Registered Company number:
07111248

Braemar Castle Limited

Annual Report and Financial Statements

For the 52 weeks to 9 March 2019

Partnership Accounts

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Braemar Castle Limited
Strategic report
for the 52 weeks to 9 March 2019

Principal activities and review of business
The principal activity of Braemar Castle Limited (the 'Company') is to act as the General Partner of Sainsbury's Property Scottish Limited Partnership (the 'Partnership'). The role of General Partner as laid out by the Limited Partnership Agreement (dated 12 May 2010) gives the Company the exclusive responsibility for the management and control of the business of the Partnership and the management of the assets of the Partnership.

The Company's profit for the financial year was £102,234 (2018: £75,725). The financial position as at 9 March 2019 is shown in the balance sheet set out on page 9.

All material operations are carried out in the United Kingdom.

A full review of the business and the market can be found in the 2019 Annual Report and Financial Statements of J Sainsbury plc, the ultimate parent undertaking, on the following website: www.about.sainsburys.co.uk.

Principal risks and uncertainties
From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of J Sainsbury plc and its subsidiaries (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 pages 30 to 36 of the Group's Annual Report and Financial Statements 2019, which does not form part of this report.

Future developments
It is management's intention to wind up the Company within the next financial year.

Key performance indicators (KPIs)
The Directors of J Sainsbury plc manage the Group's operations on a divisional basis. For this reason, the Company's Directors believe that analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Group, which includes the Company, are discussed on pages 3 to 27 and 28 to 29 of the Group's Annual Report, which does not form part of this report.

Financial risk management
The financial risk management and policies of the Company are disclosed in note 12 of the financial statements.

By order of the Board

Katherine Kinch
On behalf of
Sainsburys Corporate Director Limited
12 December 2019

Braemar Castle Limited
Directors' report
for the 52 weeks to 9 March 2019

The Directors present their report and the audited financial statements of Braemar Castle Limited (the 'Company') for the 52 weeks to 9 March 2019. The prior financial year's financial statements were for the 52 weeks to 10 March 2018.

Dividends
During the financial year, there were no dividends recommended or paid (2018: £nil).

Going Concern
Subsequent to 9 March 2019, J Sainsbury plc, announced that it had reached agreement with the Company's Pension Scheme Trustees on the terms of the triennial actuarial valuation as at 30 September 2018 and related funding plan. Under the revised funding plan, J Sainsbury plc established a new property partnership (Sainsbury's Thistle Scottish Limited Partnership) with the Pension Scheme (the "New Partnership") on 17 July 2019.

As the Company was created to act as a partner in the Sainsbury's Property Scottish Limited Partnership which is to be wound up, it is management's intention to also wind up the Company. As a result the financial statements have not been prepared on a going concern basis. All carrying amounts are reflective of their recoverable amounts.

Directors
The Directors of Braemar Castle Limited during the financial year and up to the date of signing the financial statements are shown below:

Bruce Richardson	(Appointed 5 July 2019)
Martyn Burke	(Appointed 14 June 2019; resigned 5 July 2019)
Duncan Cooper	(Appointed 8 March 2018; resigned 2 May 2019)
Sainsbury's Corporate Director Limited	(Appointed 22 December 2009)

Company Secretary
The Company Secretary of the Company who held office during the financial year and up to the date of signing the financial statements is shown below:

Julia Foo	(Appointed 14 June 2019)
Timothy Fallowfield	(Appointed 3 May 2018; resigned 14 June 2019)
Anthony Guthrie	(Resigned 3 May 2018)

Directors' indemnities
The Directors are indemnified to the extent permitted by the Articles of Association of the Company in respect of all losses arising out of or in connection with the execution of their powers, duties and responsibilities. The parent company purchased and maintained Directors' and Officers' liability insurance throughout 2018/19, which was renewed for 2019/20. The insurance covers all Directors and Officers of companies in the Group. Neither the indemnities nor insurance provide cover in the event that the Director or Officer is proved to have acted fraudulently.

Braemar Castle Limited
Directors' report (continued)
for the 52 weeks to 9 March 2019

Disclosure of information to auditors
Each of the Directors confirms that, so far as he is aware, there is no relevant audit information of which the auditors are unaware. Each Director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Independent auditors
Ernst & Young LLP, have indicated their willingness to continue in office.

