

Company number: 2321869

ALDI STORES LIMITED

FINANCIAL STATEMENTS

PERIOD ENDED

29 DECEMBER 2002



ALDI STORES LIMITED

FINANCIAL STATEMENTS

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ALDI STORES LIMITED

FINANCIAL STATEMENTS

Period ended 29 December 2002

Directors	P M Foley Dr U Wolters (resigned 31 December 2001) J Kroll N Podschlapp A Burger
Secretary	J Cooper
Registered office	Holly Lane Atherstone Warwickshire CV7 2SQ
Auditors	Cooper Parry LLP Chartered Accountants 14 Park Row Nottingham NG1 6GR
Registered number	2321869

ALDI STORES LIMITED

REPORT OF THE DIRECTORS

Financial statements

The directors have pleasure in presenting their report and financial statements for the period ended 29 December 2002.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group 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 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 group and company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results

The loss on ordinary activities after taxation for the period was £5,737,855.

Dividends and transfers to reserves

The directors do not recommend the payment of a dividend. The loss for the financial period of £5,737,855 will be transferred to reserves.

Principal activities

The Group's activities are the retail and wholesale of grocery products in the United Kingdom, Ireland and Germany, and treasury management.

Review of the business and future prospects

The directors were satisfied with the results for the period, and plan continued growth and business expansion.

ALDI STORES LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Charitable and political donations

During the period £17,630 was donated to charitable organisations.

Employee involvement

The Group recognises the importance of regular communication and working relationships and the Group's policy is to keep all employees informed upon matters relating to their employment.

The Group is an equal opportunities employer.

Directors

The directors who have held office during the period are listed on page 1.


Directors' interests


The directors do not have any interests in the company that are required to be disclosed under the Companies Act 1985.

Auditors

At an extraordinary general meeting held on 24 July 2002 an elective resolution was passed dispensing with the obligation to appoint auditors annually, the holding of annual general meetings and the laying of accounts and reports before the company in general meeting.

Signed on behalf of the board of directors


J. COOPER
Secretary



Approved by the board on 23 June 2003

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

ALDI STORES LIMITED

We have audited the financial statements of Aldi Stores Limited for the period ended 29 December 2002 on pages 5 to 19. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

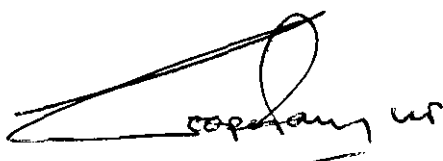
Qualified opinion arising from disagreement about accounting treatment

Included in creditors as at 30 December 2001 was an amount of £5,628,123 for store refurbishment and modernisation as described in the Provisions accounting policy on page 9. In our opinion the inclusion of this provision was not in accordance with Financial Reporting Standard number 12 as no actual liability existed at the balance sheet date and consequently net assets at 30 December 2001 were understated by this amount. As a consequence, the loss before taxation for the period ended 29 December 2002 is understated by £5,628,123.

Except for the inclusion of this provision as at 30 December 2001 and the associated impact on the loss for the period ended 29 December 2002, in our opinion the financial statements give a true and fair view of the state of the affairs of the company and the group as at 29 December 2002 and of the loss of the group for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

NOTTINGHAM

20 August 2003



COOPER PARRY LLP

Chartered Accountants

Registered Auditor

ALDI STORES LIMITED

GROUP PROFIT AND LOSS ACCOUNT

Period ended 29 December 2002

	Notes	29 December 2002 £	30 December 2001 £
Turnover	1	887,360,701	877,820,735
Cost of sales		(891,100,838)	(870,788,363)
(Loss)/profit on ordinary activities before taxation	2	(3,740,137)	7,032,372
Tax on (loss)/profit on ordinary activities	6	(1,997,718)	(6,286,477)
(Loss sustained)/profit retained for the period	14(a)	(5,737,855)	745,895

Continuing operations

No trade was acquired or discontinued during the above two financial periods.

Total recognised gains and losses

The group has no recognised gains or losses other than the profit for the above two financial periods.

Historical cost profit and loss

There is no difference between the results as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

The notes on pages 9 to 19 form part of the financial statements.

