUNDS	6	1	1

Approved by the Board of Directors

23<sup>rd</sup> August 2006



SFM Directors Limited, Director

The notes on pages 6 and 7 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 26 FEBRUARY 2006

**1. ACCOUNTING POLICIES****Basis of accounting**

These financial statements have been prepared in accordance with the applicable accounting standards in the United Kingdom, under the historical cost convention and in accordance with the Companies Act 1985.

**2. OPERATING PROFIT**

The directors received no emoluments in respect of their services to the company.

There were no employees of the company during the year.

Auditors' remuneration for the year has been borne by another company.

**3. TAXATION**

There is no corporation tax.

**4. DEBTORS**

	2006 £	2005 £
Amount owed by parent undertaking	1	1
	1	1

**5. CALLED UP SHARE CAPITAL**

	2006 £	2005 £
Authorised, called up, unpaid:		
1 ordinary share of £1	1	1
	1	1

The £1 is reflected in the debtor figure.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 26 FEBRUARY 2006  
(CONTINUED)**

**6. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED  
26 FEBRUARY 2006**

	2006 £	2005 £
Issue of ordinary share capital	-	1
Profit for the year	-	-
Opening shareholders' funds	1	-
Closing shareholders' funds	1	1

**7. ULTIMATE CONTROLLING PARTY**

The immediate parent undertaking is Tesco Property (Nominees) Limited, incorporated in Great Britain and registered in England and Wales

The ultimate parent company is Tesco Property Partner (GP) Limited, which is incorporated in Great Britain and registered in England and Wales, Tesco Property Partnership (GP) Limited, is a joint venture owned by Tesco PLC and the Topland group. This is the parent undertaking of the smallest and largest group to consolidate these financial statements.

The Registered office of Tesco Property Partnership (GP) Limited is Tesco House, Delamare Road, Cheshunt, Hertfordshire EN8 9SL

**8. RELATED PARTY TRANSACTIONS**

Transactions with other companies within the Tesco Property Partner (GP) group are not disclosed as the company has taken advantage of the exemption under Financial Reporting Standard 8 "Related Party Disclosures", as the consolidated financial statements of Tesco Property Partner (GP) Limited, in which the company is included, are available at the address above.