

LINEBUSH IV LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 23 FEBRUARY 2013

Registered Number: 04011086

THURSDAY



A2L56LRS

A07

14/11/2013

#288

COMPANIES HOUSE

LINEBUSH IV LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 23 FEBRUARY 2013

The Directors present their report and the audited financial statements of Linebush IV Limited (the "Company") for the 52 weeks ended 23 February 2013 (Prior 55 weeks ended 25 February 2012)

Business review and principal activities

The only activity in the Company during the current period related to bank charges incurred. In the prior period, on 19 March 2011, the total share capital of the Company was acquired by One Stop Stores Limited, a wholly owned subsidiary of Tesco PLC. Subsequently the trade and assets of the Company were hived up to the intermediate parent company on the date of acquisition. It is anticipated that the activities of the Company will be dormant throughout the next financial period.

Results

The results for the period show a pre-tax loss of £24 (2012 £2,488,364) and sales of £NIL (2012 £689,919)

The loss for the 52 weeks ended 23 February 2013 amounted to £24 (2012 £2,060,931)

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Tesco PLC Group (the "Group") and are not managed separately. Accordingly, the principle risks and uncertainties of the Group, which include the Company, are discussed on page 38 to 43 of the Tesco PLC Group Annual Report for the 52 weeks ending 23 February 2013 which does not form part of this Report.

Charitable and political donations

There were no charitable or political donations for the period (2012 none)

Future outlook

It is anticipated that the activities of the Company will be dormant throughout the next financial period.

Going concern

The Directors believe that preparing the financial statements on a going concern basis is appropriate due to continued financial support from the intermediate parent company, One Stop Stores Limited.

Key performance indicators (KPI's)

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.

LINEBUSH IV LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 23 FEBRUARY 2013 (continued)

Supplier payment policy

The Company does not have any direct supplier relationships

Employees

The Company had no employees during the period (2012 none)

Directors and their interests

The following Directors served during the period and up to the date of signing the financial statements

T Barton (resigned 18 May 2012)

N Bytheway (resigned 28 August 2013)

M Everitt

J Lloyd

L Neville-Rolfe (resigned 2 January 2013)

A Reed

Tesco Services Limited (appointed 24 January 2013)

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

M Everitt and A Reed are also Directors of One Stop Stores Limited and T Barton and N Bytheway were former Directors of One Stop Stores Limited, the Company's immediate parent company, and as such their disclosable interests in One Stop Stores Limited are all declared in the financial statements of that company

J Lloyd is the Company Secretary of Tesco PLC L Neville-Rolfe is a former Director of Tesco PLC, the Company's ultimate parent company, and as such her 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 and the Tesco PLC company secretary (who is also a Director of this Company) 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 period

LINEBUSH IV LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 23 FEBRUARY 2013 (continued)

Statement of Directors' responsibilities

The Directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 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.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions, 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.

Disclosure of information to auditors

Each Director who is a Director of the Company at the date of approval of this Annual Report confirms that

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor are unaware, and
- he/she has taken all the steps that he ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board

8th November

2013



M Everitt
Finance Director
Linebush IV Limited
Registered Number 04011086
Registered Office Apex Road, Brownhills, Walsall, West Midlands, WS8 7TS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINEBUSH IV LIMITED

We have audited the financial statements of Linebush IV Limited for the 52 weeks ended 23 February 2013, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of Directors and auditors

As explained more fully in the Statement of 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This Report, including the opinions, has been prepared for and only for the Company's Members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this Report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of our Report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 23 February 2013 and of its loss for the 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.



