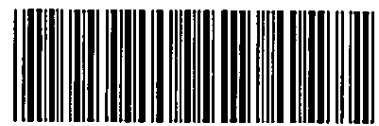


TESCO FUCHSIA (FINCO1) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 28 FEBRUARY 2009
Registered Number: 5888951

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TESCO FUCHSIA (FINCO1) LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDING 28 FEBRUARY 2009

The directors present their report and audited financial statements of Tesco Fuchsia (Finco1) Limited ("the company") for the 53 weeks ended 28 February 2009.

Business review and principal activities

The company was incorporated on 27 July 2006.

The principal activity of the company is to act as a finance company.

The results for the period show a pre tax profit of £17,240 (2008: £41,851). The company has net assets at the balance sheet date of £52,199 (2008: £39,819).

The directors do not recommend the payment of a dividend (2008:£nil).

Principal risks and uncertainties

From the perspective of the partnership, the principal risks and uncertainties are integrated with the principal risks of the Tesco PLC group and are not managed separately. These risks are discussed on page 38 of the Tesco PLC group annual report which does not form part of this report.

Future outlook

The company's level of trade is expected to continue throughout 2009 and the current performance levels should be maintained.

Key performance indicators

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.

Employees

The company had no employees during the period (2008: none).

Directors and their interests

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

A Clark
M Risk (resigned 7 April 2008)
D Potts
R Brasher
E O'Hare

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

D Potts and R Brasher are also directors of Tesco PLC, and as such their disclosable interests in Tesco PLC are declared in the financial statements of that company.

TESCO FUCHSIA (FINCO1) LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDING 28 FEBRUARY 2009 (Continued)

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

The directors are responsible for preparing the Annual 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 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 UK 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, in which case there will be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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 1985 and 2006 as applicable. 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.

Statement on disclosure of information to auditors

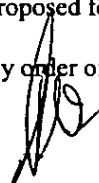
Each director who is a director at the date of approval of this report confirms that:

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

Independent auditors

The independent auditors of Tesco Fuchsia (Finco1) Limited are PricewaterhouseCoopers LLP, are proposed for reappointment.

By order of the Board on 17th August 2009.



Alistair Clark
Director
Tesco Fuchsia (Finco1) Limited
Registered Number 5888951

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TESCO FUCHSIA (FINCO1) 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 Tesco Fuchsia (Finco1) Limited for the 53 weeks ended 28 February 2009 which comprise the Profit and Loss Account, 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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

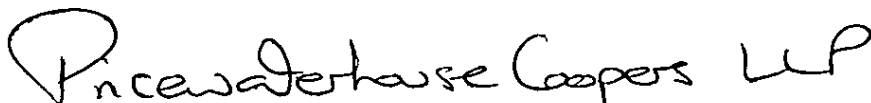
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 2009 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
St Albans

17 August

2009

TESCO FUCHSIA (FINCO1) LIMITED**PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 28 FEBRUARY 2009**

	Notes	53 weeks to 28 February 2009 £	52 weeks to 23 February 2008 £
Interest receivable		10,273,598	27,961,233
Interest payable		(10,256,358)	(27,919,382)
Profit on ordinary activities before taxation	2	17,240	41,851
Taxation on profit on ordinary activities	3	(4,860)	(12,555)
Profit for the financial period	9	12,380	29,296

There are no recognised gains or losses other than those reflected in the profit and loss account above.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical cost equivalents.

The notes on pages 7 to 10 form part of these financial statements.

TESCO FUCHSIA (FINCO1) LIMITED

BALANCE SHEET AS AT 28 FEBRUARY 2009

	Notes	28 February 2009 £	23 February 2008 £
Non-current assets			
Debtors – due after one year	5	418,809,512	418,809,512
Current assets			
Cash at bank and in hand		50,598	51,146
Debtors – due within one year	4	1,601	3,783,628
		52,199	3,834,774
Creditors (amounts falling due within one year)	6	-	(3,794,955)
Net current assets		52,199	39,819
Total assets less current liabilities		418,861,711	418,819,331
Creditors (amounts falling due after more than one year)	7	(418,809,512)	(418,809,512)
Net assets		52,199	39,819
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account	9	52,198	39,818
Total equity shareholders' funds	10	52,199	39,819

The notes on pages 7 to 10 form part of these financial statements.

