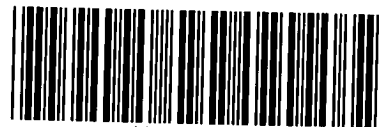


TESCO FFC LIMITED  
(PREVIOUSLY  
FRED'S FOOD CONSTRUCTION LIMITED)  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE 52 WEEKS ENDED 28 FEBRUARY 2017

Registered Number: 08859202

THURSDAY



A19      \*A6EG0D5E\*      #179  
07/09/2017  
COMPANIES HOUSE

# **TESCO FFC LIMITED**

## **DIRECTORS' REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2017**

The Directors present their annual report and the audited financial statements of Tesco FFC Limited (the "Company") for the 52 weeks ended 28 February 2017 (prior period: 52 weeks ended 29 February 2016).

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

The Company ceased to trade in the previous financial period and as a result of this, the Company does not expect to receive any revenue in this financial period. The company was bought by Tesco Stores Limited in September 2016.

In the prior year, the company was exempt from audit under section 477 of the Companies Act 2006 and therefore the prior year income statement has not been audited.

The company changed its name from Fred's Food Construction Limited to Tesco FFC Limited on the 10 October 2016.

The financial statements of the Company have been prepared in accordance with FRS102.

### **Results and dividends and post balance sheet events**

The results for the period show a total comprehensive income of £1,223,460 (2016: loss of £597,638). The income in the year largely arose through the agreement of Tesco Stores Limited on 19<sup>th</sup> September 2016 to waive the loans and liabilities due from the Company.

The Directors do not recommend the payment of a dividend for the period ended 28 February 2017 (2016: £nil).

The Company has net liabilities of £305,547 at the period end (2016: net liabilities £1,529,007). A capital contribution was approved by Tesco Stores Limited on 30 August 2017 of £310,000 in order to provide funding to clear the remaining liabilities.

### **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 principal risks and uncertainties of the Group, which include the Company, are discussed on pages 26 to 31 of the Tesco PLC Annual Report 2017 which does not form part of this Report.

### **Political donations**

There were no political donations for the period (2016: none) and the Company incurred no political expenditure (2016: £nil).

### **Future outlook**

The Company has ceased to trade and does not expect to generate any revenue in the financial year. The directors are considering winding up this company in the future.

### **Key performance indicators**

Given the straight forward 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 (2016: none).

# **TESCO FFC LIMITED**

## **DIRECTORS' REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2017 (continued)**

### **Employees**

The average monthly number of persons (including directors) employed by the company during the period was nil (2016:10).

### **Going concern**

This company will no longer trade in the future and therefore the accounts have been prepared on a basis other than going concern. The directors are considering winding up this company in the future.

The Company's parent, Tesco Stores Limited approved a capital contribution on 30 August 2017 of £310,000 in order to allow the Company to meet its remaining liabilities.

No material adjustments arose as a result of ceasing to apply the going concern basis of accounting.

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

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

	<b>Appointed</b>	<b>Resigned</b>
S Fitzgerald	20 September 2016	
A Fowle	20 September 2016	28 February 2017
P Goodale		20 September 2016
A Harris		7 October 2016

None of the Directors had any disclosable interests in the company during this period.

Tesco PLC maintained a Directors' and Officers' liability insurance policy throughout the financial period and up to the date of signing the financial statements.

### **Strategic Report**

The Directors have taken advantage of the exemption provided by section 414B of the Companies Act 2006 (Strategic Report and Directors Report Regulation 2013) from preparing Strategic Report.

**DIRECTORS' REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2017 (continued)**

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Companies Act 2006 requires the Company to prepare financial statements for each financial year. Under that law the Directors have prepared the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 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 the Group, 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 the Group 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 auditors are unaware; and
- he/she has taken all the steps that he/she 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

On behalf of the Board on

30 August 2017.



S Fitzgerald, Director  
Tesco FFC Limited

Registered Number: 08859202

Registered Office: Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, United Kingdom, AL7 1GA

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TESCO FFC LIMITED**

We have audited the financial statements of Tesco FFC Limited for the 52 weeks ended 28 February 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 8. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 Statement of Directors' Responsibilities, 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 28 February 2017 and of its profit for the 52 weeks 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.

**Emphasis of matter – Financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

**TESCO FFC LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TESCO FFC LIMITED (CONTINUED)**

**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.
- The directors were not entitled to take advantage of the exemption from the requirement to prepare the strategic report.

