

**BUTTONCABLE LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE 52 WEEKS ENDED 25 FEBRUARY 2017**

**Registered Number : 05294246**



**BUTTONCABLE LIMITED**

**DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 25 FEBRUARY 2017**

The Directors present their report and financial statements of Buttoncable Limited (the "Company") for the 52 weeks ended 25 February 2017 (the prior financial period being the 52 weeks ended 27 February 2016 ("2016")).

**Business Review and principal activities**

The principal activity of the Company to act as a holding company of overseas operations. There has been no significant change in the nature or level of this activity during the period and the Directors do not expect this to change significantly throughout the next financial period.

**Principal risks and uncertainties**

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 principal risks and uncertainties of the Group, which include the Company, are discussed on page 26 to 31 of the Tesco PLC Annual Report 2017 which does not form part of this Report.

**Results and dividends**

The results for the 52 weeks ended 25 February 2017 reflect a pre-tax result of £nil (2016: result of £nil) and an after tax result of £nil (2016: result of £nil).

The Directors do not recommend payment of a dividend for the 52 weeks ended 25 February 2017 (2016: £nil).

**Future developments**

The Company's future developments form a part of the Group's long term-strategy, which is discussed on pages 6 to 10 of the Tesco PLC Annual Report and Financial Statements 2017, which do not form part of this report.

**Going concern**

It is the current intention of the Company's immediate parent undertaking to continue to finance the Company so as to enable it to meet its liabilities as they fall due and to carry on its business without any significant curtailment of operations for the foreseeable future. Accordingly the financial statements have been prepared on a going concern basis.

**Research and development**

The Company does not undertake any research and development activities (2016: none).

**Political donations**

There were no political donations for the period (2016: £nil) and the Company did not incur any political expenditure (2016: £nil).

**BUTTONCABLE LIMITED**

**DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 25 FEBRUARY 2017 (continued)**

**Employees**

The Company had no employees during the 52 weeks ended 25 February 2017 (2016: nil).

**Directors**

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

K Koch (Appointed 21 June 2016)

P Moore (Resigned 30 June 2016)

R Welch (Appointed 10 August 2016)

L Heywood (Appointed on 11 August 2016)

Tesco Services Limited

**Director indemnities**

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 and officers may not be indemnified, Tesco PLC maintained a Directors' and Officers' liability insurance policy throughout the financial period and up to the date of signing the financial statements.

**Strategic Report**

The Directors have taken advantage of the exemption provided by section 414 (b) of the Companies Act 2006 (Strategic Report and Directors' Report Regulations 2013) from preparing a Strategic Report.

**BUTTONCABLE LIMITED**

**DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 25 FEBRUARY 2017 (continued)**

**Directors' responsibilities statement**

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 period. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework".

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 have been followed, subject to any material departures disclosed and explained in the 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.

On behalf of the Board

25 August 2017

*Robert Welch*

R Welch

Director

Buttoncable Limited

Registered Number: 05294246

Registered Office: Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom

**BUTTONCABLE LIMITED****PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 25 FEBRUARY 2017**

		<b>52 weeks to 25 February 2017 £'000</b>	<b>52 weeks to 27 February 2016 £'000</b>
	<b>Notes</b>		
Interest payable and similar costs		-	-
<b>Loss on ordinary activities before taxation</b>		-	-
Tax charge		-	-
<b>Loss for the period</b>		-	-

There are no recognised gains or losses other than those shown in the Profit and loss account above.

All operations are continuing for the financial period.

The Notes on pages 8 to 10 are an integral part of the financial statements.

**BUTTONCABLE LIMITED****BALANCE SHEET AS AT 25 FEBRUARY 2017**

	Notes	2017 £'000	2016 £'000
<b>Fixed assets</b>			
Investments	4	-	-
<b>Current liabilities</b>			
Payables: amounts falling due within one year	5	(36,732)	(36,732)
		(36,732)	(36,732)
<b>Net current liabilities</b>		(36,732)	(36,732)
<b>Total assets less current liabilities</b>		(36,732)	(36,732)
<b>Net liabilities</b>		(36,732)	(36,732)
<b>Equity</b>			
Share capital	6	21	21
Share premium		1,571,115	1,571,115
Profit and loss account		(1,607,868)	(1,607,868)
<b>Total shareholders' deficit</b>		(36,732)	(36,732)

The Notes on pages 8 to 10 are an integral part of the financial statements.

