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## CONTENTS

Notice of meeting	2
Officers and professional advisers	2
Board of directors	3
Summary of results	4
Five year record	4
Statement by the Chairman	5
The John Lewis Partnership	7
Directors' report	8
Consolidated profit and loss account	9
Consolidated balance sheet	10
Balance sheet of the company	11
Consolidated cash flow statement	12
Notes on the accounts	13
Report of the auditors	19
Retail branches	20

## NOTICE OF ANNUAL GENERAL MEETING

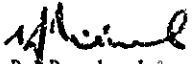
Notice is hereby given that the sixty-third annual general meeting of the company will be held at 12.30 pm on Wednesday 10th June 1992 at 171 Victoria Street, London SW1:

To receive the directors' report and accounts for the year 1991/92.

To consider the re-election of retiring directors.

To consider the re-appointment of the auditors.

To consider the remuneration of the auditors.

  
By order of the Board B J Pritchard Secretary  
171 Victoria Street, London SW1E 5NN  
13th May 1992

The report and accounts are sent to all members, but only the members holding Deferred Ordinary Shares are entitled to attend and vote at this meeting.

A member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member.

## OFFICERS AND PROFESSIONAL ADVISERS

Secretary

B J Pritchard ACIS

Chief accountant

T M Phillips BSC ACCA

Auditors

Price Waterhouse

Solicitors

Clifford Chance

Bankers

National Westminster Bank PLC

Registered office and Transfer office

171 Victoria Street London SW1E 5NN

Registered in England No. 238937

## BOARD OF DIRECTORS

**P F Lewis MA**

Chairman and Chief Executive since 1972. Graduate of Oxford. Practising barrister 1955-1959. Joined the Partnership 1959. Member of the Board since 1966.

**S Hampson MA**

Deputy Chairman since 1989 and Director of Research and Expansion since 1986. Previously Managing Director Tyrrell and Green. Graduate of Oxford. Civil Service (Department of Trade) 1969-1982. Joined the Partnership 1982. Member of the Board since 1986.

**R Adlington \***

Department Manager John Lewis Edinburgh since 1977. Joined the Partnership 1964. Member of the Board 1989-1990 and since 1991.

**I D Alexander BA \***

Chief Registrar since 1989. Graduate of Kent. Civil Service (Department of Health and Social Security) 1971-1987. Joined the Partnership 1987. Member of the Board since 1990.

**I R Bassett \***

Senior Systems Analyst since 1972. Employed in banking 1961-1968. Joined the Partnership 1968. Member of the Board since 1973.

**D L Felwick**

Director of Trading (Waitrose) since 1991. Previously Director of Selling (Waitrose). Royal Air Force 1962-1982. Graduate of RAF College, Cranwell. Joined the Partnership 1982. Member of the Board since 1991.

**J B Foster**

General Inspector since 1991. Previously Director of Trading (Waitrose). Joined the Partnership in 1956. Member of the Board since 1977.

**S C May MA**

Director of Personnel since 1978. Previously Managing Director Peter Jones. Graduate of Oxford. Joined the Partnership 1961. Member of the Board since 1978.

**B A O'Callaghan**

Director of Trading (Department Stores) since 1990. Previously Director of Selling (Department Stores). Bourne & Hollingsworth 1961-1967. Joined the Partnership 1967. Member of the Board since 1990.

**D S Ramsey \***

Operations Manager Waitrose since 1969. Joined the Partnership 1956. Member of the Board 1976-1987, 1989-1990 and since 1991.

**D A Stevens \***

Partners' Counsellor. Previously Chief Registrar. Joined the Partnership 1958. Member of the Board since 1982.

**D E Young BA**

Finance Director since 1987. Previously Managing Director Peter Jones. Graduate of Oxford. Civil Service (Ministry of Defence) 1965-1982. Joined the Partnership 1982. Member of the Board since 1987.

