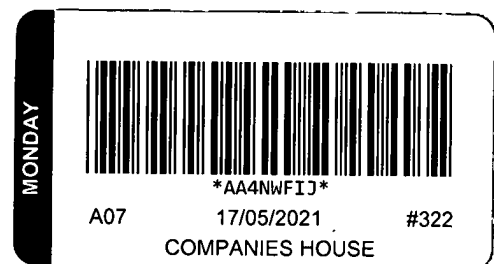


Sainsbury's Rose LP Limited

Annual Report and Financial Statements

For the period to 7 March 2020



Sainsbury's Rose LP Limited
Strategic Report
for the period to 7 March 2020

Principal activities and review of business

The principal activity of Sainsbury's Rose LP Limited ('the Company') during the financial period was investment in subsidiary companies. The Company was incorporated on 18 February 2019 to hold the investment in Sainsbury's Thistle Scottish Limited Partnership.

The Company's profit for the financial period was £nil. The financial position as at 7 March 2020 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 2020 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 36 to 45 of the Group's Annual Report and Financial Statements 2020, which do not form part of this report.

Future developments

No change is planned in the activities of the Company in the next financial period.

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 2 to 35 of the Group's annual report, which does not form part of this report.

Financial risk management

The financial risk management policies of the Company are disclosed in note 29 on pages 153 to 162 of the Group's Annual Report.

Sainsbury's Rose LP Limited
Strategic Report (continued)
for the period to 7 March 2020

Section 172 statement and stakeholder engagement

All directors are collectively responsible for the success of the Company and take their duties and responsibilities, including those set out in Section 172(1) of the Companies Act 2006, seriously. When making decisions, the board of directors seek to take the course of action that it considers best leads to the success of the Company over the long term, and this includes considering the Company's stakeholders.

The Company is a subsidiary of J Sainsbury plc and its stakeholder engagement is integrated within the governance framework of J Sainsbury plc and its subsidiaries (the 'Group'). During the year, the Directors continued to focus on engagement with the Company's stakeholders, most notably the Group. The Directors primarily used finance meetings to consider and engage with the Group. These interactions informed key decisions that the Directors made during the year.

Further details on how the Group engaged with its stakeholders, can be found in the 2020 Annual Report for J Sainsbury plc on pages 14-17.

By order of the Board:

N Shinton

N Shinton (May 14, 2021 11:10 GMT+1)

Natalie Shinton
Director
14 May 2021

**Sainsbury's Rose LP Limited
Directors' Report
for the period to 7 March 2020**

The Directors present their first report and audited financial statements of Sainsbury's Rose LP Limited (the 'Company') for the period covering the 18 February 2019 to the 7 March 2020.

Dividends

During the financial period, there were no dividends approved or paid.

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.

Directors

The Directors of the Company who held office during the financial period and up to the date of signing the financial statements are shown below:

Natalie Shinton	(Appointed 6 December 2019)
Bruce Richardson	(Appointed 14 June 2019)
Sainsburys Corporate Director Limited	(Appointed 20 February 2019; resigned 6 December 2019)
David Wheeler	(Appointed 20 February 2019; resigned 14 June 2019)

Company Secretary

The Company Secretaries who held office during the financial period and up to the date of signing the financial statements are shown below:

Sainsbury's Corporate Secretary Limited	(Appointed 7 May 2021)
Julia Foo	(Appointed 14 June 2019; resigned 7 May 2021)
Timothy Fallowfield	(Appointed 20 February 2019; resigned 14 June 2019)

Directors' indemnities

The Directors are entitled to be indemnified by the ultimate parent company, J Sainsbury plc, to the extent permitted by law and the Articles of Association in respect of all losses arising out of or in connection with the execution of their powers, duties and responsibilities. The ultimate parent company purchased and maintained Directors' and Officers' liability insurance throughout 2019/20, which was renewed for 2020/21. 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.


Disclosure of information to auditors

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

Independent auditors

Ernst & Young LLP were appointed as auditors during the period and have indicated their willingness to continue in office.