By order of the Board:

Katherine Kinch
On behalf of
Sainsburys Corporate Director Limited
12 December 2019

Braemar Castle Limited
Statement of Directors' responsibilities
for the 52 weeks to 9 March 2019

The Directors are responsible for preparing the Strategic report, the Directors' 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 prepared the financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union. 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 IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Bruce Richardson
Director
12 December 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAEMAR CASTLE LIMITED

Opinion

We have audited the financial statements of Braemar Castle Limited for the 52 week period ended 9 March 2019 which comprise of the Statement of comprehensive income, the Balance sheet, Cash flow statement, the statement of changes in equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 9 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – financial statements prepared on a basis other than going concern

We draw attention to Note 2 to the financial statements which explains that the directors intend to liquidate the company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 2. Our opinion is not modified in this respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAEMAR CASTLE LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAEMAR CASTLE LIMITED (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Ben Marles (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
13 December 2019

Braemar Castle Limited
Statement of comprehensive income
for the 52 weeks to 9 March 2019

	Note	2019 £	2018 £
Revenue		**96,922**	73,212
Operating profit	3	**96,922**	73,212
Finance income	5	**5,312**	2,513
Profit before tax		**102,234**	75,725
Income tax expense	6	**-**	-
Profit for the financial year		**102,234**	75,725

There was no other comprehensive income or expense during the financial year or the prior financial year.

The notes on pages 11 to 18 are an integral part of these financial statements.

Braemar Castle Limited
Balance sheet
as at 9 March 2019

	Note	2019 £	2018 £
Non-current assets			
Investments	7	-	60,000,000
Current assets			
Investments	7	**60,000,000**	-
Other receivables	8	**871,778**	769,544
Total assets		**60,871,778**	60,769,544
Current liabilities			
Other payables	9	**(60,000,000)**	(60,000,000)
Net current assets/(liabilities)		**871,778**	(59,230,456)
Net assets		**871,778**	769,544
Equity			
Called up share capital	10	**10,001**	10,001
Retained earnings	11	**861,777**	759,543
Total equity		**871,778**	769,544

The notes on pages 11 to 18 are an integral part of these financial statements.

The financial statements on pages 8 to 18 were approved by the Board of Directors and were signed on its behalf by:

Bruce Richardson
Director
12 December 2019

Braemar Castle Limited
Cash flow statement
for the 52 weeks to 9 March 2019

There were no cash flows arising in the Company during the current or prior financial year.

The notes on pages 11 to 18 are an integral part of these financial statements.

Statement of changes in equity
for the 52 weeks to 9 March 2019

	Note	Called up share capital £	Retained earnings £	Total equity £
At 11 March 2018		**10,001**	**759,543**	**769,544**
Profit for the financial year	10 & 11	**-**	**102,234**	**102,234**
At 09 March 2019		**10,001**	**861,777**	**871,778**

At 12 March 2017		10,001	683,818	693,819
Profit for the financial year	10 & 11	-	75,725	75,725
At 10 March 2018		10,001	759,543	769,544

The notes on pages 11 to 18 are an integral part of these financial statements.

1 General information

Braemar Castle Limited (the 'Company') is a private limited company incorporated and domiciled in England and Wales. The Company's registered address is 33 Holborn, London EC1N 2HT. The Company is part of the J Sainsbury plc (the 'Group').

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 parent company's financial statements may be obtained from www.about.sainsburys.co.uk.

The Company's financial year represents the 52 weeks to 9 March 2019 (prior financial year: 52 weeks to 10 March 2018).

2 Accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union and International Financial Reporting Interpretations Committee ('IFRIC') interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRSs.

(b) Basis of preparation

The financial statements are presented in sterling, rounded to the nearest pound (£) unless otherwise stated. It is the Directors' intention to wind up the Company within the next twelve months. As a result the financial statements have not been prepared on a going concern basis. Accordingly, adjustments have been made to investments to bring their carrying value to their estimated realisable amount, to provide for any further liabilities which will arise, and to reclassify investments as current assets.

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 areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2c.