**Other matter**

As the company was exempt from audit under section 477 of the Companies Act 2006 in the prior year we have not audited the corresponding amounts for that year.

*Rebecca Drew*

Rebecca Drew (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Birmingham, United Kingdom  
Date: 30 August 2017

# TESCO FFC LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 28 FEBRUARY 2017

	Notes	52 weeks ended 28 February 2017 £	52 weeks ended 29 February 2016 (unaudited) £
Turnover		-	128,268
Cost of sales		-	(89,120)
<b>Gross profit</b>		-	39,148
Other Income		1,529,581	-
Administrative expenses		(205)	(595,216)
Operating profit / (loss)		1,529,376	(556,068)
Interest payable and similar expenses		-	(41,570)
<b>Profit / (loss) on ordinary activities before taxation</b>	2	1,529,376	(597,638)
Tax on profit/(loss) on ordinary activities	3	(305,916)	-
<b>Total comprehensive income/(loss) for the period</b>		1,223,460	(597,638)

All operations are discontinuing for the financial period.

The notes on pages 9 to 14 form part of these financial statements.

# TESCO FFC LIMITED

## BALANCE SHEETS AS AT 28 FEBRUARY 2017

		28 February 2017 £	29 February 2016 £
	Notes		
<b>Current assets</b>			
Debtors: Amounts falling due within one year		-	-
Cash at bank and in hand		369	574
		369	574
Creditors: Amounts falling due within one year	4	(305,916)	(1,529,581)
<b>Net current assets/(liabilities)</b>		<b>(305,547)</b>	<b>(1,529,007)</b>
<b>Total assets less current liabilities</b>		<b>(305,547)</b>	<b>(1,529,007)</b>
<b>Net assets / (liabilities)</b>		<b>(305,547)</b>	<b>(1,529,007)</b>
<b>Capital and reserves</b>			
Called up share capital	5	60,000	60,000
Profit and loss account		(365,547)	(1,589,007)
<b>Total shareholders' funds/ (deficit)</b>		<b>(305,547)</b>	<b>(1,529,007)</b>

The financial statements on pages 6 to 14 were approved by the Board of Directors and authorised for issue on  
**30 August** 2017 and were signed on its behalf by:



S Fitzgerald  
 Director

Tesco FFC Limited

Registered Number: 08859202

Registered Office: Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, United Kingdom, AL7 1GA



# TESCO FFC LIMITED

## STATEMENT OF CHANGES IN EQUITY AS AT 28 FEBRUARY 2017

	Notes	Called up share capital £	Profit and loss account £	Total shareholders' funds £
<b>Balance at 29 February 2015</b>		<b>60,000</b>	<b>(991,369)</b>	<b>(931,369)</b>
Total comprehensive loss for the period		-	(597,638)	(597,638)
<b>Balance at 28 February 2016</b>		<b>60,000</b>	<b>(1,589,007)</b>	<b>(1,529,007)</b>
Total comprehensive income for the period		-	1,223,460	1,223,460
<b>Balance at 28 February 2017</b>		<b>60,000</b>	<b>(365,547)</b>	<b>(305,547)</b>

# **TESCO FCC LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2017**

### **1. ACCOUNTING POLICIES**

#### **General Information**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

The financial statements for Tesco FCC Limited ('the Company') for the period ended 28 February 2017 were approved by the Board of Directors on 30 August 2017 and the Balance Sheet was signed by the Sole Director, Mr S Fitzgerald. The Company is a private company limited by shares and incorporated and domiciled in England and Wales under the Companies Act. The address of the registered office is Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA. The nature of the Company's operations and its principal activities are set out in the Directors' report on pages 1 to 2.

The functional currency of Tesco FSS Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

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

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS") and requirements of the Companies Act 2006.

#### **Going Concern**

This company will no longer trade in the future and therefore the accounts have been prepared on a basis other than going concern as set out in the Directors' report on page 2. The directors are considering winding up this company in the future.

The Company's parent, Tesco Stores Limited approved a capital contribution on 30 August 2017 of £310,000 in order to allow the Company to meet its remaining liabilities.

No material adjustments arose as a result of ceasing to apply the going concern basis of accounting.

#### **Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably

#### **Tangible Fixed Assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	17% Straight Line Method
Fixtures, fittings & equipment	14% - 33% Straight Line Method

# **TESCO FFC LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2017 (continued)**

### **1. ACCOUNTING POLICIES (continued)**

#### **Impairment of fixed assets**

At each balance sheet date the Company reviews the carrying amounts of the fixed assets to determine whether there is any need for impairment in accordance with FRS102 section 27 "Impairment of Assets". Any impairment is recognised in the Profit and Loss Account in the period in which it occurs.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdraft are shown within borrowings in current liabilities.