ALDI STORES LIMITED

GROUP BALANCE SHEET

At 29 December 2002

			29 December 2002 £	£	30 December 2001 £
	Notes				
Fixed Assets					
Tangible assets	7(a)		473,698,790		448,951,080
Current assets					
Stocks	9(a)	51,860,170		50,342,440	
Debtors	10				
Amounts due within one year		25,498,500		31,871,704	
Amounts due within more than one year		316,647,414		327,857,758	
Cash at bank and in hand		99,936,303		106,878,955	
		<u>493,942,387</u>		<u>516,950,857</u>	
Creditors: amounts falling due within one year	11	(143,154,778)		(164,780,683)	
Net current assets			350,787,609		352,170,174
Total assets less current liabilities			<u>824,486,399</u>		<u>801,121,254</u>
Provisions for liabilities and charges	12		(2,735,000)		(3,632,000)
Net assets			<u>821,751,399</u>		<u>797,489,254</u>
Capital and reserves - equity					
Called up share capital	13		755,020,408		725,020,408
Profit and loss account	14(a)		66,730,991		72,468,846
Shareholders' funds	15(a)		<u>821,751,399</u>		<u>797,489,254</u>

Signed on behalf of the board of directors

P M FOLEY
Director



Approved by the board on 23 June 2003

The notes on pages 9 to 19 form part of the financial statements.

ALDI STORES LIMITED

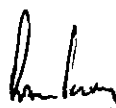
COMPANY BALANCE SHEET

At 29 December 2002

	Notes	£	29 December 2002 £	£	30 December 2001 £
Fixed Assets					
Tangible assets	7 (b)		336,065,473		326,290,783
Investments	8		128,770,562		91,002,576
			<u>464,836,035</u>		<u>417,293,359</u>
Current assets					
Stocks	9 (b)	93,450		2,862	
Debtors	10	358,746,658		400,742,255	
Cash at bank and in hand		36,479,389		25,175,744	
			<u>395,319,497</u>	<u>425,920,861</u>	
Creditors: amounts falling due within one year	11	(108,770,833)		(110,756,345)	
Net current assets			<u>286,548,664</u>		<u>315,164,516</u>
Total assets less current liabilities			<u>751,384,699</u>		<u>732,457,875</u>
Provisions for liabilities and charges	12		(2,735,000)		(2,400,000)
Net assets			<u>748,649,699</u>		<u>730,057,875</u>
Capital and reserves - equity					
Called up share capital	13		755,020,408		725,020,408
Profit and loss account	14 (b)		(6,370,709)		5,037,467
Shareholders' funds	15 (b)		<u>748,649,699</u>		<u>730,057,875</u>

Signed on behalf of the board of directors

P M FOLEY
Director



Approved by the board on 23 June 2003

The notes on pages 9 to 19 form part of the financial statements.

ALDI STORES LIMITED

GROUP CASH FLOW STATEMENT

Period ended 29 December 2002

		29 December 2002	30 December 2001
	Notes	£	£
Net cash inflow from operating activities	16	23,080,552	30,422,573
Taxation			
Corporation tax paid		(4,378,634)	(2,665,330)
Capital expenditure and financial investment			
Purchase of tangible fixed assets	(56,909,757)	(42,175,840)	
Sale of tangible fixed assets	2,082,149	1,898,763	
Exchange differences	(816,962)	-	
Net cash outflow from investing activities		(55,644,570)	(40,277,077)
		(36,942,652)	(12,519,834)
Financing			
Receipts from issue of shares	15	30,000,000	44,000,000
(Decrease)/increase in cash in the period	17	(6,942,652)	31,480,166

The notes on pages 9 to 19 form part of the financial statements

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards, with the exception of Financial Reporting Standard number 12 in respect of provisions as noted below.

Provisions

Creditors as at 30 December 2001 included a provision for £5,628,123 in respect of store refurbishment and modernisation work which was carried out after that date. As the liability was not incurred at that balance sheet date the treatment adopted was not in accordance with the requirements of Financial Reporting Standard number 12, "Provisions, contingent liabilities and contingent assets".

Basis of consolidation

The consolidated financial statements incorporate the company and its subsidiary undertakings at 29 December 2002 using the acquisition method of accounting. The results of the subsidiary undertakings are included from the date of acquisition and intra-group sales and profits are eliminated on consolidation.

Turnover

The turnover is wholly attributable to activities undertaken in the United Kingdom, Ireland and Germany and represents amounts receivable (excluding VAT and trade discounts) for goods and services supplied. An analysis of turnover by geographical market or class of business has not been disclosed in these financial statements as the directors consider this would be prejudicial to the company's interests.