The Company is a wholly-owned subsidiary of J Sainsbury plc and is included in the consolidated financial statements of J Sainsbury plc which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

Going concern

Subsequent to 9 March 2019, J Sainsbury plc, announced that it had reached agreement with the Company's Pension Scheme Trustees on the terms of the triennial actuarial valuation as at 30 September 2018 and related funding plan. Under the revised funding plan, J Sainsbury plc established a new property partnership (Sainsbury's Thistle Scottish Limited Partnership) with the Pension Scheme (the "New Partnership") on 17 July 2019.

As the Company was created to act as a partner in the Sainsbury's Property Scottish Limited Partnership which is to be wound up, it is management's intention to also wind up the Company. As a result the financial statements have not been prepared on a going concern basis. All carrying amounts are reflective of their recoverable amounts.

2. Accounting policies (continued)

Amendments to published standards
Effective for the Company in these financial statements:
The Company considered the following amendments to published standards that are effective for the Company for the financial year beginning 11 March 2018 and concluded that they are either not relevant to the Company or they do not have a significant impact on the Company's financial statements other than disclosures. These standards and interpretations have been endorsed by the European Union.

- Amendments to IFRS 2 'Share-based Payment' on the classification and measurement of share-based payment transactions
- Amendments to IAS 40 'Investment Property' on the transfers of investment property
- IFRIC Interpretation 22 'Foreign Currency Transactions and Advance Consideration'
- Annual Improvements Cycle 2014-2016 (issued in December 2016)
- IFRS 4 'Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts'
- IFRS 9 'Financial Instruments'
- IFRS 15 'Revenue from Contracts with Customers'

Standards and revisions effective for future periods:
The following standards and revisions will be effective for future periods:

- IFRS 16 'Leases'
- IFRIC Interpretation 23 'Uncertainty over Income Tax Treatments'
- Amendments to IFRS 9 'Financial Instruments' on prepayment features with negative compensation
- Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' on the definition of material
- Amendments to IAS 19 'Employee Benefits' on plan amendments, curtailments or settlements
- Amendments to IAS 28 'Investments in Associates and Joint Ventures' on long term interests in associates and joint ventures
- Annual Improvements Cycle 2015-2017 (issued in December 2017)

The Company has considered the impact of the above standards and revisions and have concluded that they will not have a significant impact on the Company's financial statements.

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

Revenue
Revenue is earned by means of a distribution of profits from the Company's investment in Sainsbury's Property Scottish Limited Partnership of which the Company is the General Partner.

Finance income
Finance income is recognised in the income statement for financial assets measured at amortised cost using the effective interest method.

Investments
Investments in partnerships are held at cost, less any recognised impairment loss.

2. Accounting policies (continued)

Financial instruments

Financial assets

From 11 March 2018, the Company classifies all of its financial assets at amortised cost in accordance with IFRS 9. Before 11 March 2018, the Company classified its financial assets as loans and receivables in accordance with IAS 39.

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

For the Company, these are financial assets that are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and where the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company initially measures these financial assets at fair value plus transaction costs. Subsequently these assets are carried at amortised cost less impairment using the effective interest method. Income from these financial assets is calculated on an effective yield basis and is recognised in the income statement.

Financial liabilities

Bank loans and payables are recorded initially at fair value, which is generally the proceeds received, net of direct issue costs. Subsequently, these liabilities are held at amortised cost using the effective interest method.

Fair value estimation

The fair values of receivables, payables and loans of a maturity of less than one year are approximate to their book values.

Impairment of financial assets

The adoption of IFRS 9 has fundamentally changed the Company's accounting for loan loss impairments by replacing IAS 39's incurred loss approach with a 3 stage forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Company to record an allowance for ECL for all loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Company establishes provisions against trade receivables to reflect the lifetime expected credit loss, consistent with the simplified approach under IFRS 9.

Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2. Accounting policies (continued)

Current tax
Current tax is accounted for on the basis of tax laws enacted or substantively enacted at the balance sheet date. Current tax is charged or credited to the income statement, except when it relates to items charged to equity or other comprehensive income, in which case the current tax is also dealt with in equity, or other comprehensive income, respectively.

(c) Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRSs 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. Those which are significant to the Company are discussed separately below:

Estimates and assumptions
The areas where assumptions and estimates are significant to the financial statements are as described below. 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 judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Impairment of assets
Financial and non-financial assets are subject to impairment reviews based on whether current or future events and circumstances suggest that their recoverable amount may be less than their carrying value. Recoverable amount is based on the higher of the value in use and fair value less costs to dispose. Value in use is calculated from expected future cash flows using suitable discount rates and includes management assumptions and estimates of future performance.

