

ASDA SUPERMARKETS LIMITED

Report and Financial Statements

31 December 2012

Registered No 4144792

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COMPANIES HOUSE

ASDA SUPERMARKETS LIMITED

Registered No 4144792

DIRECTORS

A Clarke
J J McKenna (Resigned 22 March 2013)
E Doohan
K Hubbard
R Mayfield (Appointed 16 November 2012)

SECRETARY

E Doohan (Resigned 1 June 2013)
A Simpson (Appointed 1 June 2013)

AUDITORS

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

BANKERS

National Westminster Bank plc
Leeds City Office
8 Park Row
Leeds
LS1 1QS

REGISTERED OFFICE

ASDA House
Southbank
Great Wilson Street
Leeds
LS11 5AD

ASDA SUPERMARKETS LIMITED

Registered No 4144792

DIRECTORS' REPORT

The directors present their Report and Financial Statements for the year ended 31 December 2012

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activities of the company are retail property investment, development and management. The business will continue to trade on the same basis for the foreseeable future.

The company holds the title for a property and receives rental income in relation to this site from fellow group undertaking. For an assessment of the risks and uncertainties which are applicable to the Group, as tenants to the company, please refer to the ASDA Group Limited consolidated financial statements.

Due to the intercompany nature of the business, key performance indicators are not applicable.

RESULTS AND DIVIDENDS

The company's profit for the financial year, after taxation, amounted to £479,000 (2011: £49,000). The directors recommend that no dividend be paid (2011: £nil).

DIRECTORS' LIABILITIES

ASDA has granted an indemnity to each of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity remains in force as at the date of approving the Directors' Report.

The indemnity is controlled and paid centrally by the ultimate parent company.

For a list of directors who held office during the year please refer to the beginning of these financial statements.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

A resolution to re-appoint Ernst & Young LLP as the company's auditor will be put to the members at the Annual General Meeting.

On behalf of the board



R Mayfield
Director

26 September 2013

ASDA SUPERMARKETS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report and 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). 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 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASDA SUPERMARKETS LIMITED

We have audited the financial statements of ASDA Supermarkets Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Reconciliation of Shareholders' Funds and the Balance Sheet and the related notes 1 to 12. 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).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

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 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 for 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 31 December 2012 and of its profit for the year 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.

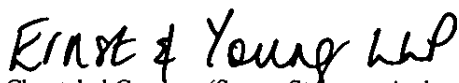
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year 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.



Christabel Cowling (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds

27 September 2013

ASDA SUPERMARKETS LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2012

	<i>Notes</i>	<i>Year Ended 31 December 2012 £'000</i>	<i>Year Ended 31 December 2011 £'000</i>
Administrative expenses	2	(384)	(188)
Other income		1,320	594
Operating profit		936	406
Interest receivable	3	44	10
Interest payable	4	(584)	(284)
Profit on ordinary activities before taxation		396	132
Taxation credit/(charge)	5	83	(83)
Profit for the financial year		479	49

There were no recognised gains and losses, other than the profit for the year ended 31 December 2012 of £479,000 (2011 £49,000)

The results above are all attributable to continuing operations

RECONCILIATION OF SHAREHOLDERS' FUNDS for the year ended 31 December 2012

	<i>Year Ended 31 December 2012 £'000</i>	<i>Year Ended 31 December 2011 £'000</i>
Opening shareholders' funds	49	-
Total recognised gains and losses	479	49
Closing shareholders' funds	528	49

ASDA SUPERMARKETS LIMITED

BALANCE SHEET

as at 31 December 2012

		31 December 2012	31 December 2011
	Notes	£'000	£'000
FIXED ASSETS			
Tangible assets	6	8,724	9,100
CURRENT ASSETS			
Debtors	7	1,960	604
		1,960	604
CREDITORS amounts falling due within one year	8	(10,156)	(9,655)
NET CURRENT LIABILITIES		(8,196)	(9,051)
NET ASSETS		528	49
CAPITAL AND RESERVES			
Called up share capital	9	-	-
Profit and loss account	10	528	49
TOTAL SHAREHOLDERS' FUNDS		528	49

The financial statements were approved by the Board of Directors and signed on its behalf by



R Mayfield

Director

26 September 2013

ASDA SUPERMARKETS LIMITED

NOTES TO THE ACCOUNTS

as at 31 December 2012

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared on the going concern basis as the immediate holding company has agreed that it will continue to provide financial support to this company to enable it to meet its liabilities as they fall due

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards

Cash flow statement

In accordance with FRS1 'Cash Flow Statements', no cash flow statement has been prepared as the company is a wholly owned subsidiary undertaking of ASDA Group Limited, which produces a consolidated cash flow statement

Other income

Other income represents rents receivable from other group undertakings, recognised on an accruals basis

Debtors

Amounts receivable from group undertakings are interest bearing (6%), unsecured, with no fixed repayment date

Creditors

Amounts payable to group undertakings are interest bearing (6%), unsecured, with no fixed repayment date

Tangible fixed assets

Tangible fixed assets are included in the balance sheet at cost less depreciation

Depreciation

Tangible fixed assets are depreciated over their estimated useful lives, on a straight line basis, as follows

