

T & S Properties Limited

Annual report and financial statements

for the year ended 28 February 2006

Registered number: 9850



T & S Properties Limited

Annual report and financial statements for the year ended 28 February 2006

	Page
Directors' report for the year ended 28 February 2006.....	2
Independent auditors' report to the members of T & S Properties Limited.....	4
Balance sheet as at 28 February 2006.....	5
Notes to the financial statements.....	6

T & S Properties Limited

Directors' report for the year ended 28 February 2006

The directors of T & S Properties Limited present their annual report together with the audited financial statements of the company for the year ended 28 February 2006.

Results and dividends

✓ The company has not traded in the current or prior period. The directors do not recommend the payment of a dividend (2005: £Nil).

Directors and their interests

The directors of the company who held office during the year were as follows:

S Murrells	(resigned 15 June 2005)
A T Higginson	
L J Neville-Rolfe	
M Everitt	
N T Bytheway	(appointed 20 June 2005)
W P O'Neill	(appointed 20 June 2005, resigned 28 December 2005)
D Turner	(appointed 13 December 2005)
J M Lloyd	(appointed 13 December 2005)

None of the directors had any interests in the shares of the company.

A T Higginson is also a director of Tesco PLC, the company's ultimate parent company, and as such his disclosable interests in Tesco PLC are declared in the financial statements of that company.

For the directors who were not also directors of the ultimate parent company, their interests in the shares of Tesco PLC at the beginning of the year (or appointment if later) and end of the year are given below.

	Ordinary shares		Share options**			
	2006	2005 or appointment	2006	Granted	Exercised	2005 or appointment
L J Neville-Rolfe	297,727	270,740	369,413	109,348	(68,345)	328,410
M Everitt	1,322	1,322	46,150	14,450	-	31,700
D Turner	59,974	59,974	239,541	-	(134,761)	374,302
J M Lloyd	175	-	30,000	30,000	-	-
N T Bytheway	1,322	1,322	49,900	15,250	-	34,650

** Executive share option scheme (1984, 1994 and 1996) and savings related share option scheme (1981). Details of these schemes are set out in the annual report and financial statements of Tesco PLC.

T & S Properties Limited

Directors' report for the year ended 28 February 2006 (continued)

Statement of Directors' responsibilities

Company law requires the directors to prepare financial statements for each year which 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 year. 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;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that these financial statements conform with these requirements.

Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By Order of the Board



Jonathan Lloyd
Director

20th December 2006

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T&S PROPERTIES LIMITED

PricewaterhouseCoopers LLP
10 Bricket Road
St Albans AL1 3JX
Telephone +44 (0) 1727 844155
Facsimile +44 (0) 1727 845039

We have audited the financial statements of T&S Properties Limited for the year ended 28 February 2006 which comprise the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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 other transactions 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 audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 28 February 2006; and
- have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
St Albans

21 December 2006

T & S Properties Limited

Balance sheet as at 28 February 2006

	Note	2006 £'000	2005 £'000
Current assets			
Debtors	4	19,146	19,146
Creditors – amounts falling due within one year	5	(68)	(68)
Net assets		19,078	19,078
Capital and reserves			
Called up share capital	6	11,000	11,000
Profit and loss account	7	8,078	8,078
Shareholders' funds	8	19,078	19,078

The financial statements on pages 5 to 8 were approved by the board of directors on 20th December 2006 and were signed on its behalf by:



Jonathan Lloyd
Director

T & S Properties Limited

Notes to the financial statements for the year ended 28 February 2006 (continued)

1 Accounting policies

Accounting convention

These financial statements have been made up for the year ended 28 February 2006 and are prepared under the historical cost convention and in accordance with UK Financial Reporting Standards

Deferred taxation

Deferred taxation is provided on timing differences, arising from the *different treatment for financial statements and taxation purposes* of events and transactions recognised in the financial statements of the current and previous years. Deferred taxation is calculated at the rates at which it is estimated that taxation will arise.

Deferred taxation is not provided in respect of timing differences arising from the sale or revaluation of fixed assets unless, by the balance sheet date, a binding commitment to sell the asset has been entered into, and it is unlikely that any gain will be rolled over.

Deferred taxation assets are recognised to the extent that it is regarded as more likely than not that there will be suitable taxable profits against which the deferred tax asset can be recovered in future periods.

2 Directors' emoluments, staff costs and auditor's remuneration

The directors did not receive any emoluments for their services to the company (2005: nil).

The company has no other employees.

Auditors' remuneration is borne by a fellow group undertaking, and is not recharged.

3 Taxation on profit on ordinary activities

	2006 £'000	2005 £'000
Tax on profit on ordinary activities based on the results for the year :		
UK Corporation tax at 30% (2005: 30%)	-	-
Current tax	-	-
Deferred tax	-	-
Tax on profit on ordinary activities	-	-

T & S Properties Limited

Notes to the financial statements for the year ended 28 February 2006 (continued)

Taxation on profit on ordinary activities (continued)

The tax assessed in the year was different to the standard rate of corporation tax in the UK of 30%. The differences are explained below:

	2006 £'000	2005 £'000
Profit on ordinary activities before taxation	-	-
Profit on ordinary activities multiplied by standard rate of corporation tax of 30%	-	-
Effects of:		
Tax deductible expenditure on group transactions	(1)	-
Group relief surrendered without payment	1	-
Current tax charge for the year	-	-

4 Debtors

	2006 £'000	2005 £'000
Amounts due from group undertakings	19,146	19,146

Amounts due from group undertakings are unsecured, interest free and have no fixed repayment date.

5 Creditors - amounts falling due within one year

	2006 £'000	2005 £'000
Amounts due to group undertakings	68	68
	68	68

Amounts due to group undertakings are unsecured, interest free and repayable on demand.

T & S Properties Limited

Notes to the financial statements for the year ended 28 February 2006 (continued)

6 Called up share capital

	2006 £'000	2005 £'000
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Authorised, allotted, called up and fully paid		
11,000 Ordinary shares of £1 each	11,000	11,000
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7 Profit and loss account

	2006 £'000
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At 28 February 2005 and 28 February 2006	8,078
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8 Reconciliation of movements in shareholders' funds

	2006 £'000	2005 £'000
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Opening and closing shareholders' funds	19,078	19,078
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9 Ultimate parent undertaking

The immediate parent undertaking is T&S Stores Limited.

The ultimate parent undertaking is Tesco PLC, which is incorporated in Great Britain and 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 Group financial statements can be obtained from the Company Secretary, Tesco PLC, Tesco House, Delamare Road, Cheshunt, Hertfordshire, EN8 9SL.

10 Cash Flow Statement

The company in accordance with FRS 1 (revised) "Cashflow Statements", being a wholly owned subsidiary of another company which prepares a cash flow statement including the cash flow of this company, has not prepared such a statement itself.