Income taxes
The Company recognises expected liabilities for tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual liability arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax provisions in the year when such determination is made. Detail of the tax charge is set out in note 6.

3 Operating profit

The auditors' remuneration, in the current and prior financial year, has been borne by Sainsbury's Supermarkets Ltd, a Group company that makes no recharge to the Company.

4 Employees and Directors' remuneration

The average monthly number of persons (including Directors) employed by the Company during the financial year was nil (2018: 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 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 Group companies. Accordingly, the income statement does not include emoluments in respect of the Directors.

5 Finance income

	2019	2018
	£	£
Interest receivable from Group companies	5,312	2,514
Finance income	**5,312**	2,514

6 Income tax expense

The income tax expense for the financial year was £nil (2018: £nil).

The effective tax rate of nil per cent (2018: nil per cent) is lower than (2018: lower than) the standard rate of corporation tax in the UK. The differences are explained below:

	2019	2018
	£	£
Profit before tax	102,234	75,725
Income tax at UK corporation tax rate of 19.00% (2018: 19.06%)	19,424	14,433
Effects of:		
Transfer pricing adjustment	(239,400)	(194,412)
Group relief surrendered for £nil consideration	219,976	179,979
Total income tax expense in income statement	-	-

The main rate of UK corporation tax reduced from 20 per cent to 19 per cent from 1 April 2017. A further reduction in the corporation tax rate to 17 per cent, rather than 18 per cent, effective from 1 April 2020 was substantively enacted in a prior period, so its effect is reflected in these financial statements. Deferred tax on temporary differences and tax losses as at the balance sheet date is calculated at the substantively enacted rates at which the temporary differences and tax losses are expected to reverse.

7 Investments

	2019	2018
	£	£
At start of financial year	60,000,000	60,000,000
At end of financial year	**60,000,000**	60,000,000

On 6 January 2010, the Company became the General Partner of a newly formed Partnership, Sainsbury's Property Scottish Limited Partnership (the 'Partnership'). On 12 May 2010 the Company made a capital contribution of £16,000,000 to the Partnership. On 25 March 2011, the Company made a second capital contribution of £44,000,000 to the Partnership. The Partnership is registered in Scotland and limited under the Limited Partnerships Act 1907. The Company has taken advantage of the exemption conferred by Regulation 7 of the Partnerships (Accounts) Regulations 2008 and has therefore not appended the financial statements of this qualifying partnership to these financial statements.

8 Other receivables

	2019 £	2018 £
Current		
Amounts due from parent company	**1**	1
Amounts due from Group companies	**871,777**	769,543
	871,778	769,544

Amounts due from parent and Group companies are denominated in sterling and are interest bearing at Bank of England's base rate of 0.75, increasing in August 2018, (2018: 0.50) per cent per annum.

Amounts due from parent and Group companies are not considered overdue or impaired.

9 Other payables

	2019 £	2018 £
Current		
Amounts due to Group companies	**60,000,000**	60,000,000

Current amounts due to Group companies are non-interest bearing and are payable on demand.

10 Called up share capital

	2019 number	2019 £	2018 number	2018 £
Authorised, allotted and fully paid - £1 ordinary shares	**10,001**	**10,001**	10,001	10,001
Called up share capital	**10,001**	**10,001**	10,001	10,001

11 Retained earnings

	2019 £	2018 £
At start of financial year	**759,543**	683,818
Profit for the financial year	**102,234**	75,725
At end of financial year	**861,777**	759,543

12 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 risk fluctuations as amounts due to group companies carry fixed rates of interest or 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 receivable from the parent and group companies. These are existing related party receivables with no history of default and none of the amounts are past due nor impaired.

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.

13 Related party transactions

The parent company and ultimate 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 Group's financial statements may be obtained from www.about.sainsburys.co.uk. The Company does not have a bank account; all transactions are settled on an intercompany account.

(a) Key management personnel
The key management personnel of the Company comprise of the Board of Directors. The Directors do not receive any remuneration from the Company as their emoluments are borne by the Group companies. The Company did not have any transactions with the Directors during the financial year.