Freehold property	20 - 50 years
Fixtures & Equipment	10 years

There is no depreciation on freehold land

ASDA SUPERMARKETS LIMITED

NOTES TO THE ACCOUNTS

as at 31 December 2012

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

Taxation comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- deferred tax assets are recognised only to the extent that the directors consider that it is 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 an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

ASDA SUPERMARKETS LIMITED

NOTES TO THE ACCOUNTS

as at 31 December 2012

2. ADMINISTRATIVE EXPENSES

Operating profit is stated after charging

	<i>Year Ended 31 December 2012</i>	<i>Year Ended 31 December 2011</i>
	<i>£'000</i>	<i>£'000</i>
Depreciation of tangible fixed assets	376	188
Management fee expense	8	-
	<u>384</u>	<u>188</u>

The directors did not receive any remuneration for their qualifying services as statutory directors during the period (2011 £nil) The charge for the directors' remuneration has been borne by ASDA Stores Limited Other than the directors, the company has no employees (2011 nil)

The company's audit costs of £5,000 (2011 £700) are paid by another group company

3. INTEREST RECEIVABLE

	<i>Year Ended 31 December 2012</i>	<i>Year Ended 31 December 2011</i>
	<i>£'000</i>	<i>£'000</i>
Interest receivable from group undertakings	<u>44</u>	<u>10</u>

4. INTEREST PAYABLE

	<i>Year Ended 31 December 2012</i>	<i>Year Ended 31 December 2011</i>
	<i>£'000</i>	<i>£'000</i>
Interest payable to group undertakings	<u>584</u>	<u>284</u>

ASDA SUPERMARKETS LIMITED

NOTES TO THE ACCOUNTS

as at 31 December 2012

5. TAXATION

Corporation tax for the period arises as follows

	<i>Year Ended 31 December 2012 £'000</i>	<i>Year Ended 31 December 2011 £'000</i>
CURRENT TAX		
UK corporation tax on profit for the period	-	83
Adjustments in respect of prior periods	(83)	-
TOTAL CURRENT TAX (CREDIT) / CHARGE	<u>(83)</u>	<u>83</u>

A reconciliation of the current tax charge compared to the standard rate of corporation tax in the UK of 24.5% (2011: 26%) applied to the profit on ordinary activities before tax is as follows

	<i>Year Ended 31 December 2012 £'000</i>	<i>Year Ended 31 December 2011 £'000</i>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	<u>396</u>	<u>132</u>
PROFIT ON ORDINARY ACTIVITIES MULTIPLIED BY THE STANDARD RATE OF UK CORPORATION TAX OF 24.5% (2011: 26%)	97	34
Effects of		
Prior period adjustments	(83)	-
Non-qualifying depreciation	92	49
Group relief not paid for	(189)	-
CURRENT TAX (CREDIT) / CHARGE FOR PERIOD	<u>(83)</u>	<u>83</u>

DEFERRED TAXATION

There have been no timing differences giving rise to either a deferred tax asset or liability in the company

ASDA SUPERMARKETS LIMITED

NOTES TO THE ACCOUNTS as at 31 December 2012

6. TANGIBLE FIXED ASSETS

	<i>Freehold properties £'000</i>	<i>Fixtures & Equipment £'000</i>	<i>TOTAL £'000</i>
COST			
At 1 January 2012 and 31 December 2012	8,472	816	9,288
DEPRECIATION			
At 1 January 2012	147	41	188
Charge for the year	294	82	376
At 31 December 2012	441	123	564
NET BOOK VALUE AT 31 DECEMBER 2012	8,031	693	8,724
NET BOOK VALUE AT 31 DECEMBER 2011	8,325	775	9,100

7. DEBTORS

	<i>31 December 2012 £'000</i>	<i>31 December 2011 £'000</i>
Amount receivable from group undertakings	1,960	604

8. CREDITORS: amounts falling due within one year

	<i>31 December 2012 £'000</i>	<i>31 December 2011 £'000</i>
Amounts payable to group undertakings	10,156	9,572
Corporation Tax	-	83
	10,156	9,655

ASDA SUPERMARKETS LIMITED

NOTES TO THE ACCOUNTS as at 31 December 2012

9 CALLED UP SHARE CAPITAL

Allotted, called up and fully paid

At 31 December 2011 and 31 December 2012

	<i>No</i>	<i>£</i>
Ordinary shares of £1 each	1	1

10. RESERVES

	<i>Share capital</i> <i>£'000</i>	<i>Profit and loss reserve</i> <i>£'000</i>	<i>£'000</i>
At 1 January 2012	-	49	49
Profit for the year	-	479	479
At 31 December 2012	-	528	528

11. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary, the company has taken advantage of the exemption in FRS 8 “*Related Party Disclosures*” from disclosing transactions with other wholly owned subsidiaries of the Broadstreet Great Wilson Europe Limited group

12. PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is ASDA Stores Limited, a company incorporated in England and Wales

The smallest group at which consolidated financial statements are prepared is ASDA Group Limited. Copies of these financial statements are available from the registered office, ASDA House, Southbank, Great Wilson Street, Leeds, LS11 5AD

In the directors’ opinion, the ultimate parent undertaking and controlling party is Wal-Mart Stores, Inc which is incorporated in the USA. Copies of its consolidated financial statements, which include this company, can be obtained from the Company Secretary, Wal-Mart Stores, Inc, Corporate Offices, 702 SW 8th Street, Bentonville, AR72716, USA