By order of the Board:


N Shinton (May 14, 2021 11:10 GMT+1)
Natalie Shinton
Director
14 May 2021

Sainsbury's Rose LP Limited
Statement of Directors' Responsibilities
for the period to 7 March 2020

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

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, including FRS 101, 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
14 May 2021

Independent auditor's report to the members of Sainsbury's Rose LP Limited

Opinion

We have audited the financial statements of Sainsbury's Rose LP Limited for the financial period ended 7 March 2020 which comprise of the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 9, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:
give a true and fair view of the company's affairs as at 7 March 2020 and of its results for the financial period then ended;
have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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– disclosure of effects of COVID-19

We draw attention to note 2 and note 9 of the financial statements, which describe the impact on the Company as a result of COVID-19 in its operations and assessment of going concern. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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 period 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 Statement of Directors' responsibilities 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.

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.

Ben Marles (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

17 May 2021

Sainsbury's Rose LP Limited
Statement of comprehensive income
for the period to 7 March 2020

	Note	2020 £m
Revenue		-
Operating profit	3	-
Profit before tax		-
Income tax expense	5	-
Profit for the financial period		-

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

The notes on pages 11 to 16 are an integral part of these financial statements.

Sainsbury's Rose LP Limited
Balance Sheet
as at 7 March 2020

	Note	2020 £m
Non-current assets		
Investments in subsidiaries	6	1,516
		1,516
Total assets		1,516
Net assets		1,516
Equity		
Called up share capital	7	1,516
Retained earnings	8	-
Total equity		1,516

The notes on pages 11 to 16 are an integral part of these financial statements.

The financial statements on pages 8 to 16 were approved by the Board of Directors and were signed on its behalf by:



Bruce Richardson
 Director
 14 May 2021

Sainsbury's Rose LP Limited
Statement of changes in equity
for the period to 7 March 2020

	Called up share capital £m	Retained earnings £m	Total equity £m
At 18 February 2019	-	-	-
Allotted shares	1,516	-	1,516
At 7 March 2020	1,516	-	1,516

The notes on pages 11 to 16 are an integral part of these financial statements.

Sainsbury's Rose LP Limited
Notes to the financial statements
for the period to 7 March 2020

1 General information

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

The immediate controlling company of the Company is Sainsbury's Group Holdings Limited and the ultimate parent and controlling company of the Company is J Sainsbury plc. Both companies are registered in England and Wales. J Sainsbury plc is the ultimate parent company into which the Company's financial statements are consolidated. Copies of the ultimate parent company's financial statements may be obtained from www.about.sainsburys.co.uk.

The financial period represents the period to 7 March 2020.

2 Accounting policies

(a) Statement of compliance

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. J Sainsbury plc's address is 33 Holborn, London, EC1N 2HT, United Kingdom.

The Company's financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006. FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the Standard, which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition measurement and disclosure requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union.

FRS 101 sets out amendments to IFRS as adopted by the European Union that are necessary to achieve compliance with the Companies Act and related regulations. These amendments had no impact on the Statement of comprehensive income, Balance sheet or Statement of changes in equity for the Company for the period to 7 March 2020.

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

- The requirements of IAS 7 to present a cash flow statement.
- The requirements of IFRS 7 and IFRS 13 for disclosure of financial instruments and fair values.
- The requirements of paragraph 17 of IAS 24, Related Party Transactions, to disclose information related to key management personnel, and the requirements of IAS 24 to disclose related party transactions between two or more members of a group for wholly owned subsidiaries.
- The requirements of paragraphs 30 and 31 of IAS 8 to disclose information assessing the possible impact of new standards issued but which are not yet effective.
- The requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1.

Sainsbury's Rose LP Limited
Notes to the financial statements (continued)
for the period to 7 March 2020

2 Accounting policies (continued)

(b) Basis of preparation

The financial statements are presented in sterling, rounded to the nearest million (£m) unless otherwise stated. They have been prepared on a going concern basis under the historical cost convention.

The preparation of financial statements in conformity with FRS 101 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.

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.

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 10 March 2019 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.

- 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 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)

Standards and revisions effective for future periods

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

- Amendments to References to Conceptual Framework in IFRS Standards
- Amendments to IFRS 3 'Business Combinations' on the definition of a business
- 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 IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Presentation' and IFRS 7 'Financial Instruments: Disclosures' on interest rate benchmark reform
- IFRS 17 'Insurance Contracts'

The Company has considered the impact of the above standards and revisions and has 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 financial periods presented in the financial statements by the Company.

Sainsbury's Rose LP Limited
Notes to the financial statements (continued)
for the period to 7 March 2020

2 Accounting policies (continued)

Dividend Income

Dividend income relates to dividends received from subsidiaries.

Investments in subsidiaries undertakings

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the Directors when there has been an indication of potential impairment.

Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss. Any impairment charge is recognised in the income statement in the period it occurs.

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, in which case the current tax is also dealt with in equity, or other comprehensive income, respectively.

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.

(c) Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with FRS 101 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 judgements and key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are discussed below.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Impact of COVID-19

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections across many countries. Management has exercised significant judgement when determining whether any adjustments are required to the financial statements as at 7 March 2020.

The conditions that existed at the balance sheet date were that a disease, present in a number of countries globally, was in existence. It had stabilised in China, however had caused a level of uncertainty in the market. The UK response to the outbreak was still minor and day-to-day life in the UK where the Company operates was unchanged. Despite the lockdown in China, a UK lockdown and subsequent economic impact was not readily apparent at this stage. As a result none of the conditions at the balance sheet date indicated that any adjustments would be required to the Company's financial statements.

Sainsbury's Rose LP Limited
Notes to the financial statements (continued)
for the period to 7 March 2020

2 Accounting policies (continued)

The subsequent rise in infections in the UK, significant market movements and global lockdowns occurred after the year-end date, but do not provide additional information about conditions that existed at the balance sheet date. In particular, it was on 11 March that the World Health Organisation declared the virus a pandemic, and from 16 March that the UK Government announced major government-backed loans. It is also this date that day-to-day life in the UK began to be impacted through announced social distancing measures, with additional, stay at home measures being enforced even later. The scale of these Government interventions and impact on daily life in the UK were not apparent at the balance sheet date and therefore represent non-adjusting events to the Company.

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

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.

3 Operating profit/(loss)

Administrative charges and auditor's remuneration of £1,828 have been borne by the ultimate parent company, J Sainsbury plc, or other Group companies.

4 Employees and Directors' remuneration

The average monthly number of persons (including Directors) employed by the Company during the financial period was 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.

Sainsbury's Rose LP Limited
Notes to the financial statements (continued)
for the period to 7 March 2020

5 Income tax expense

The income tax expense for the financial period was £nil.

	2020 £'m
Profit/(loss) before tax	-
Income tax at UK corporation tax rate of 19.00%	-
Total 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%, 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. A change to the corporation tax rate, so that it remains at 19% rather than reducing to 17% from 1 April 2020, was announced in the 2020 Budget. However, this rate change was not substantively enacted at the balance sheet date, so its effect is not reflected in these financial statements.

6 Investments in subsidiaries

	2020 £m
Beginning of the financial period	-
Investment in subsidiaries	1,516
End of the financial period	1,516

The Company's subsidiaries held as at 7 March 2020 were:

Name of subsidiary undertaking	Country of registration	Holdings	£m	Proportion of voting rights and shares held
Sainsbury's Thistle Scottish Limited Partnership	England	1,515,781,921 ordinary shares	1,516	100%

7 Called up share capital

	2020 Number	2020 £m
Called up share capital		
Allotted and fully paid - ordinary shares of £1.00	1,515,781,921	1,516
	1,515,781,921	1,516

Sainsbury's Rose LP Limited
Notes to the financial statements (continued)
for the period to 7 March 2020

8 Retained earnings

	2020
	£m
At 18 February 2019	-
Profit for the financial period	-
At 7 March 2020	-

9 Post Balance Sheet Events

The COVID-19 pandemic has developed rapidly in 2020, with a significant number of infections across many countries. As detailed in note 2c it has been concluded that none of the conditions at the balance sheet date indicated that any adjustments would be required to the Company's financial statements.

Subsequent to the balance sheet date, Julia Foo resigned as Company secretary on 7 March 2021 and Sainsbury's Corporate Secretary Limited was appointed as Company secretary on 7 March 2021.