Depreciation

Depreciation has been provided on fixed assets over the following periods:

Straight line basis per annum:

Freehold buildings	4%
Additions and improvements to freehold buildings	8% - 15%
Equipment, fixtures and fittings	2% - 33.3%
Motor vehicles	25% - 33.3%

Usage basis:

Motor vehicles (Management)	Mileage
-----------------------------	---------

Leasehold land and buildings are amortised on a straight line basis over 25 years or, if shorter, the period of the lease. Freehold land is not depreciated.

For tangible fixed assets (other than land and buildings) purchased during the first half of the year a full year's depreciation is charged in the year of purchase, and half year's depreciation is charged for such assets purchased in the second half of the year. Provision for depreciation on new buildings does not commence until they are completed.

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

1 Accounting policies (continued)

Stocks

Stocks are stated at the lower of cost and net realisable value and comprise goods for resale.

Investments

Investments in subsidiary undertakings are stated at cost less provisions for any diminution in value.

Property lease charges

Lease rentals are charged to the profit and loss account as they become payable.

Taxation

The charge for taxation is based on the result for the period as adjusted for disallowable items. Deferred tax is provided on all timing differences. The provision is calculated at the rate of tax which it is anticipated will apply in the year of assessment.

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transactions. Exchange differences arising in the ordinary course of business are included in arriving at the operating profit. The exchange differences arising on translation of the financial results of businesses in Ireland and Germany are also taken directly to profit and loss account where these are not material in the context of the Group's results.

Assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date.

Pensions

The Group contributes to three defined contribution pension schemes. The assets of the schemes are held separately from those of the Group.

Contributions to the defined contribution pension schemes are charged against revenue in the year in which they are payable.

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

2	(Loss)/profit on ordinary activities before taxation	29 December 2002 £	30 December 2001 £
	This is stated after charging/(crediting)		
	Auditors' remuneration	127,245	116,500
	Auditors' remuneration for non audit work	201,292	90,816
	Depreciation	30,759,407	31,991,177
	Loss on disposal of tangible fixed assets	137,456	397,694
	Rent receivable	(1,745,417)	(1,294,553)
	Operating lease rentals – land and buildings	11,819,232	10,692,060
	Loss/(profit) on foreign exchange	9,656,843	(2,762,540)
	Directors' emoluments	696,136	740,058
		<hr/>	<hr/>
3	Directors' emoluments		
	Aggregate emoluments	648,136	698,058
	Company contributions to defined contribution pension schemes	48,000	42,000
		<hr/>	<hr/>
	Total emoluments	696,136	740,058
		<hr/>	<hr/>
	Highest paid director:		
	Aggregate emoluments	413,136	363,058
	Company contributions to defined contribution pension schemes	48,000	42,000
		<hr/>	<hr/>
		461,136	405,058
		<hr/>	<hr/>

Retirement benefits were accruing to one director under the defined contribution pension scheme (period ended 30 December 2001: one).

4 Staff costs

	29 December 2002 £	30 December 2001 £
Total remuneration, including directors, was:		
Wages and salaries	50,385,264	42,690,037
Social security costs	4,606,475	3,922,607
Other pension costs	903,122	749,095
	<hr/>	<hr/>
	55,894,861	47,361,739
	<hr/>	<hr/>

The average monthly number of employees, including part-time staff and directors was 2,425 (period ended 30 December 2001: 2,145).

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

5 Loss attributable to Aldi Stores Limited

As permitted by Section 230 of the Companies Act 1985, a separate profit and loss account of the holding company has not been presented. The Group result for the financial period includes profit, before adjusting for exceptional items, attributable to the holding company of £13,834,672 (period ended 30 December 2001: £12,688,170) with a loss of £11,408,176 (period ended 30 December 2001: £83,945,239) after exceptional items.

6 Tax on (loss)/profit on ordinary activities

a) Analysis of charge for period	29 December 2002 £	30 December 2001 £
UK Corporation tax at 30% (period ended 30 December 2001: 30%)	962,000	4,075,000
Under/(over) provided in respect of previous periods	1,912,355	(1,477,064)
	<hr/> 2,874,355	<hr/> 2,597,936
Foreign tax	20,363	56,541
Total current tax (note 6(b))	<hr/> 2,894,718	<hr/> 2,654,477
Deferred tax (reversal)/origination of timing differences	(897,000)	3,632,000
	<hr/> 1,997,718	<hr/> 6,286,477

b) Factors affecting the tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (30%).