*\* Under the Constitution of the John Lewis Partnership five of the directors hold office by annual election of the Partnership's Central Council.*

## SUMMARY OF RESULTS FOR THE YEAR ENDED 25TH JANUARY 1992

Turnover and profits	1992	1991
	£m	£m
Turnover	2,280.4	2,159.2
Trading profit	100.1	109.9
Interest	22.8	18.4
Taxation	8.3	12.6
Preference dividends	.2	.2
Balance available for profit sharing and retention in the business	68.8	78.7
Partnership bonus	30.2	36.6
Retained in the business for development	38.6	42.1
Capital employed - Net assets employed at the year end	747.3	707.6
Numbers employed - Employees (weighted for part-timers)	30,500	30,300
Number of shops		
Department stores	22	22
Supermarkets	99	94

## FIVE YEAR RECORD

	Years ended January				
	1992	1991	1990	1989	1988
	£m	£m	£m	£m	£m
Turnover	2,280.4	2,159.2	2,046.3	1,917.7	1,724.8
Profit after payment of interest	88.6	102.0	119.5	148.2	135.9
Pension costs	11.3	10.5	9.4	16.7	14.7
Taxation	8.3	12.6	21.0	26.5	27.5
Dividends	.2	.2	.2	.2	.2
Net profit available for profit sharing and retention in the business	68.8	78.7	88.9	104.8	93.5
Partnership bonus	30.2	36.6	41.3	47.4	46.2
As a percentage of ranking pay	9	12	17	22	24
Retained in the business	38.6	42.1	47.6	57.4	47.3
Retained in the business - Extraordinary item	—	—	18.6	—	—
	68.8	78.7	107.5	104.8	93.5
Net assets employed	747.3	707.6	662.2	593.5	547.5
Pay	323.6	298.7	266.6	238.8	209.4
Number of employees	40,200	39,800	38,800	37,900	35,800
Including part-time employees	15,400	15,200	14,400	13,900	12,800

## STATEMENT BY THE CHAIRMAN

Despite a continual barrage of comment that the country's recession was about to end, our experience throughout the year and across the country was that there was no sign of improvement in the conditions affecting our trade in 1991/92. As a result, the Partnership's sales increase of 6%, bringing the group's total sales to £2.28 billion, was probably as creditable - and was certainly as welcome - as an increase twice that size might have been in more propitious times.

The Partnership opened no new department stores in the course of the year, but the make-up of trade was not exactly comparable. Trade in the North tended to be stronger than in the South. London particularly was short of visitors and of custom. Sales benefited for six months from the contribution of John Lewis Kingston, which opened in the autumn of 1990, and of an enlarged Trewins, which moved into new premises also in the second half of 1990/91. On the other hand, these gains were partly offset by the closures of Jones Brothers and Pratts halfway through 1990. The net effect was a 4% increase in sales, to £1,125m., from our 22 department stores - in line with the 4% increase recorded for national sales of all non-food retailing.

Among the most encouraging spots in a year of generally small changes in turnover were the establishment of substantial trade by the new John Lewis department store in Kingston in its first twelve months in operation, the growth of business in the new branch in Aberdeen now in its second year, and the strong response from customers to the enlargement of Bonds in Norwich. In these examples, and elsewhere too, the underlying strength of the Partnership's department store trade was apparent.

Waitrose opened three new supermarkets, in Burgess Hill, Ringwood and Welwyn Garden City, bringing their number to 97, and total sales to £1,118m. This was an increase of 8%, compared with a 7% increase recorded for the national food trade as a whole.

Since the end of the year Waitrose has opened two more supermarkets, one in Ely and the other in Thame, both of which have made a promising start. Three more are expected to open later in the year. Each new branch benefits from a steady flow of improvements, and the result from our customers' point of view is undoubtedly attractive. We are beginning to see a bit of a squeeze between the ever-rising cost of modern food retailing and a market generously supplied with highly competitive new outlets. Waitrose will be careful to concentrate on maintaining the special character which its customers appreciate.

The Partnership's manufacturing forms a relatively small part of the group's total trade, but is important in its sector. A large part is in textiles, weaving and printing of furnishing materials, whose sales and profit were lowered more by a cutback in demand from customers outside the Partnership than from demand within.

Gross margins were maintained in both Waitrose and department stores, despite the highly competitive trading towards the end of the year, but expenses generally rose faster than revenue. The pay sheet was 8% higher than the year before, the principal cause of a trading profit down by 9%. Total numbers employed increased by 1/2% due to new branch openings. At the pre-tax level the fall in profit was 16%, due to higher interest payments on higher borrowings to fund

STATEMENT BY THE CHAIRMAN *continued*

the Partnership's ongoing developments. No promising development has been postponed, and the standards of shopfitting and so on have been properly maintained.

If these results are disappointing by comparison with the heady results three or four years ago when the UK's retail prosperity peaked, I should point out that the Partnership still recorded a trading profit over £100m., net retentions of £39m., and the distribution of a profit-sharing bonus to all who work in the Partnership costing £30m. At 9% of pay this meant the lowest percentage rate of Partnership bonus since 1959. It serves perhaps to underline the prosperity of the '80s when the rate of Partnership bonus averaged nearly 20%. It is our intention to get the rate back into double figures as promptly as we can, without endangering future prosperity. If for nothing else, 1991/92 might be noted for the manner in which the Partnership settled and accepted such a sharp reduction in profit-share -- something critics of co-operatives are too apt to say cannot be expected.

We spent over £100m. on improving our business by capital expenditure, approximately half in Waitrose. This was largely financed by cash generated by the Partnership, although year

end borrowing increased by £22m. Part of this investment was focused on information technology, particularly in warehousing and distribution, and in more effective stock-keeping

Borrowing stood at 22% of capital employed at the year end. Interest payments were covered 4½ times by pre-tax profits. Base rate started the year at 14% and ended at 10½%. Because much of our borrowing is long-term and fixed at rates of 10¼% and 10½% we were protected to a considerable extent from the high rates in the early part of the year.

The Partnership's pension fund stands at about £350m. In April 1991 pensions in payment were again increased to keep them fully in line with inflation.

After 11 weeks of trade to the middle of April in the current year the Partnership's sales are 3% ahead of 1991. Up until the date of the Election there were no clear signs in our trading of any increase in consumer confidence. It is too early to say whether the result of the Election or the clearing of the uncertainty has had any effect. We hope over the remainder of the year to increase our share of our recognised trade, but we will need an improved economy before our profits will show much benefit.

P T Lewis  
Chairman  
16th April 1992

## THE JOHN LEWIS PARTNERSHIP

The Partnership's purpose is to secure the fairest possible sharing among all those who work in it of all the advantages of ownership. The Partnership's three public companies, John Lewis Partnership plc, John Lewis plc and John Lewis Properties plc, have modest issues of debenture and preference stock, most of which is publicly held outside the group. Payment of interest and dividends upon these stocks is naturally the first claim upon the Partnership's profits but the whole of the balance of profit is available to be shared among its employees, i.e. the members of the Partnership, and for reserves.

The equity and control of John Lewis Partnership plc, and hence of the Partnership, are held in trust by John Lewis Partnership Trust Limited. One of the principal duties of the Trust Company under the terms of two irrevocable Settlements is to secure the appointment of directors to the board of John Lewis Partnership plc in accordance with the Partnership's Constitution. The Constitution requires the appointment to the board of the Chairman and Deputy Chairman of the Trust Company and of five other directors on the nomination of the Chairman together with five other directors nominated annually by the Central Council, which itself represents the Partnership's 34,000 members. The board of John Lewis Partnership plc thus constituted directs the Partnership's business on behalf of its members.

The Constitution also provides for the constant and effective involvement of employees (Partners) in the Partnership's affairs. There is full, prompt and regular information on all aspects through extensive weekly journalism, as well as wide ranging communication and exchange of opinion, written and oral, through councils, committees, journalism and immediate management.

Further information about the Partnership can be obtained on application to Information Services, John Lewis Partnership, 171 Victoria Street, London SW1E 5NN. Telephone: 071-828 1000 extension 6222.

## DIRECTORS' REPORT FOR THE YEAR ENDED 25TH JANUARY 1992

### Directors

The directors of the company at the date of this report are listed on page 3. Mr J C Stott and Mr J G Winter resigned from the Board on 6th May 1991 and Mr R Adlington and Mr D S Ramsey were appointed as directors on the same date.

### Principal activity

The company controls, through John Lewis plc, the businesses listed on page 20, comprising 22 department stores, 99 Waitrose supermarkets and ancillary manufacturing activities.

### Purchase of shares

At Extraordinary General Meetings held on 9th February 1984, 13th December 1984, 13th February 1986, 19th February 1987, 21st July 1988, 15th March 1990 and 5th September 1991, the company was authorised to purchase up to £100,000 nominal of the 7½% Cumulative Preference Stock and up to £4,350,000 nominal of the 5% Cumulative Preference Stock.

The Board considers that these stocks have become a relatively inefficient form of fixed interest finance and that it would be advantageous to the company to acquire some of them.

During the year, the company purchased 263,151 £1 units of 5% Stock, representing 4.36% of the called-up share capital, for £119,486.

### Use of profits

Preference dividends absorbed £197,266 leaving £38,550,000 to be added to reserves.

### Review of the business

A review of the business and of future developments is included in the Chairman's statement.

### Inflation

The directors no longer consider it appropriate to set aside a separate sum to reflect the effect of inflation in the accounts.

### Directors' interests

Under the constitution of the Partnership all the directors, as employees of John Lewis plc, are necessarily interested in the 612,000 Deferred Ordinary Shares in John Lewis Partnership plc which are held in trust for the benefit of employees of John Lewis plc and of certain other companies.

There were no contracts subsisting during or at the end of the financial year in which the directors were materially interested and which were significant in relation to the company's business.

### Charitable donations

The group donated £785,000 for charitable purposes during the year but made no political donations.



For and by order of the Board B J Pritchard Secretary  
16th April 1992



# JOHN LEWIS PARTNERSHIP plc REPORT AND ACCOUNTS 1991

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 25TH JANUARY 1992

Notes		1992	1991
		£m	£m
2	Turnover	2,280.4	2,159.2
	Value added tax	213.7	181.1
		2,066.7	1,978.1
	Cost of sales	1,437.3	1,384.3
	Gross profit	629.4	593.8
	Selling and distribution costs	458.6	418.5
	Administrative costs	59.4	54.9
3	Pension costs	11.3	10.5
	Trading Profit	100.1	109.9
4	Interest	22.8	18.4
	Profit before Partnership bonus and taxation	77.3	91.5
	Partnership bonus	30.2	36.6
5	Profit on ordinary activities before taxation	47.1	54.9
6	Tax on profit on ordinary activities	8.3	12.6
7	Profit after taxation for the financial year	38.8	42.3
8	Dividends	.2	2
16	Profit retained	38.6	42.1

## CONSOLIDATED BALANCE SHEET AS AT 25TH JANUARY 1992

Notes		1992	1991
		£m	£m
<b>Fixed Assets</b>			
11	Tangible assets	861.7	801.3
<b>Current assets</b>			
12	Stocks	174.7	176.4
13	Debtors	173.6	167.7
	Investments - short term deposits	.4	.5
	Cash at bank and in hand	12.5	5.7
		361.2	350.3
<b>Creditors</b>			
14	Amounts falling due within one year	319.5	287.9
	<b>Net current assets</b>	41.7	62.4
	<b>Total assets less current liabilities</b>	903.4	863.7
<b>Creditors</b>			
14	Amounts falling due after more than one year	156.1	156.1
	<b>Net assets</b>	747.3	707.6
<b>Capital and reserves</b>			
15	Called up share capital	5.8	6.0
	Minority interest in subsidiary	.5	.5
16	Revaluation reserve	156.2	158.0
16	Other reserves	5.4	5.2
16	Profit and loss account - accumulated profit	579.4	537.3
	<b>Total capital employed</b>	747.3	707.6

Approved by the Board on 16th April 1992  
P T Lewis  
S Hampson

*P T Lewis*  
*S Hampson*

## BALANCE SHEET AS AT 25TH JANUARY 1992

Notes	1992 £m	1991 £m
Fixed Assets		
17 Investments	14.9	14.7
Current assets and liabilities		
Debtors	.1	.1
Creditors	.3	.2
Net current liabilities	.2	.1
Net assets	14.7	14.6
Capital and reserves		
15 Called up share capital	5.8	6.0
16 Other reserves	4.0	3.8
16 Profit and loss account - accumulated profit	4.9	4.8
Total capital employed	14.7	14.6

Approved by the Board on 16th April 1992  
P I Lewis  
S Hampson

*P Lewis*  
*S Hampson*

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED  
25TH JANUARY 1992**

	1992 £m	1991 £m
Net cash inflow from operating activities	120.0	109.9
Returns on investments and servicing of finance		
Interest received	1.4	2.3
Interest paid	(24.5)	(20.6)
Dividends paid	(.2)	(1.2)
Net cash outflow from returns on investments and servicing of finance	(23.3)	(18.5)
Corporation tax paid	(15.7)	(23.2)
Investing activities		
Purchases of tangible fixed assets	(108.2)	(138.3)
Sales of tangible fixed assets	5.2	16.3
Net cash outflow from investing activities	(103.0)	(122.0)
Decrease in cash and cash equivalents	(22.0)	(53.8)
Cash and cash equivalents at 26th January 1991	(15.1)	58.7
Cash and cash equivalents at 25th January 1992	(37.1)	(15.1)

**Notes to the Cash Flow Statement**

**Reconciliation of operating profit to net cash inflow  
from operating activities**

Trading profit	100.1	109.9
Depreciation charged	43.9	36.7
Increase in debtors	(2.2)	(8.7)
Increase in creditors	13.0	21.2
Decrease in stocks	1.7	(11.9)
Partnership bonus paid for previous year	(36.5)	(41.3)
Cash flow from operating activities	120.0	109.9

**Analysis of the balances of cash and cash equivalents  
as shown in the balance sheet**

	1992 £m	Change in year £m	1991 £m
Cash at bank and in hand	12.5	6.8	5.7
Investments short term deposits	.4	(.1)	.5
Loans and bank overdrafts	(50.0)	(28.7)	(21.3)
	(37.1)	(22.0)	(15.1)

## NOTES ON THE ACCOUNTS

### 1 Accounting policies

The consolidated profit and loss account and balance sheet include the accounts of the company and all its subsidiary undertakings and have been prepared in accordance with applicable accounting standards.

Turnover is the amount receivable by the group for goods and services supplied to customers.

Stock is stated at the lower of cost, which is generally computed on the basis of selling price less the appropriate trading margin, or net realisable value.

The cost of providing retirement benefits is recognised in the profit and loss account so as to spread it over employees' working lives. The contributions are assessed in accordance with the advice of a qualified actuary. Any funding surpluses or deficits are amortised over the average remaining employee service life.

The accounts are prepared under the historical cost convention with the exception of certain land and buildings which are included at valuations made in 1988 and 1992. The valuations were made on the basis that each property was regarded as available for existing use in the open market. Recent additions are carried at cost until they reach full trading potential. The surplus arising on the revaluation of properties is credited to revaluation reserve.

No depreciation is charged on freehold and long (over 100 years) leasehold land. Depreciation is calculated for all other assets in equal annual instalments at the following rates:

Freehold and long leasehold buildings	1% to 4%
Other leaseholds	over the remaining period of the lease
Fixtures and fittings	10% to 33%

Leased assets are all held under operating leases and the annual rentals are charged to the profit and loss account.

Provision for deferred taxation is only made where there is a reasonable probability of payment in the foreseeable future.

Goodwill arising on the acquisition of subsidiaries is written off to reserves at the time of acquisition.

### 2 Analysis of turnover and profit

The Partnership is principally engaged in the business of retailing in department stores and supermarkets, and also operates some ancillary manufacturing and farming activities. The business is carried on in the United Kingdom and the turnover derives mainly from that source.

### 3 Pension Fund

The principal pension scheme operated by the Partnership is a defined benefits scheme, providing benefits based on final pensionable pay. The assets of this scheme are held in a separate, trustee administered fund.

The latest actuarial valuation of the fund was as at 31st March 1989. The assumption which has the most significant effect on the results of the valuation is the relative rate of return on the investments of the fund compared with increases in pay and pensions. It was assumed for this purpose that, on average, the annual return on investments would exceed increases in pay and pensions by 2.5% and 5% respectively.

At the date of the latest actuarial valuation, the market value of the assets of the fund was £315m. The valuation showed that the scheme was overfunded and that the assets represented 128% of the benefits which have accrued to members. The actuary has recommended a normal future contribution rate of 6.3% of total pay. For a number of years this will be reduced to 3.5% of total pay to take into account the past service surplus.

The pension charge for the year was £11.3m (£10.5m).

NOTES ON THE ACCOUNTS *continued*

4 Interest	1992	1991
	£m	£m
Interest payable:		
On bank loans, overdrafts and other loans repayable within 5 years	8.6	5.1
On all other loans	15.6	15.6
Interest receivable	(1.4)	(2.3)
	<u>22.8</u>	<u>18.4</u>

## 5 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging the following:

Staff costs:

Pay	323.6	298.7
Social security costs	30.1	28.0
Partnership bonus	27.2	33.1
Employer's national insurance on Partnership bonus	3.0	3.5
Other pension costs	11.3	10.5
Depreciation	43.9	36.7
Auditors' remuneration	.4	1
Operating lease rental of land and buildings	28.9	26.9

## 6 Tax on profit on ordinary activities

Corporation tax based on the profit for the year	15.3	17.3
Corporation tax - previous years	(3.3)	(1.1)
Deferred tax	(2.7)	(3.6)
	<u>8.3</u>	<u>12.6</u>

The tax charge is based on a corporation tax rate of 33% (34%) and has been reduced by £11.2m (£9.5m) as a result of capital allowances in excess of depreciation.

Total taxation deferred and unprovided in respect of capital allowances in excess of depreciation amounts to £65.1m (£53.8m) based on corporation tax at 33%.

No liability to taxation on capital gains would arise if properties were to be sold at the amounts at which they have been revalued and included in these accounts.

## 7 Profit for the financial year

Dealt with in the accounts of:

John Lewis Partnership plc	.5	.3
Subsidiaries	38.3	42.0
	<u>38.8</u>	<u>42.3</u>

As permitted by Section 230 of the Companies Act 1985, John Lewis Partnership plc has not presented its own profit and loss account.

NOTES ON THE ACCOUNTS *continued*

8 Dividends	1992	1991
	£m	£m
7½% (now 5¼% plus tax credit) Cumulative Preference Stock		
and 5% (now 3½% plus tax credit) Cumulative Preference Stock	.2	.2

## 9 Directors' emoluments

Directors' remuneration including pension fund contributions and Partnership bonus of 9% (12%) was as follows:	£000	£000
Remuneration as managers	1,658	1,347
Pensions to past directors	6	6

Excluding pension fund contributions but including Partnership bonus, the emoluments of the individual directors, who served on the Board during any part of the year, were as follows:

	1992	1991		1992	1991
Chairman	£266,663	£238,701			
Other directors:					
Under £5,000	1		£80,001 - £85,000	1	
£5,001 - £10,000	—	1	£90,001 - £95,000	1	
£10,001 - £15,000	—	2	£115,001 - £120,000	—	1
£15,001 - £20,000	1	1	£140,001 - £145,000	1	1
£25,001 - £30,000	1		£150,001 - £155,000	2	
£30,001 - £35,000	1		£155,001 - £160,000	1	1
£35,001 - £40,000	1	1	£165,001 - £170,000	—	1
£50,001 - £55,000	—	1	£170,001 - £175,000	—	1
£55,001 - £60,000	—	1	£190,001 - £195,000	1	
£75,001 - £80,000	—	1	£195,001 - £200,000	1	

## 10 Employees

During the year the average number of employees of the group, all of whom were employed in the UK, was as follows:

Department stores	21,400	21,600
Supermarkets	17,500	16,900
Other	1,300	1,300
	40,200	39,800

NOTES ON THE ACCOUNTS *continued*

## 11 Tangible assets

	<i>Land and buildings £m</i>	<i>Fixtures and fittings £m</i>	<i>Payments on account and assets in course of construction £m</i>	<i>Total £m</i>
Cost or valuation				
At 26th January 1991	664.4	288.7	14.1	967.2
Additions at cost	23.9	43.5	40.8	108.2
Revaluation adjustment	1.3	—	—	1.3
Transfers	6.7	1.8	(8.5)	—
Disposals	(3.4)	(12.7)	—	(16.1)
At 25th January 1992	692.9	321.3	46.4	1,060.6
At cost	410.0	321.3	46.4	777.7
At valuation 1988	282.9	—	—	282.9
	692.9	321.3	46.4	1,060.6
Depreciation				
At 26th January 1991	41.4	124.5	—	165.9
Charges for the year	11.6	32.3	—	43.9
On disposals	(.2)	(10.7)	—	(10.9)
At 25th January 1992	52.8	146.1	—	198.9
Net book values at 26th January 1991	623.0	164.2	14.1	801.3
Net book values at 25th January 1992	640.1	175.2	46.4	861.7

