

TESCO HOLDINGS LIMITED

24 FEBRUARY 1990



TESCO HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report for the 52 weeks ended 24 February 1990.

RESULTS AND DIVIDENDS

The net profit of the company before tax for the year was £100.0M (1989 - £25.5M).

A final dividend of £100.0M (1989 - £99.2M) has been proposed in respect of the period to 24 February 1990.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was as a holding company.

DIRECTORS AND THEIR INTERESTS.

The following Directors served between 26 February 1989 and the date of this report:-

Sir Ian MacLaurin (Chairman)
F R N Krejsa
D E Reid
M J Boxall (resigned 24.02.90)
V W Benjamin
R S Ager (appointed 24.02.90)

The one director who is not also a director of Tesco PLC, the ultimate holding company, had the following interests in the shares of Tesco PLC at the beginning and end of the period:-

<u>Name</u>	<u>Ordinary Shares</u>		<u>Share Options*</u>	
	<u>1990</u>	<u>1989</u>	<u>1990</u>	<u>1989</u>
R S Ager	12,818	-	137,741	175,946

* Executive share option scheme (1984) and Savings-related share option scheme (1981). Details of these schemes are contained in the Annual Report and Accounts of Tesco PLC.

CHARITABLE AND POLITICAL CONTRIBUTIONS

Charitable contributions totalled £Nil (1989 - £Nil). No political contributions were made.

CLOSE COMPANY STATUS

The company is not a close company within the provisions of the Income and Corporation Taxes Act 1988.

AUDITORS

Price Waterhouse have expressed their willingness to continue in office. In accordance with Section 384 of the Companies Act 1985 a resolution proposing the re-appointment of Price Waterhouse as auditors of the company will be put to the Annual General Meeting.

By Order of the Board

A handwritten signature in dark ink, consisting of a stylized 'J' and 'A' followed by a horizontal line.

J A Bailey FCIS, AIB
Secretary

10 April 1990

AUDITORS' REPORT TO THE MEMBERS OF TESCO HOLDINGS LIMITED

We have audited the financial statements on pages 4 to 7 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 24 February 1990 and of its profit for the 52 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.

The financial statements do not include a statement and source and application of funds as required by Statement of Standard Accounting Practice, No 10.



PRICE WATERHOUSE
Chartered Accountants

Southwark Towers
32 London Bridge Street
LONDON SE1 9SY

10 April 1990

TESCO HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE 52 WEEKS ENDED 24 FEBRUARY 1990

		52 Weeks Ended 25 Feb 1989
	<u>£m</u>	<u>£m</u>
Administration Expenses	<u>-</u>	<u>(0.2)</u>
OPERATING LOSS	-	(0.2)
Income from shares in group companies	100.0	25.6
Exceptional item - provision against subsidiary	<u>-</u>	<u>(1.0)</u>
	100.0	24.4
Net surplus on sale of properties	<u>-</u>	<u>1.1</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (Note 2)	100.0	25.5
Tax on profit on ordinary activities (Note 3)	<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	100.0	25.5
Dividends	<u>100.0</u>	<u>99.2</u>
LOSS RETAINED FOR THE FINANCIAL YEAR (Note 8)	- =====	(73.7) =====

The notes on pages 6 and 7 form part of these accounts.

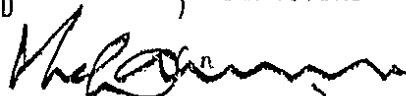
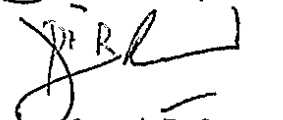
TESCO HOLDINGS LIMITED

BALANCE SHEET AT 24 FEBRUARY 1990

	<u>1990</u>	<u>1989</u>
	<u>£m</u>	<u>£m</u>
FIXED ASSETS		
Investments: Shares in subsidiaries (Note 4)	0.1	0.1
CURRENT ASSETS		
Debtors (Note 5)	102.2	101.4
CREDITORS (amounts falling due within one year) (Note 6)	(<u>101.0</u>)	(<u>100.2</u>)
NET CURRENT ASSETS	<u>1.2</u>	<u>1.2</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>1.3</u> ====	<u>1.3</u> ====
CAPITAL AND RESERVES		
Called up share capital (Note 7)	-	-
Reserves (Note 8)	1.3	1.3

Approved by the Board on 10 April 1990.

SIR IAN MACLAURIN } DIRECTORS
D E REID }

1.3
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1.3
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The notes on pages 6 and 7 form part of these accounts

TFSCO HOLDINGS LIMITED

NOTES TO ACCOUNTS

1. ACCOUNTING POLICIES

Basis of Accounts

The accounts are prepared under the historical cost convention, and are in accordance with the Companies Act 1985. Group accounts are not prepared because the Company is a wholly owned subsidiary of a body corporate, incorporated in Great Britain.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>1990</u> <u>£m</u>	<u>1989</u> <u>£m</u>
Profit on ordinary activities before taxation is stated after charging:		
Directors' Emoluments	<u>Nil</u>	<u>Nil</u>
Auditors' remuneration	<u>Nil</u>	<u>Nil</u>

3. TAXATION

Corporation Tax.	<u>Nil</u>	<u>Nil</u>
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4. INVESTMENTS: SHARES IN SUBSIDIARIES

The principal trading subsidiary is Tesco Stores Limited, which is incorporated in Great Britain. A provision of £1.0M has been made against one of the Company's subsidiaries.

5. DEBTORS

	<u>1990</u> <u>£M</u>	<u>1989</u> <u>£M</u>
Amounts owed by group companies	102.2 =====	101.4 =====

6. CREDITORS (amounts falling due within one year)

	<u>1990</u> <u>£M</u>	<u>1989</u> <u>£M</u>
Corporation Tax	1.0	1.0
Proposed dividend	<u>100.0</u>	<u>99.2</u>
	101.0 =====	100.2 =====

TESCO HOLDINGS LIMITED

NOTES TO ACCOUNTS contd.

7. CALLED UP SHARE CAPITAL

	<u>1990</u> <u>£</u>	<u>1989</u> <u>£</u>
Authorised Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>
Issued and Fully Paid Shares of £1 each	<u>1,425</u>	<u>1,425</u>

8. RESERVES

	<u>£M</u>
<u>Profit and Loss Account</u>	
At 26 February 1989	1.3
Profit for the year	<u>-</u>
At 24 February 1990	1.3
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9. PARENT COMPANY.

The Company is a wholly owned subsidiary of Tesco PLC which is incorporated in Great Britain and is the ultimate Holding Company.