The differences are explained below:

	29 December 2002 £	30 December 2001 £
(Loss)/profit on ordinary activities before tax	(3,740,137)	7,032,372
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	<hr/> (1,122,041)	<hr/> 2,109,712
Effects of:		
Expenses not deductible for tax purposes	5,366,985	5,115,741
Capital allowances in excess of depreciation	(2,586,878)	(2,604,369)
Other timing differences reversing	(826,107)	(819,852)
Adjustments to tax charge of previous periods	1,912,355	(1,477,064)
Lower overseas tax rate	130,041	273,768
Foreign tax	20,363	56,541
Current tax charge for period (note 6(a))	<hr/> 2,894,718	<hr/> 2,654,477

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

6 Tax on (loss)/profit on ordinary activities (continued)

c) Factors that may affect future tax charges

Fluctuations in the Sterling/ US Dollar exchange rate may have a significant impact on future

The group has tax losses available to carry forward relief against future profits. It is not anticipated that these losses will be utilised within the foreseeable future.

7 Tangible fixed assets

a) Group

	Freehold land and buildings £	Long Leasehold land and buildings £	Short Leasehold land and buildings £	Capital work in progress and payments on account £	Equipment, fixtures and fittings £	Motor vehicles £	Total £
Cost							
At 31 December 2001	484,602,391	34,250,644	9,104,392	6,528,601	64,873,848	19,414,834	618,774,710
Additions	33,995,867	660,302	396,254	6,916,747	12,694,153	2,246,434	56,909,757
Disposals	(1,364,322)	-	(1,756)	-	(10,104,585)	(2,251,465)	(13,722,128)
Reclassifications	4,886,569	466,930	-	(5,353,499)	-	-	-
Exchange differences	440,558	250,256	34,805	29,146	121,764	38,632	915,161
At 29 December 2002	522,561,063	35,628,132	9,533,695	8,120,995	67,585,180	19,448,435	662,877,500
Depreciation							
At 31 December 2001	95,693,946	6,357,027	5,212,944	-	48,794,335	13,765,375	169,823,630
Charge for the period	14,506,730	2,180,893	2,141,445	-	8,427,062	3,503,277	30,759,407
Disposals	(3,521)	-	-	-	(9,434,301)	(2,064,701)	(11,502,523)
Exchange differences	4,084	26,862	2,676	-	51,118	13,459	98,199
At 29 December 2002	110,201,239	8,564,782	7,357,065	-	47,838,214	15,217,410	189,178,710
Net book values							
At 29 December 2002	412,359,824	27,063,350	2,176,630	8,120,995	19,746,966	4,231,025	473,698,790
At 30 December 2001	388,908,445	27,893,617	3,891,448	6,528,601	16,079,513	5,649,459	448,951,080

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

7 Tangible fixed assets (continued)

b) Company

	Freehold land and buildings £	Long leasehold land and buildings £	Short leasehold land and buildings £	Capital work in progress and payments on account £	Equipment, fixtures and fittings £	Motor vehicles £	Total £
Cost							
At 31 December 2001	329,262,108	27,069,037	3,718,300	2,269,985	678,278	200,189	363,197,897
Additions	13,102,371	1,656,544	36,917	1,891,593	93,305	7,115	16,787,845
Disposals	(190,000)	-	-	-	(17,419)	(11,853)	(219,272)
Reclassifications	1,350,000	-	-	(1,350,000)	-	-	-
At 29 December 2002	343,524,479	28,725,581	3,755,217	2,811,578	754,164	195,451	379,766,470
Depreciation							
At 31 December 2001	31,178,476	3,151,433	1,915,414	-	565,910	95,883	36,907,116
Charge for the period	6,133,864	464,780	105,172	-	64,380	54,957	6,823,153
Disposals	-	-	-	-	(17,419)	(11,853)	(29,272)
At 29 December 2002	37,312,340	3,616,213	2,020,586	-	612,871	138,987	43,700,997
Net book values							
At 29 December 2002	306,212,139	25,109,368	1,734,631	2,811,578	141,293	56,464	336,065,473
At 30 December 2001	298,083,632	23,917,604	1,802,886	2,269,985	112,368	104,306	326,290,783

c) Included within freehold land and buildings and long leasehold land and buildings are amounts of £188,505,427 (30 December 2001: £155,211,109) and £17,106,060 (30 December 2001: £14,806,000) respectively which relate to non depreciable land.