(b) Transactions with Parent company

	2019 £	2018 £
Year end balances arising from transactions with parent company		
Receivables		
Amounts due from Parent company	**1**	1

(c) Transactions with Group companies

	2019 £	2018 £
Advances given to Group companies		
Interest income in respect of interest bearing loans	**5,312**	2,514
Distribution of profits from Sainsbury's Property Scottish Limited Partnership	**96,922**	73,212
Year end balances arising from transactions with Group companies		
Receivables		
Amounts due from Group companies	**871,777**	769,543
Payables		
Amounts due to Group companies	**60,000,000**	60,000,000

(d) Transactions with other related parties
There have been no transactions with other related parties during the financial year.

14 Events after the balance sheet date

Subsequent to 9 March 2019, J Sainsbury plc, announced that it had reached agreement with the Company's Pension Scheme Trustees on the terms of the triennial actuarial valuation as at 30 September 2018 and related funding plan. Under the revised funding plan, J Sainsbury plc established a new property partnership (Sainsbury's Thistle Scottish Limited Partnership) with the Pension Scheme (the "New Partnership") on 17 July 2019.

As the Company was created to act as a partner in the Sainsbury's Property Scottish Partnership which is to be wound up, it is management's intention to also wind up the Company.

Registered Number: SL007628

Sainsbury's Property Scottish Limited Partnership

Annual Report and Financial Statements

For the 52 weeks to 9 March 2019

Sainsbury's Property Scottish Limited Partnership
Strategic report
for the 52 weeks to 9 March 2019

Principal activities and review of business
The principal activity of Sainsbury's Property Scottish Limited Partnership (the 'Partnership') is to act as a holding company. The Partnership is a partner in Sainsbury's Property Scottish Partnership (together with Tintagel Castle Limited).

The Partnership's profit for the financial year is £19,384,434 (2018: £19,384,387). The financial position as at 9 March 2019 is shown in the balance sheet set out on page 8.

All material operations are carried out in the United Kingdom.

A full review of the business and the market can be found in the 2019 Annual Report and Financial Statements of J Sainsbury plc, the ultimate parent undertaking, on the following website: www.about.sainsburys.co.uk.

Principal risks and uncertainties
From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of J Sainsbury plc and its subsidiaries (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 pages 30 to 36 of the Group's Annual Report and financial statements 2019, which does not form part of this report.

Future developments
It is the Partners' intention to wind up the Company within the next financial year.

Key performance indicators (KPIs)
The Directors of J Sainsbury plc manage the Group's operations on a divisional basis. For this reason, the Company's Directors believe that analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Group, which includes the Company, are discussed on pages 3 to 27 and 28 to 29 of the Group's Annual Report, which does not form part of this report.

Financial risk management
The financial risk management and policies of the Partnership are disclosed in note 8 of the financial statements.

By order of the Board:

Katherine Kinch
On behalf of **Sainsburys Corporate Director Limited**
On behalf of **Braemar Castle Limited**
12 December 2019

Sainsbury's Property Scottish Limited Partnership
Partners' report
for the 52 weeks to 9 March 2019

The Partners present the report and the audited financial statements of Sainsbury's Property Scottish Limited Partnership (the 'Partnership') for the 52 weeks to 9 March 2019. The prior year's financial statements were for the 52 weeks to 10 March 2018.

Distributions
During the financial year the Partnership made distributions of £19,384,434 (2018: £19,384,387).

Going concern
Subsequent to 9 March 2019, J Sainsbury plc, announced that it had reached agreement with the Company's Pension Scheme Trustees on the terms of the triennial actuarial valuation as at 30 September 2018 and related funding plan. Under the revised funding plan, J Sainsbury plc established a new property partnership (Sainsbury's Thistle Scottish Limited Partnership) with the Pension Scheme (the "New Partnership") on 17 July 2019.

To facilitate this, Sainsbury's Supermarkets Ltd ("SSL") purchased the Pension Scheme Trustees' interest in the Partnership, making it a wholly owned subsidiary of the Sainsbury's Group.

It is the Partners' intention to wind up the Partnership within the next twelve months. As a result the financial statements have not been prepared on a going concern basis. All carrying amounts are reflective of their recoverable amounts.

Partners
The names of the partners who were Partners at any time during the financial year and up to the date of signing the financial statements are set out below. Unless otherwise indicated they served as Partners for the entire financial year.

Flint Castle Limited (Limited Partner)
J Sainsbury Pension Scheme Trustees Limited (Limited Partner – ceased 17 July 2019)
Sainsbury's Supermarkets Limited (Limited Partner – appointed 17 July 2019)
Braemar Castle Limited (General Partner)

Disclosure of information to auditors
Each of the Partners confirms that, so far as he is aware, there is no relevant audit information of which the auditors are unaware. Each Partner has taken all steps that he ought to have taken as a Partner in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Independent auditors
Ernst & Young LLP, have indicated their willingness to continue in office.

For and on behalf of Sainsbury's Property Scottish Limited Partnership,

Katherine Kinch
On behalf of **Sainsburys Corporate Director Limited**
On behalf of **Braemar Castle Limited**
12 December 2019

Sainsbury's Property Scottish Limited Partnership
Statement of Partners' responsibilities
for the 52 weeks to 9 March 2019

The Partners are responsible for preparing the non-statutory financial statements in accordance with the basis of preparation and accounting policies in note 2 for management purposes. The Partners must not approve the non-statutory financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these non-statutory financial statements, the Partners have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and accounting estimates that are reasonable and prudent;
- stated the basis of preparation and accounting polices applied;
- prepared the non-statutory financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The Partners are responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Bruce Richardson
on behalf of **Sainsburys Corporate Director Limited**
on behalf of **Flint Castle Limited**
12 December 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAINSBURY'S PROPERTY SCOTTISH LIMITED PARTNERSHIP

Opinion

We have audited the financial statements of Sainsbury's Property Scottish Limited Partnership for the 52 week period ended 9 March 2019 which comprise of the Statement of comprehensive income, the Balance Sheet, Cash flow statement, Statement of changes in partners' interests and the related notes 1 to 10, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 9 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – financial statements prepared on a basis other than going concern

We draw attention to Note 2 to the financial statements which explains that the directors intend to liquidate the company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 2. Our opinion is not modified in this respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The partners are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, accordingly, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAINSBURY'S PROPERTY SCOTTISH LIMITED PARTNERSHIP (continued)

Opinion on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Partners' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic report and the Partners' report have been prepared in accordance with applicable legal requirements;

Matters on which we are required to report by exception

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic report or the Partners' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to qualifying partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of partners' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Respective responsibilities of partners

As explained more fully in the Statement of Partners' Responsibilities set out on page 3, the partners are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the partners determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the partners are responsible for assessing the partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless partners either intend to liquidate the partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAINSBURY'S PROPERTY SCOTTISH LIMITED PARTNERSHIP (continued)

Use of our report

This report is made solely to the qualifying partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships. Our audit work has been undertaken so that we might state to the qualifying partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the qualifying partnership's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Ben Marles (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
13 December 2019

Sainsbury's Property Scottish Limited Partnership
Statement of comprehensive income
for the 52 weeks to 9 March 2019

	2019	2018
	£	£
Revenue	**19,384,434**	19,384,387
Profit for the financial year	**19,384,434**	19,384,387
Attributable to:		
Profit available for distribution among partners	**19,384,434**	19,384,387

There was no other comprehensive income or expense during the financial year or the prior financial year.

The notes on pages 11 to 15 are an integral part of these financial statements.

Sainsbury's Property Scottish Limited Partnership
Balance sheet
As at 9 March 2019

	Note	2019 £	2018 £
Non-current assets			
Investments	5	-	600,000,100
Current assets			
Investments	5	**600,000,100**	-
Total assets		**600,000,100**	600,000,100
Net assets attributable to partners		**600,000,100**	600,000,100
Represented by:			
Partners' current account	6	-	-
Partners' capital	7	**600,000,100**	600,000,100
Total partners' interests		**600,000,100**	600,000,100

The notes on pages 11 to 15 are an integral part of these financial statements.

The financial statements on pages 7 to 15 were authorised for issue and signed on behalf of the partners of Sainsbury's Property Scottish Limited Partnership by:

Bruce Richardson
on behalf of **Sainsburys Corporate Director Limited**
on behalf of **Flint Castle Limited**
12 December 2019

Sainsbury's Property Scottish Limited Partnership
Cash flow statement
for the 52 weeks to 9 March 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations		**19,384,434**	19,384,387
Net cash from operating activities		**19,384,434**	19,384,387
Cash flows from financing activities			
Distribution paid	9	**(19,384,434)**	(19,384,387)
Net cash used in financing activities		**(19,384,434)**	(19,384,387)
Net increase in cash and cash equivalents		-	-
Opening cash and cash equivalents		-	-
Closing cash and cash equivalents		-	-

The notes on pages 11 to 15 are an integral part of these financial statements.

Sainsbury's Property Scottish Limited Partnership
Statement of changes in partners' interests
for the 52 weeks to 9 March 2019

	Note	Available for distribution among Partners £
At 11 March 2018		**-**
Profit for the financial year	6	**19,384,434**
Profit distributed in financial year	6	**(19,384,434)**
At 9 March 2019		**-**
At 12 March 2017		-
Profit for the financial year	6	19,384,387
Profit distributed in financial year	6	(19,384,387)
At 10 March 2018		**-**

The notes on pages 11 to 15 are an integral part of these financial statements.

1 General information

Sainsbury's Property Scottish Limited Partnership (the 'Partnership') is a qualifying Scottish Partnership which is registered in Scotland and is limited under the Limited Partnerships Act 1907. The Partnership is domiciled in the United Kingdom and its registered address is Scottish Commercial Office, Hurlawcrook Road, Langlands Park Industrial Estate, East Kilbride, G75 0ZZ, United Kingdom. The Partnership is part of the J Sainsbury plc (the 'Group').

The Partnership's financial year represents the 52 weeks to 9 March 2019 (2018: 52 weeks to 10 March 2018).

2 Accounting policies

(a) Statement of compliance

The Partnership'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 2006 applicable to partnership reporting under IFRS.

(b) Basis of preparation

The financial statements are presented in sterling, rounded to the nearest pound (£) unless otherwise stated. It is the Partners' intention to wind up the Partnership within the next twelve months. As a result the financial statements have not been prepared on a going concern basis. Accordingly, adjustments have been made to investments to bring their carrying value to their estimated realisable amount, to provide for any further liabilities which will arise, and to reclassify investments as current assets.

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 areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2c.

The Partnership is included in the consolidated financial statements of J Sainsbury plc which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

Going concern

Subsequent to 9 March 2019, J Sainsbury plc, announced that it had reached agreement with the Company's Pension Scheme Trustees on the terms of the triennial actuarial valuation as at 30 September 2018 and related funding plan. Under the revised funding plan, J Sainsbury plc established a new property partnership (Sainsbury's Thistle Scottish Limited Partnership) with the Pension Scheme (the "New Partnership") on 17 July 2019.

To facilitate this, Sainsbury's Supermarkets Ltd ("SSL") purchased the Pension Scheme Trustees' interest in the Partnership, making it a wholly owned subsidiary of the Sainsbury's Group.

It is the Partners' intention to wind up the Partnership within the next twelve months. As a result the financial statements have not been prepared on a going concern basis. All carrying amounts are reflective of their recoverable amounts.

Amendments to published standards
Effective for the Partnership in these financial statements:
The Partnership considered the following amendments to published standards that are effective for the Partnership for the financial year beginning 11 March 2018 and concluded that they are either not relevant to the Partnership or they do not have a significant impact on the Partnership's financial statements other than disclosures. These standards and interpretations have been endorsed by the European Union.

- Amendments to IFRS 2 'Share-based Payment' on the classification and measurement of share-based payment transactions
- Amendments to IAS 40 'Investment Property' on the transfers of investment property
- IFRIC Interpretation 22 'Foreign Currency Transactions and Advance Consideration'
- Annual Improvements Cycle 2014-2016 (issued in December 2016)
- IFRS 4 'Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts'
- IFRS 9 'Financial Instruments'
- IFRS 15 'Revenue from Contracts with Customers'

Standards and revisions effective for future periods:
The following standards and revisions will be effective for future periods:

- IFRS 16 'Leases'
- IFRIC Interpretation 23 'Uncertainty over Income Tax Treatments'
- Amendments to IFRS 9 'Financial Instruments' on prepayment features with negative compensation
- Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' on the definition of material
- Amendments to IAS 19 'Employee Benefits' on plan amendments, curtailments or settlements
- Amendments to IAS 28 'Investments in Associates and Joint Ventures' on long term interests in associates and joint ventures
- Annual Improvements Cycle 2015-2017 (issued in December 2017)

The Partnership has considered the impact of the above standards and revisions and concluded that they will not have a significant impact on the Partnership's financial statements.

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

Revenue
Revenue is earned by means of a distribution of profits from the Partnership's investment in Sainsbury's Property Scottish Partnership, an unincorporated Scottish Partnership, of which the Partnership is a partner. This income is determined via the provisions detailed in the Partnership Agreement.

Investments
Investments in partnerships are carried at cost, less any recognised impairment loss.

Partners' capital
Partners' capital has been classified as equity.

Tax
No tax is recorded in the financial statements of the Partnership, as all tax liabilities are liabilities of the Partners, not the Partnership.

(c) Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRSs 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. Those which are significant to the Partnership are discussed separately below: The judgements and key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are discussed below.

Estimates and assumptions

The areas where assumptions and estimates are significant to the financial statements are as described below. 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.

Impairment of assets

Non-financial assets are subject to impairment reviews based on whether current or future events and circumstances suggest that their recoverable amount may be less than their carrying value. Recoverable amount is based on the higher of the value in use and fair value less costs to dispose. Value in use is calculated from expected future cash flows using suitable discount rates and includes management assumptions and estimates of future performance.

3 Operating profit

The auditors' remuneration, in the current and prior financial year, has been borne by Sainsbury's Supermarkets Ltd, a Group company that makes no recharge to the Partnership.

4 Employee costs

The average monthly number of persons (including Partners) employed by the Partnership during the current and previous financial year was nil (2018: nil).

5 Investments

	2019	2018
	£	£
Beginning and end of financial year	**600,000,100**	600,000,100

6 Partners' current account

	General Partner	**Limited Partners**	**Total**
	£	**£**	**£**
Balance at beginning of financial year	-	-	-
Share of profit	96,922	19,287,512	19,384,434
Distributions	(96,922)	(19,287,512)	(19,384,434)
Balance at end of financial year	-	-	-

7 Partners' capital

	General Partner £	Limited Partners £	Total £
As at 11 March 2018 and 9 March 2019	**60,000,000**	**540,000,100**	**600,000,100**
As at 12 March 2017 and 10 March 2018	60,000,000	540,000,100	600,000,100

8. 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 Partnership's liquid resources, funding requirements and interest rate and currency exposures.

Interest rate risk
The Partnership has no exposure to interest rate fluctuations.

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

Credit risk
The Partnership has no exposure to credit risk.

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

9. Related party transactions

The Partnership is managed by three partners, Flint Castle Limited, Braemar Castle Limited and J Sainsbury Pension Scheme Trustees Limited. The Partners share control over the operation of the Partnership as set out in the Partnership Agreement. The Partners do not receive any remuneration from the Partnership. The Partnership did not have any transactions with the partners other than by way of the receipt and subsequent re-distribution of income as per the Partnership Agreement.

(a) Transactions with Partners

	2019 £	2018 £
Distribution of profits from Sainsbury's Property Scottish Partnership	**19,384,434**	19,384,387
Distribution of profits to the Partners	**(19,384,434)**	(19,384,387)

(b) Transactions with other related parties

There have been no transactions with other related parties during the year.

10. Events after the balance sheet date

In June 2019 a further distribution of £8,950,581 was made to the Partnership by Sainsbury's Property Scottish Partnership. The Partnership distributed its funds to its Partners in accordance with the provisions of the Partnership Agreement.

Subsequent to 9 March 2019, J Sainsbury plc, announced that it had reached agreement with the Company's Pension Scheme Trustees on the terms of the triennial actuarial valuation as at 30 September 2018 and related funding plan. Under the revised funding plan, J Sainsbury plc established a new property partnership (Sainsbury's Thistle Scottish Limited Partnership) with the Pension Scheme (the "New Partnership") on 17 July 2019.

To facilitate this, Sainsbury's Supermarkets Ltd ("SSL") purchased the Pension Scheme Trustees' interest in the Partnership, making it a wholly owned subsidiary of the Sainsbury's Group.

It is the Partners' intention to wind up the Partnership within the next twelve months.