Andrew Latham (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans

11th November

2013

LINEBUSH IV LIMITED

PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 23 FEBRUARY 2013

		2013	2012
	Notes	£	£
Turnover		-	689,919
Cost of Sales		-	(487,147)
Gross Profit		-	202,772
Administrative expenses		(24)	(2,680,910)
Exceptional items	2	-	(7,920)
Operating loss	2	(24)	(2,486,058)
Interest receivable and similar income	4	-	32
Interest payable and similar charges	5	-	(2,338)
Loss on ordinary activities before taxation		(24)	(2,488,364)
Tax on loss on ordinary activities	6	-	427,433
Loss for the financial period	9	(24)	(2,060,931)

There are no recognised gains or losses other than those shown in the Profit and Loss Account above

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

All operations are continuing for the financial period

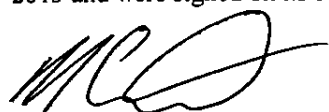
The notes on pages 8 to 12 form part of these financial statements

LINEBUSH IV LIMITED**BALANCE SHEET AS AT 23 FEBRUARY 2013**

	Notes	2013 £	2012 £
Current assets			
Cash at bank and in hand		-	35,032
		-	35,032
Creditors: amounts falling due within one year	7	(1,136,773)	(1,171,781)
Net current liabilities		(1,136,773)	(1,136,749)
Net liabilities		(1,136,773)	(1,136,749)
Capital and reserves			
Called up share capital	8	853,338	853,338
Profit and Loss reserve	9	(1,990,111)	(1,990,087)
Total shareholders' deficit	10	(1,136,773)	(1,136,749)

The financial statements on pages 8 to 12 were approved by the Board of Directors on 2013 and were signed on its behalf by

8th November



M Everitt
Finance Director
Linebush IV Limited
Registered Number 04011086

LINEBUSH IV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 23 FEBRUARY 2013

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.

Going concern

At the year end the Company had net liabilities of £1,136,773. The financial statements have been prepared on a going concern basis as One Stop Stores Limited have agreed to provide any financial support required for a period of not less than twelve months from the date of approval of these financial statements.

Cash flow statement

The Company is a wholly owned subsidiary of One Stop Stores Limited and is included in the consolidated financial statements of the ultimate parent company, Tesco PLC, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 "Cash Flow Statements".

Turnover

Turnover consists of sales through retail outlets. Turnover is reported net of returns, vouchers and value added taxes. Turnover is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Commission income is recorded based on the terms of the contracts.

Current taxation

The amount included in the Profit and Loss Account is based on the profit or loss 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.

Group relief on taxation

The Company may receive or surrender group relief from group companies without payment and consequently there may be no tax charge in the Profit and Loss Account.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date and which could give rise to an obligation to pay more or less taxation in the future. Deferred tax assets are recognised to the extent that they are regarded as recoverable. They are regarded as recoverable to the extent that, on the basis of all available evidence, it is regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws substantively enacted at the Balance Sheet date.

LINEBUSH IV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 23 FEBRUARY 2013

2. OPERATING LOSS

	52 weeks to 23 Feb 2013 £	55 weeks to 25 Feb 2012 £
Operating profit is stated after charging		
Wages and salaries	-	131,238
Social security costs	-	5,819
Staff costs	-	137,057
Depreciation of tangible fixed assets		
- owned assets	-	20,219
Operating lease charges		
- plant, machinery and buildings	-	16,928
Exceptional item	-	7,920
The exceptional item comprises		
Impairment of goodwill	-	(59,985)
Dilapidation	-	(70,000)
Intercompany write-off	-	137,905
	-	7,920

Following the hive up of the trade and assets of Mills Group to One Stop Stores Limited in the prior period the Company reassessed the collectability of its intercompany balances and booked provisions against those balances where the collectability was deemed uncertain

The average number of UK employees (excluding directors) per month during the 52 weeks ended 23 March 2013 was NIL (2012 20)

The Auditors' remuneration of £2,000 for the current period was borne by One Stop Stores Limited. In the prior period, Mills Group Limited bore the costs of the audit for all the Mills Group and associated companies. This totalled £21,200.

3. DIRECTORS EMOLUMENTS

None of the directors received any emoluments for their services to the company during the period (2012 £NIL). The directors are remunerated by fellow companies of the group in capacity as executives of those companies.

LINEBUSH IV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 23 FEBRUARY 2013 (continued)

4. INTEREST PAYABLE AND SIMILAR CHARGES

	52 weeks to 23 Feb 2013 £	55 weeks to 25 Feb 2012 £
Interest receivable on bank deposits	-	32

5. INTEREST PAYABLE AND SIMILAR CHARGES

	52 weeks to 23 Feb 2013 £	55 weeks to 25 Feb 2012 £
Interest payable on overdrafts and bank loans	-	2,338

6. TAX ON LOSS ON ORDINARY ACTIVITIES

Factors that have affected the tax charge

The standard rate of corporation tax in the UK was changed from 26% to 24% with effect from 1 April 2012. This gives an overall blended corporation tax rate for the Company for the period 24.2% (2012: 26%).

	52 weeks to 23 Feb 2013 £	55 weeks to 25 Feb 2012 £
Current tax:		
UK Corporation tax on profit for the financial period	-	-
Adjustments in respect of previous financial periods	-	-
Total current tax	-	-
Deferred tax:		
Current period tax	-	(411,602)
Prior period items	-	(15,831)
Total deferred tax	-	(427,433)
Tax on profit on ordinary activities	-	(427,433)

LINEBUSH IV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 23 FEBRUARY 2013 (continued)

6. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

The tax assessed for the period is higher (2012 higher) than the blended rate of corporation tax in the UK of 24.2% (2012 26%). The differences are explained below

	52 weeks to 23 Feb 2013 £	55 weeks to 25 Feb 2012 £
Loss on ordinary activities before tax	(24)	(2,488,364)
Loss on ordinary activities multiplied by blended rate in the UK 24.2% (2012 26%)	(6)	(646,975)
Effects of		
Expenses not deductible for tax purposes	6	169,204
Depreciation on ineligible	-	66,171
Depreciation in excess of capital allowances	-	204,744
Other short term timing differences	-	(18,200)
Losses transferred	-	225,056
Current tax charge/(credit) for the financial period	-	-

A resolution passed by Parliament on 26 March 2012 reduced the main rate of Corporation tax to 24% from 1 April 2012. The Finance Bill 2012 further reduced the rate to 23% from 1 April 2013. In addition to this reduction further changes to the UK Corporation tax rates were announced in the 2012 Autumn Statement and the March 2013 Budget. These included further reductions to the main rate to reduce the rate to 21% from 1 April 2014 and to 20% from 1 April 2015. These changes were introduced as part of Finance Bill 2013 but, as they had not been substantively enacted at the balance sheet date, and therefore, are not included in these financial statements.

7. CREDITORS – Amounts falling due within one year

	2013 £	2012 £
Amounts owed to group undertakings	1,136,773	1,171,781

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

8. CALLED UP SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid		
2,285 'A' Ordinary shares of £1.20 each (2012 2,285)	2,743	2,743
640,000 'B' Ordinary shares of £1.20 each (2012 640,000)	768,000	768,000
8,259,500 'C' Ordinary shares of 1p each (2012 8,259,500)	82,595	82,595
	853,338	853,338

'A' and 'B' Ordinary shares carry equal voting rights

'C' Ordinary shares carry no voting rights or rights to receive a dividend

9. RESERVES

	Profit and Loss reserve £
As at 26 February 2012	(1,990,087)
Loss for the financial period	(24)
As at 23 February 2013	(1,990,111)

LINEBUSH IV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 23 FEBRUARY 2013 (continued)

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT AS AT 23 FEBRUARY 2013

	2013 £	2012 £
Loss for the financial period	(24)	(2,060,931)
Net movement in shareholders' deficit	(24)	(2,060,931)
Opening shareholders' (deficit)/surplus	(1,136,749)	924,182
Closing shareholders' deficit	(1,136,773)	(1,136,749)

11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is One Stop Stores Limited

The Company's ultimate parent undertaking and controlling party is Tesco PLC, which is registered in England and Wales, and 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.

12. RELATED PARTY TRANSACTIONS

Transactions with other subsidiary companies within the Group are not disclosed as the Company has taken advantage of the exemption under paragraph 3(c) of FRS 8 "Related Party Disclosures", as the consolidated financial statements of Tesco PLC, in which the Company is included, are available at the address noted above.