For the year ending 25 February 2017, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 479A;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 5 to 10 were approved by the Board of Directors on 25 August 2017 and were signed on its behalf by:

*Robert Welch*

R Welch

Director

Buttoncable Limited

Registered Number: 05294246

Registered Office: Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom

**BUTTONCABLE LIMITED****STATEMENT OF CHANGES IN EQUITY FOR THE 52 WEEKS ENDED 25 FEBRUARY 2017**

	Share capital [1]	Share premium	Profit and loss account	Total
	£'000	£'000	£'000	£'000
<b>Balance at 28 February 2015</b>	<b>21</b>	<b>1,571,115</b>	<b>(1,607,868)</b>	<b>(36,732)</b>
Loss for the period	-	-	-	-
<b>Balance at 27 February 2016</b>	<b>21</b>	<b>1,571,115</b>	<b>(1,607,868)</b>	<b>(36,732)</b>
Loss for the period	-	-	-	-
<b>Balance at 25 February 2017</b>	<b>21</b>	<b>1,571,115</b>	<b>(1,607,868)</b>	<b>(36,732)</b>

[1] See Note 6 for a breakdown of the Share Capital

**BUTTONCABLE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 25 FEBRUARY 2017****1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101**

The financial statements of Buttoncable Limited (the "Company") for the period ended 25 February 2017 were approved by the Board of Directors on 25 August 2017 and the Balance Sheet was signed on the Board's behalf by R Welch. Buttoncable Limited is a private company limited by shares and incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101). The financial statements have been prepared under the historical cost convention and the Companies Act 2006 as modified by the fair value measurement of derivatives.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Tesco PLC. The Company's results are included in the consolidated financial statements of Tesco PLC, which are available from Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom.

**2. ACCOUNTING POLICIES****General information and basis of accounting**

Buttoncable Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 4. The nature of the Company's operations and its principal activities are set out in the directors' report on pages 2 to 4.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) issued by the Financial Reporting Council.

The Company is a qualifying entity for the purposes of FRS 101. Note 7 gives details of the Company's parent and from where its consolidated financial statements prepared in accordance with EU-adopted IFRS may be obtained.

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

- The requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- The requirements of IAS 7 Statement of Cash Flows;
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- 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.



**BUTTONCABLE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 25 FEBRUARY 2017 (continued)****2. ACCOUNTING POLICIES (continued)****Going Concern**

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further detail is contained within the going concern statement included in the Directors' report on pages 2 to 4.

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.

**Significant accounting policies****a) Investments**

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

**b) Payables**

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

**3 STAFF COSTS AND DIRECTORS' REMUNERATION**

The Directors received no emoluments for their services to the Company (2016: £nil).

The Company had no employees during the period (2016: none).

**4 INVESTMENTS**

	2017 Shares in Group undertakings £'000	2016 Shares in Group undertakings £'000
<b>Cost</b>		
At beginning of period	56,077	56,077
<b>At end of the period</b>	<b>56,077</b>	<b>56,077</b>
<b>Impairment</b>		
At beginning of period	56,077	56,077
<b>At end of the period</b>	<b>56,077</b>	<b>56,077</b>
<b>Carrying value</b>		
<b>At end of period</b>	-	-

**BUTTONCABLE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 25 FEBRUARY 2017 (continued)****4 INVESTMENTS (continued)**

The cost and impairment figures presented in the prior year accounts were incorrectly disclosed and have therefore been amended accordingly.

*Related undertakings of the Company*

<b>Name of company</b>	<b>Country of incorporation</b>	<b>Proportion of voting rights and shares held</b>	<b>Registered Office</b>	<b>Share class</b>
Old FEHC Inc.	United States	100%	2029 Century Park East, Unit 2060, Los Angeles, CA 9006, USA.	US\$0.001 Common Stock

**5 PAYABLES - AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to group undertakings	<b>(36,732)</b>	<b>(36,732)</b>

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

**6 SHARE CAPITAL**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Allotted, called up and fully paid:		
20,554 Ordinary shares of £1 each (2015: 20,554)	<b>21</b>	<b>21</b>

**7 ULTIMATE GROUP UNDERTAKING**

The Company's immediate parent undertaking is Tesco Holdings Limited. The Company's ultimate parent undertaking and controlling party is Tesco PLC, a Company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Tesco PLC financial statements can be obtained from the Company Secretary at Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom, the registered offices of Tesco PLC.