The financial statements on pages 5 to 10 were approved by the board of directors on 17th August 2009 and were signed on its behalf by:



Alistair Clark
Director
Tesco Fuchsia (Finco1) Limited
Registered Number 5888951

TESCO FUCHSIA (FINCO1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2009

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 1985. The principal accounting policies has been applied consistently during the period and are set out below.

Cash flow statement

In accordance with paragraph 5 of FRS 1 "Cash Flow Statements (Revised)", the company, being the wholly owned subsidiary of another company which prepares a cash flow statement including the cash flows of this company, has not prepared such a statement itself.

Taxation

The amount included in the Profit and Loss account is based on profit 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.

Interest payable and receivable

Interest payable and receivable is calculated on an accruals basis.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The directors received no emoluments in respect of their services to the company (2008:£nil).

There were no employees of the company during the period (2008: none).

Auditors' remuneration for the period and prior period has been borne by another group company.

TESCO FUCHSIA (FINCO1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2009 (continued)

3. TAXATION

Factors that have affected the tax charge

The standard rate of Corporation Tax in the UK was changed from 30% to 28% with effect from 1 April 2008. This gives an overall blended Corporation Tax rate for the company for the full year of 28.2 %.

	53 weeks to 28 February 2009 £	52 weeks to 23 February 2008 £
Current tax:		
UK Corporation tax on profit for the financial period	4,860	12,555
Total current tax	4,860	12,555
Tax on profit on ordinary activities	4,860	12,555

The tax assessed for the year is the same as (2008: the same as) the blended tax rate of Corporation Tax in the UK (28.2%). The differences are explained below:

	53 weeks to 28 February 2009 £	52 weeks to 23 February 2008 £
Profit on ordinary activities before tax	17,240	41,851
Profit on ordinary activities multiplied by blended rate of corporation tax of 28.2% (2008: 30%).	4,860	12,555
Taxation on profit on ordinary activities	4,860	12,555

4. DEBTORS - DUE WITHIN ONE YEAR

	28 February 2009 £	23 February 2008 £
Bank interest receivable	22	-
Corporation tax	1,579	-
Accrued interest receivable on loans	-	3,783,628
	1,601	3,783,628

5. DEBTORS- DUE AFTER ONE YEAR

	28 February 2009 £	23 February 2008 £
Loan with Tesco Fuchsia Limited Partnership	418,809,512	418,809,512
	418,809,512	418,809,512

The loan with Tesco Fuchsia Limited Partnership incurs interest at a variable rate based on a 3-month average LIBOR + 81basis points and is receivable on 16 October 2018.

TESCO FUCHSIA (FINCO1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2009 (continued)

6. CREDITORS -AMOUNTS FALLING DUE WITHIN ONE YEAR

	28 February 2009 £	23 February 2008 £
Corporation Tax	-	12,555
Amounts owed to group undertakings	-	3,782,400
	-	3,794,955

7. CREDITORS -AMOUNTS FALLING DUE AFTER ONE YEAR

	28 February 2009 £	23 February 2008 £
Loan from Tesco PLC	418,809,512	418,809,512
	418,809,512	418,809,512

The loan incurs interest at a variable rate based on a 3-month average LIBOR + 80 basis point and is repayable on 16 October 2018.

8. CALLED UP SHARE CAPITAL

	28 February 2009 £	23 February 2008 £
Authorised: 1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid: 1 ordinary share of £1	1	1

9. RESERVES

Profit and loss reserve

	28 February 2009 £	23 February 2008 £
As at beginning of period	39,818	10,522
Profit for the financial period	12,380	29,296
As at end of period	52,198	39,818

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS FOR THE PERIOD ENDED 28 FEBRUARY 2009

	28 February 2009 £	23 February 2008 £
Profit for the financial period	12,380	29,296
Net increase to shareholders' funds	12,380	29,296
Opening shareholders' funds	39,819	10,523
Closing shareholders' funds	52,199	39,819

TESCO FUCHSIA (FINCO1) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2009 (continued)

11. ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Tesco Fuchsia (GP) Limited.

The company's ultimate parent undertaking and controlling party 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, PO Box 18, Delamare Road, Cheshunt, Hertfordshire, EN8 9SL.

12. RELATED PARTY TRANSACTIONS

Transactions with other companies within the Tesco PLC and Tesco Fuchsia (GP) Limited group are not disclosed as the company has taken advantage of the exemption under Financial Reporting Standard 8 "Related Party Disclosures", as the consolidated financial statements of Tesco PLC, in which the company is included, are available at the address above.