#### **Current taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

#### **Group tax relief**

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 taxation**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax asset arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited in other comprehensive income, in which case deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
28 FEBRUARY 2017**

**1. ACCOUNTING POLICIES (continued)**

**Deferred taxation (continued)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**Current tax and deferred tax for the period**

Current and deferred tax are recognised in the profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Partnership after deducting all of its liabilities.

**(i) Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Partnership intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
28 FEBRUARY 2017 (continued)**

**1. ACCOUNTING POLICIES (continued)**

**Financial Instruments (continued)**

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Partnership transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Partnership, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described above, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The Directors do not consider any of the estimates and judgements made within these financial statements as critical and do not have a significant effect on the amounts recognised in the financial statements.

**2. RESULT BEFORE TAXATION**

The Directors received no emoluments for their services to the Company (2016: £nil).

The average monthly number of persons (including directors) employed by the company during the period was nil (2016:10).

The auditor's remuneration of £7,000 (2016: £nil) for the period was borne by Tesco Stores Ltd

# NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2017 (continued)

## 3. TAX ON RESULT

### Factors that have affected the tax charge

The Finance Act 2016 included legislation to reduce the main rate of UK corporation tax to 20% from 1 April 2015 to 31 March 2017, and to 19% from 1 April 2017 to 31 March 2020. The blended tax rate for the period is therefore 20%. From 1 April 2020, the rate will be reduced to 17%, in accordance with Finance Act 2016.

	Period ended 28 February 2017 £	Period ended 29 February 2016 (unaudited) £
<b>Current tax:</b>		
UK Corporation tax on profit for the period	(305,916)	-
<b>Total current tax</b>	<b>(305,916)</b>	<b>-</b>
<b>Deferred tax:</b>		
Effect of decrease in tax rate on opening liability	-	-
Adjustments in respect of previous periods	-	-
<b>Total deferred tax</b>	<b>-</b>	<b>-</b>
<b>Tax on profit</b>	<b>(305,916)</b>	<b>-</b>

	Period ended 28 February 2017 £	Period ended 29 February 2016 (unaudited) £
<b>Result before tax</b>	<b>1,529,376</b>	<b>-</b>
Profit on ordinary activities multiplied by small companies rate in the UK 20% (2016: 20.1%)	(305,875)	-
Effects of:		
Expenses not deductible	(41)	-
Non taxable income	-	-
<b>Total tax for the financial period</b>	<b>(305,916)</b>	<b>-</b>

The Finance Act 2016 included legislation to reduce the main rate of UK corporation tax from 20% to 19% from 1 April 2017 and to 17% from 1 April 2020. These rate reductions were substantively enacted by the balance sheet date and therefore included in these financial statements. Temporary differences have been remeasured using the enacted rates that are expected to apply when the liability is settled or the asset realised.

# TESCO FFC LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2017 (continued)

### 4. CREDITORS

	Period ended 28 February 2017 £	Period ended 29 February 2016 (unaudited) £
Amounts owed to group undertakings	-	1,529,581
Corporation tax Creditor	305,916	-
	<b>305,916</b>	<b>1,529,581</b>

The amounts owed to group undertakings related to loans and interest due to Tesco Stores Limited. On 19<sup>th</sup> September 2016, Tesco Stores Limited approved the waiver of these loans and liabilities.

### 5. CALLED UP SHARE CAPITAL

	Period ended 28 February 2017 £	Period ended 29 February 2016 (unaudited) £
Issued and fully paid:		
6,000,000 Ordinary shares of £1 each (2016: 6,000,000)	60,000	60,000

### 6. RELATED PARTY TRANSACTIONS

During the period, interest of £nil (2016: £41,570) accrued on the loan from Tesco Stores Limited. The loans were waived by Tesco Stores Limited on 19<sup>th</sup> September 2016.

### 7. POST BALANCE SHEET EVENTS

The Company's parent, Tesco Stores Limited approved a capital contribution on 30 August 2017 of £310,000 in order to allow the Company to meet its remaining liabilities.

### 8. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Tesco Stores Limited which acquired full control of the Company on 20<sup>th</sup> September 2016. The Company changed its name to Tesco FFC on 10<sup>th</sup> October 2016.

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 its registered address: the Company Secretary, Tesco PLC, Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom.