

122535/60

TESCO GREY (2LP) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE 52 WEEKS ENDED 27 FEBRUARY 2010

Registered number: FC027196



## **TESCO GREY (2LP) LIMITED**

### **DIRECTORS' REPORT**

#### **Directors' Report for the 52 weeks ended 27 February 2010**

The directors present their report and financial statements of Tesco Grey (2LP) Limited (the "company") for the 52 weeks ended 27 February 2010. The financial period represents 52 weeks ended 27 February 2010 (Prior year 53 weeks ended 28 February 2009)

#### **Business review and principal activities**

The principal activity of the company is to act as an investment company

The results for the 52 weeks show a pre-tax profit of £nil (2009 £nil) and sales of £nil (2009 £nil). The directors do not recommend the payment of a dividend (2009 £nil)

The company has net assets of £513,425 (2009 £513,425)

#### **Principal risks and uncertainties**

From the perspective of the company, the principal risks relate to the value of the company's investment in subsidiary undertakings

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of Tesco PLC and are not managed separately. These risks are discussed on page 41 of the Tesco PLC group annual report for the 52 weeks ending 27 February 2010 which does not form part of this report

#### **Charitable and political donations**

There were no charitable and political donations for the period (2009 none)

#### **Future outlook**

The company's level of trade is expected to continue throughout the next financial period and it is hoped that the current performance levels will be maintained

#### **Key performance indicators**

Given the straightforward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business

#### **Research and development**

The company does not undertake any research and development activities

#### **Supplier payment policy**

The company does not have any direct supplier relationships

## **TESCO GREY (2LP) LIMITED**

### **DIRECTORS' REPORT**

**Directors' Report for the 52 weeks ended 27 February 2010 (continued)**

#### **Employees**

The company had no employees during the period (2009 nil)

#### **Directors and their interests**

The directors of the company during the period and up to the date of signing the accounts were as follows

A Clark  
E O'Hare (resigned 30 October 2009)  
D Potts  
R Brasher  
M Iddon (appointed 7 December 2009)

Save as set out below, none of the directors had any disclosable interests in the company during this period

D Potts and R Brasher are also directors of Tesco PLC, the company's ultimate parent company, and as such their disclosable interests in Tesco PLC are all declared in the financial statements of that company

A qualifying third-party indemnity provision as defined in Section 234 of the Companies Act 2006 is in force for the benefit of each of the Tesco PLC directors listed above in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which directors may not be indemnified, the company maintained a directors' and officers' liability insurance policy throughout the financial year

# **TESCO GREY (2LP) LIMITED**

## **DIRECTORS' REPORT**

### **Directors' Report for the 52 weeks ended 27 February 2010 (continued)**

#### **Statement of directors' responsibilities in respect of the Annual Report and the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there will be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board on 23 November 2010



A Clark  
Director  
Tesco Grey (2LP) Limited  
Registered Number FC027196

## TESCO GREY (2LP) LIMITED

### PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 27 FEBRUARY 2010

	Notes	52 weeks to 27 February 2010 £	53 weeks to 28 February 2009 £
Dividend received		-	-
<b>Profit on ordinary activities before taxation</b>	2	-	-
Tax on profit on ordinary activities	3	-	-
<b>Profit on ordinary activities after taxation</b>		-	-
Dividend paid		-	-
<b>Retained profit for the financial period</b>		-	-

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

There are no differences between the profit on ordinary activities before taxation for the financial period stated above and their historical cost equivalents

The notes on pages 7 to 10 form part of these financial statements

**TESCO GREY (2LP) LIMITED****BALANCE SHEET AS AT 27 FEBRUARY 2010**

	Notes	27 February 2010 £	28 February 2009 £
<b>Non-current assets</b>			
Investments	4	533,930	533,930
<b>Current assets</b>			
Cash at bank		2	2
<b>Creditors</b> (amounts falling due within one year)	5	(20,507)	(20,507)
<b>Net current liabilities</b>		(20,505)	(20,505)
<b>Net assets</b>		513,425	513,425
<b>Capital and reserves</b>			
Called up share capital	6	1,000	1,000
Share premium accounts	7	532,932	532,932
Profit and loss reserve	7	(20,507)	(20,507)
<b>Total shareholders' funds</b>	8	513,425	513,425

The financial statements on pages 5 to 10 were approved by the board of directors on 23 November 2010 and were signed on its behalf by



A Clark  
Director  
Tesco Grey (2LP) Limited  
Registered Number FC027196

# **TESCO GREY (2LP) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 27 FEBRUARY 2010**

### **1 ACCOUNTING POLICIES**

#### **Basis of preparation of financial statements**

The financial statements are prepared on the going concern basis, in accordance with applicable United Kingdom accounting standards, under the historical cost convention and in accordance with the Companies Act 2006. The company's principal accounting policies have been applied consistently during the period and are set out below.