	1992 £m	1991 £m
Land and buildings at cost or valuation:		
Freehold property	356.2	325.2
Leasehold property, 50 years or more unexpired	276.7	271.2
Leasehold property, less than 50 years unexpired	60.0	68.0
	692.9	664.4

Included in land and buildings at 25th January 1992 is land valued at £118.9m, which is not subject to depreciation. If they had not been revalued, land and buildings at 25th January 1992 would have been included at the following amounts:

Cost	545.6	515.8
Accumulated depreciation	61.7	51.4
	483.9	464.4



NOTES ON THE ACCOUNTS *continued*

<b>12 Stocks</b>	<b>1992</b>	<b>1991</b>
	£m	£m
Raw materials and work-in-progress	9.2	7.0
Finished goods	165.5	169.4
	<u>174.7</u>	<u>176.4</u>
<b>13 Debtors</b>		
Amounts falling due within one year:		
Trade debtors	121.9	120.9
Other debtors	8.9	7.4
Deferred tax	5.4	1.7
Prepayments and accrued income	10.9	12.7
	<u>147.1</u>	<u>142.7</u>
Amounts falling due after more than one year:		
Trade debtors	26.5	25.0
	<u>173.6</u>	<u>167.7</u>
<b>14 Creditors</b>		
Amounts falling due within one year:		
Loans and bank overdraft	50.0	21.3
Trade creditors	126.2	127.9
Other creditors	12.1	14.4
Corporation tax	16.1	19.8
Other taxation and social security	55.0	47.9
Pension fund accrual	12.6	1.3
Accruals and deferred income	20.4	22.4
Partnership bonus	27.1	32.9
	<u>319.5</u>	<u>287.9</u>
Amounts falling due after more than one year:		
Due by instalments after 5 years		
Debenture loans (secured)	1.1	1.1
Due other than by instalments after 5 years		
Debenture loans (secured)	5.0	5.0
10 1/4 % Bonds, 2006	50.0	50.0
10 1/4 % Bonds, 2014	100.0	100.0
	<u>156.1</u>	<u>156.1</u>
Total of instalment payments due after 5 years	<u>1.0</u>	<u>1.0</u>
Debentures (secured on land and buildings) John Lewis Properties plc		
9 1/4 % Mortgage Debenture Stock, 1992/97	5.0	5.0
8 1/4 % Mortgage Debenture Stock, 1993/98	1.1	1.1
	<u>6.1</u>	<u>6.1</u>

## JOHN LEWIS PARTNERSHIP plc REPORT AND ACCOUNTS 1992

NOTES ON THE ACCOUNTS *continued*

## 15 Share capital

	1992 £m	1992 £m	1991 £m	1991 £m
	Authorised	Issued and fully paid	Authorised	Issued and fully paid
Deferred Ordinary Shares held by John Lewis Partnership Trust Limited	.6	.6	.6	.6
Fixed interest Cumulative Preference Stock held by the public:				
7 1/2% (now 5 1/4% plus tax credit)	.6	.5	.6	.5
5% (now 3 1/2% plus tax credit)	8.8	4.7	8.8	4.9
	10.0	5.8	10.0	6.0

## 16 Reserves

Consolidated	Other reserves			
	Profit and loss account £m	Capital £m	Capital redemption £m	Revaluation reserve £m
At 26th January 1991	537.3	1.4	3.8	158.6
Profit retained	38.6	—	—	—
Revaluation adjustment	—	—	—	1.3
Transfers	3.5	—	.2	(3.7)
At 25th January 1992	579.4	1.4	4.0	156.2

Company	Profit and loss account £m	Capital redemption reserve £m	Total reserves £m
At 26th January 1991	4.8	3.8	8.6
Profit retained	.3	—	.3
Transfers	(.2)	.2	—
At 25th January 1992	4.9	4.0	8.9

## 17 Investments

	Subsidiary		Other	Total £m
	Shares in John Lewis plc £m	Loan to John Lewis plc £m	Shares in John Lewis Partnership Trust Limited £m	
At 26th January 1991	13.0	1.6	.1	14.7
Movements	—	(.1)	—	(.1)
Dividend receivable	—	.3	—	.3
At 25th January 1992	13.0	1.8	.1	14.9

NOTES ON THE ACCOUNTS *continued***18 Commitments**

At 25th January 1992, the directors had authorised capital expenditure of £139.1m (£125.2m) of which contracts had been placed for £16.4m (£34.6m).