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

8	Fixed asset investments	Company £
	Shares in subsidiary undertakings	
	Cost	
	At 31 December 2001	187,635,989
	Additions	63,010,834
	At 29 December 2002	<u>250,646,823</u>
	Provision for diminution in value	
	At 31 December 2001	96,633,413
	Provided during period	25,242,848
	At 29 December 2002	<u>121,876,261</u>
	Net book values	
	At 29 December 2002	<u>128,770,562</u>
	At 30 December 2001	<u>91,002,576</u>

The principal operating subsidiaries of the company are as follows:

	Principal activity	Country of registration
Aldi Finance Limited	Treasury management	England and Wales
Aldi Stores (Ireland) Limited	Retail grocery	Ireland
Aldi Stores (Ireland) Developments Limited	Property development	Ireland
Bill Collins GmbH	Retail and wholesale grocery	Germany
Bondi Limited	Retail and wholesale grocery	England and Wales
Aldi Limited	Dormant	England and Wales
Aldi (Investments) Limited	Dormant	England and Wales
Aldi Food Stores Limited	Dormant	England and Wales
Cresta (UK) Limited	Dormant	England and Wales
Hofer (UK) Limited	Dormant	England and Wales

In all cases the company has a 100% interest in the equity share capital.

9	Stocks	29 December 2002 £	30 December 2001 £
	(a) Group		
	Goods for resale	51,860,170	50,342,440
	(b) Company		
	Goods for use within the business	93,450	2,862

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

10 Debtors

	Group		Company	
	29 December 2002 £	30 December 2001 £	29 December 2002 £	30 December 2001 £
Trade debtors	9,678,483	17,517,223	2,195,555	16,057,321
Other debtors	9,082,885	8,325,934	2,544,606	2,639,747
Prepayments and accrued income	6,737,132	6,028,547	2,766,994	2,184,950
	<u>25,498,500</u>	<u>31,871,704</u>	<u>7,507,155</u>	<u>20,882,018</u>
Amounts due from related undertakings	316,647,414	327,857,758	351,239,503	379,860,237
	<u>342,145,914</u>	<u>359,729,462</u>	<u>358,746,658</u>	<u>400,742,255</u>

Included in group debtors is an amount of £316,647,414 (2001: £327,857,758) which is due within more than one year.

11 Creditors : amounts falling due within one year

	Group		Company	
	29 December 2002 £	30 December 2001 £	29 December 2002 £	30 December 2001 £
Trade creditors	119,046,579	119,187,389	96,650,771	98,199,964
Corporation tax payable	-	1,032,981	-	1,020,000
Other taxes and social security	9,278,714	4,927,713	7,330,355	3,709,764
Other creditors	4,857,791	6,452,886	3,113,420	6,266,391
Accruals and deferred income	8,702,048	26,264,181	1,676,287	1,560,226
Amounts due to related undertakings	1,269,646	6,915,533	-	-
	<u>143,154,778</u>	<u>164,780,683</u>	<u>108,770,833</u>	<u>110,756,345</u>

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

12 Provisions for liabilities and charges

Group and Company	Group		Company	
	29 December 2002 £	30 December 2001 £	29 December 2002 £	30 December 2001 £
Deferred taxation				
Amount provided				
Accelerated capital allowances	2,735,000	2,400,000	2,735,000	2,400,000
Other timing differences	-	1,232,000	-	-
	<u>2,735,000</u>	<u>3,632,000</u>	<u>2,735,000</u>	<u>2,400,000</u>
 Movements in deferred taxation in the period:				
At 31 December 2001	3,632,000	-	2,400,000	-
Amount (reversed)/provided in period	(897,000)	3,632,000	335,000	2,400,000
At 29 December 2002	<u>2,735,000</u>	<u>3,632,000</u>	<u>2,735,000</u>	<u>2,400,000</u>

13 Called up share capital

	29 December 2002	30 December 2001
Authorised:		
746,792,560 (30 December 2001: 716,792,560) ordinary shares of £1 each	£746,792,560	£716,792,560
130,000,000 (30 December 2000: 130,000,000) ordinary shares of one Austrian Schilling each	AS130,000,000	AS130,000,000
	<u>£</u>	<u>£</u>
Allotted, issued and fully paid:		
746,792,560 (30 December 2001: 716,792,560) ordinary shares of £1 each	746,792,560	716,792,560
130,000,000 ordinary shares of one Austrian Schilling each	8,227,848	8,227,848
	<u>755,020,408</u>	<u>725,020,408</u>

During the year 30,000,000 £1 ordinary shares were issued at par.

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

14	Statement of retained profits/(sustained losses)	29 December	30 December
		2002	2001
		£	£
a) Group			
	Retained profits at 31 December 2001	72,468,846	71,722,951
	(Loss sustained)/profit retained for the period	(5,737,855)	745,895
	Retained profits at 29 December 2002	66,730,991	72,468,846
b) Company			
	Retained profits at 31 December 2001	5,037,467	88,982,706
	Loss sustained for the period	(11,408,176)	(83,945,239)
	Sustained (losses)/profits at 29 December 2002	(6,370,709)	5,037,467
15 Reconciliation of movements on shareholders' funds			
a) Group			
	(Loss)/profit for the period after taxation	(5,737,855)	745,895
	Issue of £1 ordinary shares	30,000,000	44,000,000
	Net addition to shareholders funds	24,262,145	44,745,895
	Opening shareholders' funds at 30 December 2001	797,489,254	752,743,359
	Closing shareholders' funds at 29 December 2002	821,751,399	797,489,254
b) Company			
	Loss for the period after taxation	(11,408,176)	(83,945,239)
	Issue of £1 ordinary shares	30,000,000	44,000,000
	Net addition/(reduction) to shareholders funds	18,591,824	(39,945,239)
	Opening shareholders' funds at 30 December 2001	730,097,875	770,003,114
	Closing shareholders' funds at 29 December 2002	748,649,699	730,057,875

ALDI STORES LIMITED

NOTES RELATING TO THE FINANCIAL STATEMENTS

Period ended 29 December 2002

16	Reconciliation of operating loss to net cash inflow from operating activities	29 December 2002 £	30 December 2001 £
	(Loss)/profit on ordinary activities before taxation	(3,740,137)	7,032,372
	Depreciation charges	30,759,407	31,991,177
	Loss on sale of tangible fixed assets	137,456	397,694
	(Increase)/decrease in stocks	(1,517,730)	1,874,730
	Decrease/(increase) in debtors	18,034,480	(5,587,678)
	Decrease in creditors	(20,592,924)	(5,285,722)
	Net cash inflow from operating activities	23,080,552	30,422,573

17	Analysis of balances of cash as shown in the balance sheet	29 December 2002 £	30 December 2001 £
	At 31 December 2001	106,878,955	75,398,789
	(Decrease)/increase in the period	(6,942,652)	31,480,166
	At 29 December 2002	99,936,303	106,878,955

18 Contingent liabilities and financial commitments

a) Capital commitments

Expenditure contracted for	5,243,947	7,399,607
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b) Lease commitments

The Group leases certain land and buildings on short and long term contracts. The rents are subject to renegotiation at various intervals specified in the leases. The Group pays for all insurance, maintenance and repairs of these properties. The minimum payment the Group is committed to make in the period ending 31 December 2003 under such leases, all of which expire after five years, is £11,467,769 (period ended 29 December 2002: £11,176,119).

19 Related party transactions and company control

In the opinion of the directors, the ultimate registered holding company is Hiller GmbH, a company incorporated in Germany. In the opinion of the directors Hiller GmbH is not ultimately controlled by any party as defined by Financial Reporting Standard number 8, "Related Party Disclosures".

During the period, the Group received income of £18,733,525 (period ended 30 December 2001: £23,387,793) from Aldi Inc and Aldi Grundstücks GmbH & Co KG. Within amounts due from related undertakings are amounts totalling £316,647,414 (30 December 2001: £327,857,758) from Aldi Inc and Aldi Grundstücks GmbH & Co KG. The entities concerned are subject to common control from the same source.

Included within amounts due to related undertakings is an amount of £1,269,646 (30 December 2001: £6,915,533) due to Aldi Einkauf GmbH & Co oHG, a German registered company subject to common control from the same source.

ALDI STORES LIMITED

COMPANY PROFIT AND LOSS ACCOUNT

Period ended 29 December 2002

	29 December 2002 £	30 December 2001 £
Turnover	655,419,298	678,369,070
Cost of sales	(632,948,626)	(654,322,791)
Operating profit	<u>22,470,672</u>	<u>24,046,279</u>
Increase in provision against cost of shares in subsidiary undertakings	(25,242,848)	(96,633,409)
Loss on ordinary activities before taxation	<u>(2,772,176)</u>	<u>(72,587,130)</u>
Tax on loss on ordinary activities	(8,636,000)	(11,358,109)
Sustained loss for the period	<u>(11,408,176)</u>	<u>(83,945,239)</u>

Continuing operations

No trade was acquired or discontinued during the above two financial periods.

Total recognised gains and losses

The company has no recognised gains or losses other than the losses for the above two financial periods.

Historical cost profit and loss

There is no difference between the results as disclosed in the profit and loss account and the result on an unmodified historical basis.