In accordance with FRS 2 "Accounting for Subsidiary Undertakings" and Section 400 of the Companies Act 2006, group financial statements have not been prepared because the company is a wholly owned subsidiary of Tesco PLC, incorporated in England and Wales.

#### **Current taxation**

The amount included in the Profit and Loss account is based on the profit on ordinary activities before taxation and is calculated at current local tax rates, taking into account timing differences and the likelihood of realisation of deferred tax assets and liabilities. The company is also subject to tax on the profits of the underlying partnership (The Tesco Grey Limited Partnership).

#### **Group relief on taxation**

The company will surrender group relief to companies without payment and consequently there may be no tax credit in the Profit and Loss account.

### **2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

The directors received no emoluments in respect of their services to the company (2009 nil).

The company had no employees during the period (2009 nil).

## TESCO GREY (2LP) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 27 FEBRUARY 2010 (continued)

#### 3 TAXATION

##### Factors that have affected the tax charge

The standard rate of Corporation Tax in the UK was changed from 30% to 28% with effect from 1 April 2008. The overall Corporation Tax rate for the company for the full year is 28% (2009 blended rate of 28.2%)

	52 weeks to 27 February 2010 £	53 weeks to 28 February 2009 £
<b>Current Tax</b>		
UK Corporation tax on profits for the period	-	-
<b>Taxation on profit on ordinary activities</b>	-	-

The tax assessed for the period is lower (2009 lower) than the standard rate of corporation tax in the UK of 28% (2009 blended rate of 28.2%). The differences are explained below

	52 weeks to 27 February 2010 £	53 weeks to 28 February 2009 £
<b>Profit on ordinary activities before tax</b>	-	-
Profit on ordinary activities multiplied by standard rate in the UK 28% (2009 28.2%)	-	-
Effects of		
Tax on share of partnership tax adjusted loss	(2,953,894)	(214,964)
Group relief surrendered without payment	2,953,894	214,964
<b>Taxation on profit on ordinary activities</b>	-	-

Through The Tesco Grey Limited Partnership, Tesco Grey (2LP) Ltd sold its 49.95% interest in one property during the year. The disposal gives rise to a potentially chargeable gain. An election will be made to transfer the chargeable gain arising to another Tesco group company, which will claim rollover relief. The claim will be eligible because the group will reinvest the full proceeds from the sale. Without the election or rollover, a liability of £478,936 would result.

#### 4 INVESTMENTS

	Total £
At 28 February 2009	190,750
<b>At 27 February 2010</b>	<b>190,750</b>

Details of the principal subsidiary undertakings at the period end are as follows

Company	Country of incorporation	Proportion of rights and shares held %	Nature of Business
The Tesco Grey Limited Partnership	England	49.95%	Property Investment



# TESCO GREY (2LP) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 27 FEBRUARY 2010 (continued)

### 5 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	27 February 2010	28 February 2009
	£	£
Intercompany creditor	20,507	20,507
	20,507	20,507

### 6 CALLED-UP SHARE CAPITAL

	2010 £	2009 £
Authorised		
3,000 (2009 3,000) ordinary shares at £1 each	3,000	3,000
Allotted, called up and fully paid		
1,000 (2009 1,000) ordinary shares at £1 each	1,000	1,000

### 7 RESERVES

	Share premium account 2010 £	2009 £
As at start of period	532,932	532,932
Additions	-	-
As at end of period	532,932	532,932

	Profit and loss account 2010 £	2009 £
As at start of period	(20,507)	(20,507)
Profit for the financial period	-	-
As at end of period	(20,507)	(20,507)

### 7 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Profit for the financial period	-	-
Issue of ordinary shares	-	-
Opening of shareholders' funds	513,425	513,425
Closing of shareholders' funds	513,425	513,425

## **TESCO GREY (2LP) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 27 FEBRUARY 2010 (continued)**

#### **8 ULTIMATE PARENT UNDETAKEING**

The company's immediate parent undertaking is Tesco Property Holdings Limited

The company's ultimate parent undertaking and controlling party is Tesco PLC, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Tesco PLC financial statements can be obtained from the Company Secretary, Tesco PLC, Tesco House, PO Box 18, Delamare Road, Cheshunt, Hertfordshire, EN8 9SL

#### **9 RELATED PARTY DISCLOSURES**

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