**19 Lease commitments**

	1992	1991
	£m	£m
Rentals of land and buildings for the next financial year on leases expiring:		
Within 1 year	.1	2
Between 1 and 5 years	.5	5
Over 5 years	30.1	26.2

**20 Subsidiary undertakings**

Subsidiary companies as at 25th January 1992 were as follows:

**John Lewis plc**

Ordinary shares - 100%

5% First Cumulative Preference Stock - 81%

7% Cumulative Preference Stock - 75.6%

**Subsidiaries of John Lewis plc:**

John Lewis Properties plc

Waitrose Limited

Cavendish Textiles Limited

Stead, McAlpin & Company, Limited

Herbert Parkinson Limited

J.H. Birtwistle & Company Limited

John Lewis Overseas limited

Leckford Estate Limited

Leckford Mushrooms Limited

The whole of the ordinary share capital is held within the group. The list excludes companies which have no material effect on the accounts of the group. All of these subsidiaries operate wholly or mainly in the United Kingdom and are registered in England.

**REPORT OF THE AUDITORS**

We have audited the financial statements of John Lewis Partnership plc set out on pages 9 to 19 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 25th January 1992 and of the profit and cash flow of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

Price Waterhouse

Chartered Accountants and Registered Auditor

London 16th April 1992

## RETAIL BRANCHES

## Department Stores

*London*

John Lewis, Oxford Street  
John Lewis, Brent Cross  
Peter Jones, Sloane Square

*Southern England*

Caleys, Windsor  
Heelas, Reading  
John Lewis, Bristol  
John Lewis, High Wycombe  
John Lewis, Kingston  
John Lewis, Milton Keynes  
John Lewis, Welwyn  
Knight & Lee, Southsea  
Trewin Brothers, Watford  
Tyrrell and Green, Southampton

*Midlands, East Anglia**Northern England and Scotland*

Bainbridge, Newcastle  
Bonds, Norwich  
Cole Brothers, Sheffield  
George Henry Lee, Liverpool  
Jessop & Son, Nottingham  
John Lewis, Aberdeen  
John Lewis, Edinburgh  
John Lewis, Peterborough  
Robert Sayle, Cambridge

## Waitrose Supermarkets

*London*

Barnet	Chelsea	Enfield	Kenton	Temple Fortune	Whetstone
Brent Cross	East Sheen	Harrow Weald	Swiss Cottage	West Ealing	

*Southern England*

Allington Park	Chesham	Green Street	Leighton	Ruislip	Westbourne
Andover	Chichester	Green	Buzzard	Sevenoaks	Westbury Park
Banstead	Cirencester	Godalming	Lymington	St Albans	West Byfleet
Bath	Cobham	Goldsworth Park	Maidenhead	Slough	Weybridge
Beaconsfield	Coulsdon	Gosport	Marlborough	Southsea	Windsor
Berkhamsted	Cowplain	Harpندن	Marlow	Stevenage	Winton
Birch Hill	Crowborough	Havant	Milton Keynes	Sunningdale	Witney
Brighton	Dibden	Hayes	New Malden	Tenterden	Wokingham
Bromley	Dorchester	Henley	Northwood	Thame	Woodley
Buckhurst Hill	Dorking	Hertford	Ramsgate	Tilehurst	Yateley
Burgess Hill	Ipsom	Horley	Richmond	Wallingford	
Caterham	Esher	Horsham	Ringwood	Wantage	
Caversham	Fleet	Kingston	Romsey	Welwyn Garden City	

*Midlands and East Anglia*

Blaby	Evington	Huntingdon	Newmarket	St Ives
Daventry	Four Oaks	Kidderminster	Peterborough	St Neots
Ely	Hall Green	Kingsthorpe	Saffron Walden	Stourbridge

*In addition to the shops listed above, the Partnership has businesses engaged in manufacturing and farming*

Stead McAlpin, Carlisle (*Textile Printing*)

J H Birtwistle, Haslingden (*Spinning and weaving*)

Herbert Parkinson, Darwen (*Weaving and making up*)

Taylor & Penton, Weybridge

(*Fitted kitchen furniture and bedding*)

Leckford Estate, Stockbridge (*Farming*)