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Financial Diary

Annual General Meeting	9th June 1992
Payment of Final Dividend	1st July 1992
Announcement of Interim Results	September 1992
Payment of Interim Dividend	November 1992
Announcement of 1992 Annual Results	April 1993



Directors and Professional Advisers

Directors

Tony Travis (aged 48) was appointed to the board of Travis and Arnold PLC in 1966 and became joint managing director in 1970 and chairman in 1981. On the merger with Sandell Perkins plc in 1988 he became chairman of Travis Perkins plc.

Timothy Perkins (aged 57) joined Ingram Perkins Ltd in 1955 and was appointed chairman in 1968. He joined the board of Sandell Perkins in 1970 as managing director becoming chairman and chief executive in 1984. On the merger of Sandell Perkins with Travis and Arnold he became deputy chairman of Travis Perkins. He is also a member of the Group's Audit Committee and Remuneration Committee. He is a non-executive director of Mid Kent Holdings plc.

David Perkins (aged 56) was appointed to the board of Ingram Perkins in 1960, became a director of Sandell Perkins in 1970 and joint managing director in 1984. He became managing director of Travis Perkins on its formation in 1988, and is chairman of Travis Perkins Trading Company Ltd, the Group's largest subsidiary.

Ted Adams (aged 51) qualified as a chartered accountant in 1963 and was finance director of Sandell Perkins from 1972 to 1982. In 1982 he took an operational role in Sandell Perkins and became joint managing director in 1984. He was appointed a director of Travis Perkins at the time of the merger in 1988. Since November 1990 he has been managing director of Travis Perkins Trading Company Ltd.

Neil Clarke (aged 57) was appointed to the board in October 1990 as a non-executive director. He has joined the Group's Remuneration Committee and acts as chairman of the Audit Committee. He is currently chairman of the British Coal Corporation and Genchem Holdings Ltd. He was chairman of Johnson Matthey plc from 1984 to 1989, chairman of Molins plc from 1989 to 1991 and chief executive of Charter Consolidated PLC from 1980 to 1988.

Christopher Godber (aged 53) was appointed to the board of Travis and Arnold in 1973 after holding a number of senior management positions. He became a director of Travis Perkins on its formation in 1988 with responsibility for timber and forest product purchasing.

Humfrey Smeeton (aged 55) was appointed to the board in June 1990 as a non-executive director. He also serves on the Group's Audit Committee and Remuneration Committee. He is an executive director of Ocean Group plc.

John Wilson (aged 57) qualified as a chartered accountant with Grant Thornton and worked in the Far East primarily with Woodhall Trust plc before joining Travis and Arnold in 1977. He was appointed to the board as finance director in 1981 and became finance director of Travis Perkins on its formation in 1988.

Registered Office
77 South Lambeth Road,
Vauxhall,
London SW8 1RJ

Merchant Bankers
N. M. Rothschild & Sons Limited

Secretary
A. L. Gurney, FCIS, ACIB

Solicitors
Clifford Chance, London
Hewitson, Becke & Shaw, Northampton
Brachers, Maidstone

Auditor
Touche Ross & Co., Leicester

Bankers
Midland Bank PLC
National Westminster Bank PLC

Registrars
Barclays Registrars Limited
Bourne House, 34 Beckenham Road
Beckenham, Kent BR3 4TL



Chairman's Statement

1991 proved to be a very difficult year as demand for housing and commercial property continued to decline sharply resulting in a reduction in Group sales of 11% to £310.3 million. With little or no inflation across our product range the volume of timber and building materials handled through our branch network fell by a similar amount.

Pre-tax profits for the year were £14,004,000 against £20,363,000 in 1990. After a lower rate of tax charge, net earnings per share were 10.8 pence against 13.8 pence for the previous year, a reduction of 21.7%.

The Board is recommending a final dividend for 1991 of 5.5 pence per share net, giving a total of 8.0 pence per share net for the year as a whole. This dividend is covered 1.34 times by post tax earnings. Whilst your Board considers it more appropriate for the dividend to be at least twice covered by net earnings for the continuing development of the business, it is felt that this year our strong balance sheet enables us to maintain the payment without restraining future growth.

In reviewing the year I would like to refer briefly to our three principal trading subsidiaries.

Travis Perkins Trading Company, our major subsidiary distributing timber and building materials, saw an 11% decline in sales volumes against 1990 resulting in sales of £282.9 million for the year. The number of merchanting branches fell from 159 at the start of the year to 150 at the year end and the number of tool hire outlets within the branches was reduced from 85 to 51. The small scaffolding division was sold in March 1991. Excluding this disposal, the number of staff employed over the course of the year in this subsidiary was reduced by an average of 484 to 3,315 or 13% below the previous twelve month period.

Despite these cost control measures and the considerable achievement of maintaining gross margins at the 1990 levels, net operating profits as a percentage of sales in the Trading Company showed a further fall during the year.

Stocks were reduced by 18% in value over the year and the number of own brand items was increased particularly in the decorating materials product range.

Increased resources were applied to the control of trade debtors and the bad debt charge stabilised at 1.4% of credit sales. This was a similar

figure to the previous year but still very high compared to the charge of 0.5% of credit sales we might expect in more normal trading conditions.

Despite these trading difficulties a number of substantial investments were made in the branch network including the complete re-building of our Boston, Bournemouth, Chelmsford, Cromer, Ealing, Northampton and Vauxhall sites. The programme to link all branches of the Travis Perkins Trading Company to an electronic point of sale system was concluded on schedule during the year, completing a two year programme of system development. The benefits from this work will continue to accrue during the current year.

Subsequent to the year end a business has been acquired in Basingstoke, an area in which we have been looking to establish ourselves for some years.

D. W. Archer is our specialist timber importer and merchant operating from ten branches together with three roof truss manufacturing plants. Total sales last year were £19.9 million.

Archer's markets were very seriously affected by the lack of construction activity, particularly in the second half of the year, but the Company maintained sales at a similar level to last year as a result of the acquisition in the autumn of 1990 of certain trading assets from Williams and Farmer Limited. These assets have been successfully absorbed and have added significantly to capacity.

Operating costs were very tightly controlled but operating profits were affected by a higher number of bankruptcies amongst customers which added to the difficulties caused by falling sales.

Subsequent to the year end we were very pleased to acquire the freehold of our Oxford branch together with some additional adjacent land. The re-development of this site will be completed by the end of May this year.

Kennedys Garden Centres now has a total of ten centres, having acquired two more during last year. Sales for the year of £7.5 million reflected a like for like volume fall of 7% against 1990 as the economic downturn affected consumer spending.

Both the new centres, one at Haslemere in Sussex and one at Oxford, have undergone



Chairman's Statement continued

major re-development and became fully operational from the spring of this year.

Net operating profit on sales, although lower than in previous years, was still maintained at a very satisfactory level.

In order to give our garden centres better purchasing opportunities through access to a wider range of suppliers we decided last year to close Kennedy's plant growing nurseries at Guildford and Slough. The benefits from this closure will accrue in the second half of the current year and more significantly in 1993.

At Group level, in spite of the difficult market for commercial property, we have had further success in disposing of some of our surplus properties at prices in excess of their cost, realising a contribution of £5.842 million towards Group profits compared with a profit from this source of £3 391 million in 1990.

We still have a number of surplus properties for disposal and will realise them whenever reasonable prices can be agreed.

Since the year end, in order to improve operating effectiveness, the Board decided to transfer the Group's freehold and leasehold properties into a subsidiary property company. This company will continue the activities previously centred on Group Services of disposing of surplus properties and advising on the acquisition of new sites. It will not engage in property developments except to support the Group's trading requirements.

Capital expenditure during 1991 at £9.9 million was less than half that incurred in 1989 and 1990. In the course of the year however, there was a net cash outflow of £12.7 million. This partly reflects the settlement of corporation tax on both 1989 and 1990 profits within the year to complete the acceleration of tax payments required from certain companies under the 1987 Finance Act.

At the year end the Group had net borrowings including financial lease obligations of £7.8 million or 4.8% of shareholders' funds of £162 million.

Our strong balance sheet at this stage of the economic cycle is a fitting tribute to John Wilson our Finance Director who will be retiring at the end of August after holding this position for eleven years, initially with Travis and Arnold PLC

and since 1988 with Travis Perkins plc. In thanking him for his valued and valuable contribution to the Company I would like to wish him a long and happy retirement with his family.

The last year has been one when great adaptability and real commitment have been required by all our staff to cope with the changes needed as a result of the sharp contraction in our markets. I would like to express my gratitude to them for the part they all played in implementing change so that we can face the future with confidence.

The current year has not seen any improvement in our volume of output and by the end of March our sales were down by 1.5% over the same period last year. However, the lower cost base with which we have started the year is helping us to cope with the effect of low volumes. With the recent ending of political uncertainty I hope it will not be long before I will be able to report to you a turn for the better.

A. Travis
Chairman

22nd April 1992

Directors' Report

The directors present their annual report and audited accounts for the year ended 31st December 1991

Activities

The principal activities of the Group are the marketing and distribution of timber, building

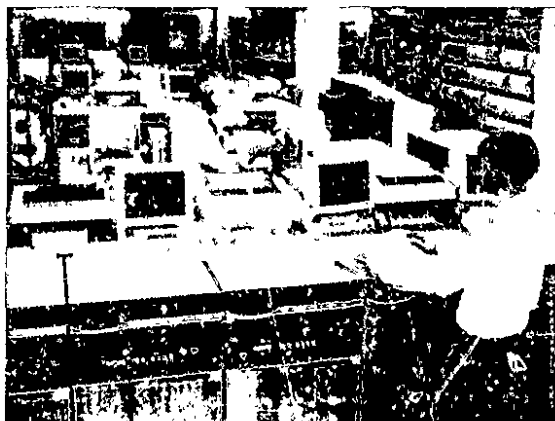
and plumbing materials to the building trade and industry generally within the United Kingdom. The Group is also a retailer of garden products

Results and Dividends

The Group results and dividends for the year ended 31st December 1991 are as follows

	1991	1990
	£ 000	£ 000
Trading profit	9,102	17,972
Interest (payable) receivable	(357)	549
Profit on sale of properties	5,842	3,391
Exceptional items	(583)	(1,548)
Profit on ordinary activities before taxation	14,004	20,363
Tax on profit on ordinary activities	(3,065)	6,389
Profit on ordinary activities after taxation	10,939	13,974
Dividends paid and proposed	(8,141)	(8,142)
Retained and transferred to reserves	2,798	5,832

If approved the final dividend will be paid on 1st July 1992 to those shareholders on the register on 1st June 1992.



New computer suite at Lodge Way House, Northampton



New self-select facilities at St. Pancras, London NW1

Directors' Report continued



Best kept branch award Eastbourne 1991



Tool hire facility at Kettering branch

Review of Developments and Future Prospects

These subjects are dealt with as part of the Chairman's Statement.

Post Balance Sheet Events

In January 1992, the property assets of the Group were separated from the trading activities. This was effected by the transfer of the net current assets of the principal trading subsidiary into a previously dormant subsidiary company and subscribing £50 million of new share capital into that company from the Holding Company

All the active companies in the Group including the property holding company remain wholly owned subsidiaries of Travis Perkins plc

Issue of Shares

During the year, the Company issued 122,500 Ordinary Shares to employees under the Share Option Scheme.

Directors

The following were directors of the Company at the end of the year. Their disclosable interests including holdings, if any, of wives and of children aged under 18 were as follows:

	Ordinary Shares of 10p		Ordinary Share Options		Interest
	31.12.91	31.12.90	31.12.91	31.12.90	
E. R. A. Travis	2,470,111	2,470,111	-	-	Beneficial Owner
	3,372,006	3,372,006	-	-	Executor Trustee
	8,476,515	8,566,515	-	-	Beneficial Interest as member of a family group
T. I. Perkins	604,450	604,450	-	-	Beneficial Owner
	1,792,510	1,792,510	-	-	Trustee
D. C. W. Perkins	744,245	715,307	50,000	30,000	Beneficial Owner
	1,652,821	1,686,759	-	-	Trustee
E. C. Adams	204,700	210,700	50,000	30,000	Beneficial Owner
J. N. Clarke	1,000	1,000	-	-	Beneficial Owner
R. C. Godber	3,840	3,840	75,600	55,600	Beneficial Owner
H. J. Smeeton	-	-	-	-	
J. H. Wilson	50,400	60,400	55,600	55,600	Beneficial Owner

Directors' Report (continued)

As a result of co-trustees relationships, the shareholdings shown for Mr. T. I. Perkins and Mr. D. C. W. Perkins are duplicated to the extent of 1,822,510 shares.

The options are exercisable between 30th November 1992 and 28th November 2001 at prices between 177p and 228p. The total number of shares over which options have been granted to directors and other senior executives is set out in note 22 to the accounts.

In accordance with Article 109 of the Company's Articles of Association, Mr. T. I. Perkins and Mr. J. H. Wilson retire by rotation and being eligible, offer themselves for re-election. Mr. T. I. Perkins and Mr. J. H. Wilson have unexpired periods under their service contracts of 3 years.

None of the directors had a beneficial interest in any contract to which the Company or any of its subsidiaries was a party during the year.

The Group maintains a director's and officer's liability insurance policy for the directors against liabilities in relation to the Group.

Substantial Interests

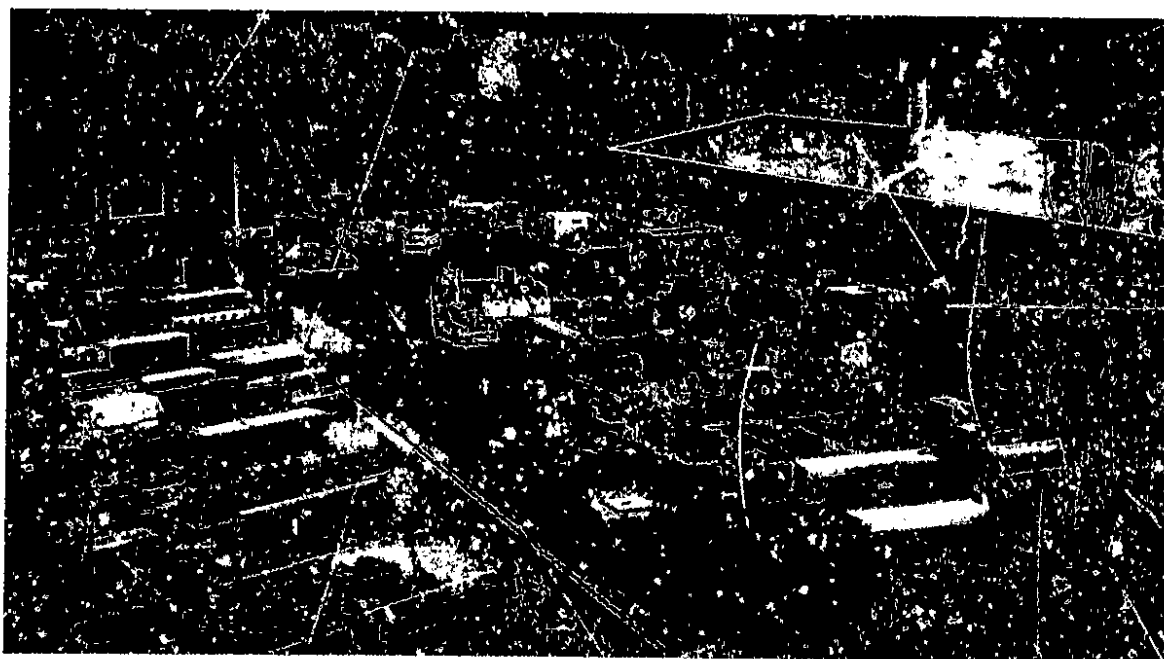
At 22nd April 1992, Mr. K. T. Davidson, Mr. W. Worleage and Mrs. C. M. Travis as trustees had interests in 7,377,520 Ordinary Shares. The Board is not aware of any other person, other than a director, who is interested in 3% or more of the issued share capital of the Company.

Fixed Assets

Details of fixed assets are given in note 13.

Disabled Persons

The Group recognises its obligations towards disabled persons and endeavours to deal fairly and equitably with such persons in matters relating to their employment.



New branch development at Cremer



Directors' Report continued

Disabled applicants for employment are given full consideration alongside all other applicants and due regard is given to their particular aptitudes and abilities. Where a job lends itself specifically to performance by a disabled person every effort is made to appoint a disabled applicant who is suitable in all respects.

Disabled persons have equal opportunity with all other employees who undergo training appropriate to the development of their careers. Additionally, every effort is made to assist a disabled person in undergoing training related specifically to mitigating the effect of disability on his or her employment.

Employee Participation

The Group's employees are regularly informed of the Group's financial position, the market conditions in which it operates and any changes in employment conditions.

Donations

During the year the Group made the following donations:


Charitable purposes £20,603.

Close Company Status

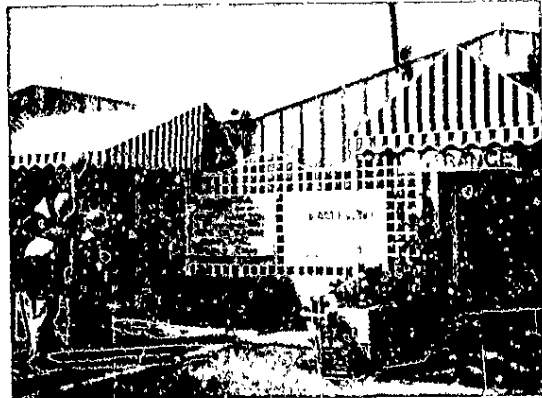
The close company provisions of the Income and Corporation Taxes Act 1988 do not apply to the Company.

Auditor

Touche Ross & Co. have indicated their willingness to continue in office and a resolution proposing their re-appointment will be laid before the Company at the Annual General Meeting.


By order of the Board
A. L. Gurney
Secretary

22nd April 1992



Opening day at Hailsham Garden Centre



Assembled roof trusses leaving Archer's Penn St plant



Auditor's Report to the members of Travis Perkins plc

We have audited the financial statements on pages 10 to 23 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 of the Group at 31st December 1991 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Touche Ross & Co.
Chartered Accountants
and Registered Auditor
Leicester

22nd April 1992

Touche Ross & Co



Consolidated Profit and Loss Account

Note

for the year ended 31st December 1991

	1991 £'000	1990 £'000
2 Turnover	<u>310,291</u>	<u>347,654</u>
Trading profit	9,102	17,972
Interest (payable)/receivable	(357)	548
Profit on sale of properties	5,842	3,391
3 Exceptional items	<u>(583)</u>	<u>(1,548)</u>
5 Profit on ordinary activities before taxation	14,004	20,363
8 Tax on profit on ordinary activities	<u>(3,065)</u>	<u>(6,389)</u>
Profit on ordinary activities after taxation	10,939	13,974
9 Dividends paid and proposed	<u>(8,141)</u>	<u>(8,140)</u>
23 Retained and transferred to reserves	<u>2,798</u>	<u>5,834</u>
10 Earnings per ordinary share	10.8p	13.8p

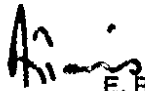


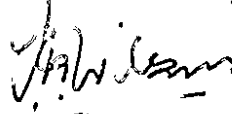
Consolidated Balance Sheet

Note

31st December 1991

	1991	1990
	£'000	£'000
Fixed assets		
13 Tangible assets	104,058	112,029
14 Investments	6,737	3,097
	<u>110,795</u>	<u>115,120</u>
Current assets		
15 Stocks	42,488	52,769
16 Debtors	62,155	60,932
17 Properties held for resale	3,352	2,154
18 Investments	20	20
Cash at bank and in hand	58	8,855
	<u>108,073</u>	<u>124,130</u>
19 Creditors: amounts falling due within one year	<u>55,569</u>	<u>73,921</u>
Net current assets	<u>52,504</u>	<u>50,208</u>
Total assets less current liabilities	<u>163,299</u>	<u>165,328</u>
20 Creditors: amounts falling due after more than one year	652	700
21 Provisions for liabilities and charges	<u>553</u>	<u>1,900</u>
	<u>162,094</u>	<u>162,679</u>
Capital and reserves		
22 Called up share capital	10,174	10,162
23 Share premium account	7,483	7,307
23 Revaluation reserves	28,604	31,933
23 Other reserves	3,873	3,873
23 Profit and loss account	111,960	109,404
	<u>162,094</u>	<u>162,679</u>


 E. R. A. Travis


 J. H. Wilson

} Directors

The financial statements were approved by the directors on 22nd April 1992

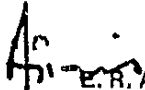
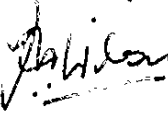


Company Balance Sheet

Note

31st December 1991

	1991 £'000	1990 £'000
Fixed assets		
13 Tangible assets	1,239	-
14 Investments	23,327	32,916
	<u>24,566</u>	<u>32,916</u>
Current assets		
16 Debtors	18,233	11,822
Cash at bank and in hand	5,375	-
	<u>23,608</u>	<u>11,822</u>
19 Creditors: amounts falling due within one year	10,299	7,766
Net current assets	<u>13,309</u>	<u>4,056</u>
Total assets less current liabilities	<u>37,875</u>	<u>36,972</u>
20 Creditors: amounts falling due after more than one year	12,501	8,773
	<u>25,374</u>	<u>28,199</u>
Capital and reserves		
22 Called up share capital	10,174	10,152
23 Share premium account	6,356	6,180
23 Profit and loss account	8,844	11,857
	<u>25,374</u>	<u>28,199</u>


E. R. A. Travis

H. Wilson
} Directors

The financial statements were approved by the directors on 22nd April 1992



Consolidated Cash Flow Statement

Note

for the year ended 31st December 1991

	1991		1990	
	£'000	£'000	£'000	£'000
26				
Net cash inflow from continuing operating activities	16,527		38,890	
Net cash outflow in respect of reorganisation costs	(1,276)		(3,455)	
Net cash inflow from operating activities		15,251		35,435
Returns on investments and servicing of finance				
Interest received	345		1,158	
Interest paid	(568)		(644)	
Interest element of finance lease rentals	(162)		(7)	
Dividends paid	(8,134)		(8,127)	
Net cash outflow from returns on investments and servicing of finance		(8,519)		(7,620)
Taxation				
UK Corporation tax paid in respect of:				
Year ended 31st December 1988	—		(8,390)	
Year ended 31st December 1989	(7,480)		—	
Year ended 31st December 1990	(6,902)		—	
Tax paid		(14,382)		(8,390)
Investing activities				
Purchase of tangible fixed assets	(8,272)		(19,439)	
29 Purchase of trade undertakings	(1,587)		(5,495)	
Receipts from sales of tangible fixed assets	5,564		5,516	
30 Sale of businesses	1,268		—	
Net cash outflow from investing activities		(3,027)		(21,418)
Net cash outflow before financing		(10,677)		(1,993)
Financing				
Issue of ordinary share capital	188		218	
Capital element of finance lease rentals	(440)		(62)	
Repayment of unsecured loan notes	(1,805)		(6)	
Net cash (outflow)/inflow from financing		(2,057)		150
27 Decrease in cash and cash equivalents		(12,734)		(1,543)



Notes to the Accounts

Year ended 31st December 1991

1. Accounting policies

The Financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

(a) Accounting convention

The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

(b) Basis of preparation

The Group accounts consolidate the accounts of the Company and all subsidiaries.

A distinction is made between mergers and acquisitions. Combinations are accounted for as mergers when the entire share capital of the subsidiary is acquired and the consideration takes the form of shares issued. Other combinations and transactions involving the purchase of the trade and net assets of existing businesses are accounted for as acquisitions.

When merger accounting is adopted, investments in subsidiaries are stated at the nominal amount of the shares issued as consideration. The assets and liabilities of the merged companies are combined using existing book values. The results of the merged companies are combined for the entire period regardless of the date of the merger. The corresponding amounts in the consolidated accounts are restated to the aggregate of the amounts recorded by the merged companies. Any difference between the nominal value of the shares issued as consideration and the nominal value of the shares acquired is shown as a merger reserve which is included in other reserves.

When acquisition accounting is adopted, the investments in subsidiaries are stated at cost less amounts written off. The cost of any acquisition represents the cash value of the consideration and/or the market value of the shares issued on the date the offer becomes unconditional, plus expenses. At the date of acquisition an assessment is made of the fair value of the net assets and this fair value is incorporated in the consolidated accounts. Any excess of cost over the fair value of net assets represents goodwill and is written off directly to reserves. Any excess of the fair value of the assets over the cost represents a capital reserve.

(c) Associated companies

The results of wholly owned companies are not included in the consolidated accounts as they are not significant in relation to those of the Group.

(d) Stock

The basis of valuation of stock is the lower of cost and net realisable value.

(e) Property, plant and equipment

- (i) Depreciation is not provided on freehold land or investment properties. On other assets depreciation is provided on cost or valuation in equal annual instalments over the estimated useful lives of the assets. An indication of the rates of depreciation generally used is as follows:

Freehold buildings	Over the estimated useful life of the building
Leasehold property	Over the term of the lease
Fixed plant and equipment	10% per annum
Motor plant	15% per annum
Motor vehicles	20% per annum
Computer hardware	25% per annum
Tools, plant and hire	20% per annum

- (ii) Properties held for resale are surplus to the Group's requirements and are transferred to current assets and shown at the lower of depreciated cost or net realisable value. The appropriate transfer from revaluation reserves is set against the revaluation reserve for the assets.

- (iii) Profits on the sale of properties are calculated by deducting the depreciated historical cost from sale proceeds net of expenses.

(f) Deferred taxation

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are provided in the financial statements if the extent it is probable that a liability or asset will crystallise in the future.

(g) Repairs and renewals

Expenditure on repairs and renewals is written off in the year in which it is incurred.

(h) Pension costs

The Group operates two defined benefit pension schemes, the assets of which are held in separate trustee administered funds. The schemes are funded by contributions from the employers and the employees. Contributions are paid to the trustees on the basis of advice from independent professionally qualified actuaries who carry out valuations of the schemes every three years. The profit and loss account is charged with the regular pension cost, which is a substantial percentage of the current and expected future pensionable pay in the light of the current actuarial assumptions. Variations in the regular cost are allocated over the expected remaining service lives of the current employees. Any differences occurring between the charge to the profit and loss account and the contributions paid to the schemes are recorded as an asset or liability on the balance sheet.



Notes to the Accounts

year ended 31st December 1991

1. Accounting policies (continued)

The principal scheme is the Travis Perkins Pension and Dependants Benefits Scheme, for which a valuation was carried out on 1st September 1989. The valuation, which used the "projected unit method" disclosed that the market value of the scheme's assets was £38.5 million, and the actuarial value thereof represented a surplus of 25%. The main long term actuarial assumptions were that investment returns would exceed general earnings growth by 3% per annum and pension increases by 6% per annum. The surplus has arisen from a variety of sources including investment returns, surpluses from previous valuations and membership turnover. The next valuation is due to be carried out in September 1992.

The second scheme provides benefits for the employees of a subsidiary company and was last valued on 1st January 1991. Whilst a small deficit was identified at the time, the results of the valuation are not considered material in the context of the Group's results.

(i) Investments

- (i) Investments held as current assets are stated at cost
- (ii) Shares in related companies are stated at cost less provisions for permanent diminutions in valuation
- (iii) Investment properties are stated at open market value as determined by the directors in accordance with statement of standard accounting practice 19

(ii) Leases

Assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the leases. The amounts by which the lease payments exceed the recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the balance of the obligation. Rental costs under operating leases are charged to profit and loss account in equal annual instalments over the periods of the leases.

2. Turnover

Turnover represents sales of timber, building, plumbing and garden supplies and equipment rental (excluding VAT) to customers of the Group in the United Kingdom.

3. Exceptional items

This represents the closure costs of the Group's scaffolding and plant nursery activities, including the losses, less profits, on disposal of the residual assets employed in those activities. In 1990, the exceptional item represented the final costs associated with the reorganisation of systems and head office functions following the merger of the two companies to form Travis Perkins plc at the end of 1988.

4. Employee profit sharing

In accordance with the rules of the Travis Perkins plc Employee Profit Sharing Scheme approved by the shareholders on 1st June 1989, the earnings per share have been calculated at 8.03p which is not sufficient to warrant any payment to the trustees of the scheme.

5. Profit on ordinary activities before taxation

	1991	1990
	£ 000	£ 000
<i>Profit on ordinary activities before taxation as after</i>		
Change in stocks of finished goods	(9,926)	18,908
Raw materials and consumables	(209,505)	(238,890)
Staff costs		
Wages and salaries	(43,801)	(45,212)
Social security costs	(3,756)	(3,798)
Other pension costs	1,983	(1,021)
Depreciation and other amounts written off tangible and intangible fixed assets	(7,829)	18,281
Other operating charges	(26,983)	(24,673)
Interest payable and similar charges (note 7)	(746)	(680)
Other operating income	1,594	1,101
Other interest receivable and similar income	389	1,228
Profit on sale of properties	5,843	3,297
Exceptional items	(583)	(1,548)

Notes to the Accounts *continued*

year ended 31st December 1991

5. Profit on ordinary activities before taxation (<i>continued</i>)		1991	1990
		£ 000	£ 000
<i>Items included above but not disclosed elsewhere</i>			
Interest receivable		389	775
Profit on investments		-	453
Rental income		888	668
Profit (loss) on sale of plant and equipment		175	(128)
Auditors' remuneration		111	122
Hire of vehicles, plant and machinery		1,702	1,363
Other leasing charges		3,790	2,990
		<hr/>	<hr/>
<i>Pension costs represent:</i>			
Regular cost		1,762	1,749
Variations from regular cost arising from the latest actuarial valuation		(779)	(728)
		<hr/>	<hr/>
Charge to profit and loss account		983	1,021
Contributions paid to the scheme		(1,741)	(1,767)
		<hr/>	<hr/>
Increase in pension scheme prepayment (note 16)		(758)	(746)
		<hr/>	<hr/>
6. Information regarding directors and employees		1991	1990
		£ 000	£ 000
Directors' emoluments			
Salary		512	596
Other emoluments		79	80
		<hr/>	<hr/>
		591	676
		<hr/>	<hr/>
Remuneration of the Chairman		68	76
		<hr/>	<hr/>
Remuneration of the highest paid director		120	105
		<hr/>	<hr/>
Scale of other directors remuneration:			
	£	£	
	0	to	5,000
	5,001	to	10,000
	10,001	to	15,000
	15,001	to	20,000
	20,001	to	25,000
	25,001	to	30,000
	30,001	to	35,000
	35,001	to	40,000
	40,001	to	45,000
	45,001	to	50,000
	50,001	to	55,000
	55,001	to	60,000
	60,001	to	65,000
	65,001	to	70,000
	70,001	to	75,000
	75,001	to	80,000
	80,001	to	85,000
	85,001	to	90,000
	90,001	to	95,000
	95,001	to	100,000
	100,001	to	105,000
			No
			No
			-
			1
			-
			2
			-
			2
			-
			1
			-
			1
			-
			1
			-
			1
			<hr/>
			<hr/>
<i>Average number of persons employed</i>		No	No
Selling		2,703	3,068
Distribution		481	551
Administration		500	578
		<hr/>	<hr/>
		3,684	4,197
		<hr/>	<hr/>
7. Interest payable and similar charges		1991	1990
		£ 000	£ 000
Interest on short term loans and overdrafts		542	619
Interest on unsecured loan notes		42	54
Finance lease charges		162	7
		<hr/>	<hr/>
		746	680
		<hr/>	<hr/>



Notes to the Accounts

year ended 31st December 1991

8. Taxation	1991	1990
	£ 000	£ 000
Corporation tax at 33.25% - Current year	2,753	5,908
- Prior year	(880)	(287)
Deferred taxation at 33% - Current year	437	768
- Prior year	755	-
	<u>3,065</u>	<u>6,389</u>

The taxation charge has been reduced by the effect of claims for rollover relief on properties sold for which no deferred taxation provision has been made.

9. Dividends	1991	1990
	£ 000	£ 000
Interim 2.5p per share (1990 2.5p per share)	2,543	2,540
Proposed final 5.5p per share (1990 5.5p per share)	5,586	5,589
Adjustment in respect of options exercised between the balance sheet date and the record date	2	11
	<u>8,141</u>	<u>8,140</u>

10. Earnings per ordinary share

Earnings per ordinary share are calculated by dividing profit on ordinary activities after taxation by the weighted average number of ordinary shares in issue during the year.

11. Profit of parent company

As permitted by S230 of the Companies Act 1985 the profit and loss account of the parent company is not presented as part of these financial statements.

	1991	1990
	£ 000	£ 000
Group profit dealt with in the parent company accounts	<u>5,128</u>	<u>5,962</u>

12. Operating lease commitments

At 31st December 1991 the Group was committed to making the following payments during the next year in respect of operating leases:

	Land and Buildings	Other
	£ 000	£ 000
Leases which expire		
Within one year	150	99
Within 1 to 2 years	160	105
Within 2 to 5 years	224	319
After 5 years	3,028	4
	<u>3,562</u>	<u>527</u>

Notes to the Accounts continued

year ended 31st December 1991

13. Tangible fixed assets
a) The Group

	Total £'000	Freehold £'000	Long Leases £'000	Short Leases £'000	Plant and Equipment £'000
Cost or valuation					
At 1st January 1991	140,372	86,095	3,600	5,224	45,453
Additions	9,337	3,109	205	1,282	4,741
Transfer to current assets	(3,822)	(3,746)	-	(76)	-
Transfer to investments	(3,762)	(3,762)	-	-	-
Disposals	(5,535)	(342)	-	(1,263)	(3,930)
At 31st December 1991	<u>136,590</u>	<u>81,354</u>	<u>3,805</u>	<u>5,167</u>	<u>46,264</u>
At valuation	58,227	53,641	2,287	2,299	-
At cost	<u>78,363</u>	<u>27,713</u>	<u>1,518</u>	<u>2,868</u>	<u>46,264</u>
	<u>136,590</u>	<u>81,354</u>	<u>3,805</u>	<u>5,167</u>	<u>46,264</u>
Accumulated depreciation					
At 1st January 1991	28,343	2,421	136	661	25,125
Charged this year	7,829	1,099	78	182	6,470
Transfer to current assets	(150)	(145)	-	(5)	-
Transfer to investments	(82)	(82)	-	-	-
Disposals	(3,408)	(9)	-	(276)	(3,123)
At 31st December 1991	<u>32,532</u>	<u>3,284</u>	<u>214</u>	<u>562</u>	<u>28,472</u>
Net book value					
At 31st December 1991	<u>104,058</u>	<u>78,070</u>	<u>3,591</u>	<u>4,605</u>	<u>17,792</u>
At 31st December 1990	<u>112,029</u>	<u>83,674</u>	<u>3,464</u>	<u>4,563</u>	<u>20,328</u>
Comparable amounts determined according to the historical cost convention					
Cost	116,227	59,861	3,620	6,482	43,264
Accumulated depreciation	39,753	8,999	357	1,925	28,472
Net book value					
At 31st December 1991	<u>76,474</u>	<u>50,862</u>	<u>3,263</u>	<u>4,557</u>	<u>17,792</u>
At 31st December 1990	<u>80,654</u>	<u>53,067</u>	<u>3,131</u>	<u>4,128</u>	<u>20,328</u>

Those freehold and leasehold properties included at valuation in the consolidated balance sheet were revalued at their open market value on an existing use basis. The valuations were performed as at 31st March 1988 for former Sandell Perkins properties, as at 30th September 1988 for former Travis & Arnold properties, as at 31st December 1988 for D W Archer properties and as at 30th June 1989 for Kennedys Garden Centres properties. All valuations were performed by independent professional valuers.

The net book value of plant and equipment includes £1,268,000 in respect of assets held under finance leases.

b) The Company

During the year, the Company had net additions to plant and equipment of £1,611,000. The depreciation charge for the year was £372,000 resulting in a net book value at 31st December 1991 of £1,239,000. £1,188,000 of these assets were held under finance leases.



Notes to the Accounts continued

year ended 31st December 1991

14. Fixed asset investments	The Group		The Company	
	1991 £ 000	1990 £ 000	1991 £ 000	1990 £ 000
Shares in group undertakings	-	-	25,687	23,642
Loans to group undertakings	-	-	-	10,216
Associated companies (note 1(c))	6	6	-	-
Investment properties	6,731	3,085	-	-
	<u>6,737</u>	<u>3,091</u>	<u>25,687</u>	<u>33,858</u>
Provision for permanent diminution in value	-	-	(2,360)	(942)
	<u>6,737</u>	<u>3,091</u>	<u>23,327</u>	<u>32,916</u>

a) The principal operating subsidiaries are set out on pages 24 and 25. All subsidiaries are 100% owned. Each company is incorporated in Great Britain.

b) Additional information in respect of movements in fixed asset investments

	Group Shares £ 000	Group Loans £ 000	Properties £ 000
At 1st January 1991	23,642	10,216	3,085
Transfer from freehold trading properties	-	-	3,680
Disposals	-	-	(20)
Revaluation of properties	-	-	(14)
Transfers from to subsidiaries	2,045	(10,216)	-
At 31st December 1991	<u>25,687</u>	<u>-</u>	<u>6,731</u>

15. Stocks

Stocks consist of goods for resale

16. Debtors	The Group		The Company	
	1991 £ 000	1990 £ 000	1991 £ 000	1990 £ 000
Trade debtors	43,053	46,462	-	-
Amounts owed by subsidiaries	-	-	11,548	11,822
Other debtors	10,369	7,848	1,451	-
Prepayments and accrued income	4,049	2,856	550	-
Tax recoverable	4,684	3,766	4,684	-
	<u>62,155</u>	<u>60,932</u>	<u>18,233</u>	<u>11,822</u>

a) Included in prepayments is an amount of £1,468,000 (1990 £710,000) being the excess of the amount funded to the Group's pension schemes in excess of the regular cost.

b) Included in tax recoverable is £1,865,000 (1990 £1,122,000) being A.C.T. on the proposed final dividend receivable after more than one year.

17. Properties held for resale

	£ 000
At 1st January 1991	2,154
Transfer from fixed assets	3,672
Transfer from revaluation reserve	(2,197)
Disposals	(277)
At 31st December 1991	<u>3,352</u>

Notes to the Accounts continued

year ended 31st December 1991

18. Investments held as current assets		1991	1990
		£ 000	£ 000
Unlisted investments at cost		20	20
Directors' valuation		20	20

19. Creditors: amounts falling due within one year		The Group		The Company	
		1991	1990	1991	1990
		£ 000	£ 000	£ 000	£ 000
Bank loans and overdrafts	6,368	2,431	-	-	-
Obligations under finance leases	459	331	448	-	-
Trade creditors	26,566	36,919	-	-	-
Corporation tax	3,828	15,219	-	-	-
Other taxation and social security	8,586	7,571	3,570	-	-
Other creditors	2,173	1,723	227	-	-
Accruals and deferred income	1,621	1,962	86	-	-
Dividends	5,596	5,589	5,596	5,589	5,589
Unsecured loan notes	372	2,177	372	2,177	2,177
		<u>55,569</u>	<u>73,922</u>	<u>10,299</u>	<u>7,766</u>

The remaining unsecured loan notes were issued on 1st November 1987 as part of the consideration for A. G. Nunn & Co Limited and are repayable before 1st November 1992 at the option of the registered holders. Interest is payable six monthly at a rate equal to the six month LIBID. During the year £1,805,000 of loan notes were repaid at par, of which £1,800,000 was issued as part of the consideration for W. S. Shuttleworth (Timber) Limited.

Obligations under finance leases are secured by the related leased assets and bear finance charges at a rate dependent on the 12 month LIBOR.

20. Creditors: amounts falling due after more than one year		The Group		The Company	
		1991	1990	1991	1990
		£ 000	£ 000	£ 000	£ 000
Obligations under finance leases	652	717	645	-	-
Amounts owed to subsidiaries	-	-	11,856	8,773	-
Other	-	12	-	-	-
		<u>652</u>	<u>729</u>	<u>12,501</u>	<u>8,773</u>

21. Provisions for liabilities and charges	Balance at 1st January 1991	Transferred from Debtors	Applied	Charged to Profit and Loss Account	Balance at 31st December 1991
	£ 000	£ 000	£ 000	£ 000	£ 000
Reorganisation costs	1,920	-	(1,920)	-	-
Deferred taxation	-	(639)	-	1,192	553
	<u>1,920</u>	<u>639</u>	<u>(1,920)</u>	<u>1,192</u>	<u>553</u>

Deferred taxation

The potential amount of deferred taxation and portions thereof provided in the financial statements are

	1991		1990	
	Provided	Unprovided	Provided	Unprovided
	£ 000	£ 000	£ 000	£ 000
Capital allowances in excess of depreciation	-	3,870	-	4,316
Sale of properties	-	4,621	-	2,598
Unrealised surplus on revaluation of properties	-	1,283	-	1,410
Investment revaluation reserve	-	159	-	15
Other timing differences	553	-	(639)	-
	<u>553</u>	<u>9,933</u>	<u>(639)</u>	<u>8,339</u>



Notes to the Accounts continued

year ended 31st December 1991

22. Called up share capital

	Ordinary Shares of 10p			
	Authorised No	£ 000	Issued No	£ 000
At 1st January 1991	135,000,000	13,500	101,615,634	10,162
Issued under the Group Executive Share Option Scheme (see below)	-	-	122,500	12
	<u>135,000,000</u>	<u>13,500</u>	<u>101,738,134</u>	<u>10,174</u>

The following options over ordinary shares have been granted under the Group Executive Share Option Scheme and remain outstanding at 31st December 1991:

	At 1st January 1991	Granted During the Year	Lapsed During the Year	Exercised During the Year	At 31st December 1991	Exercise Price
a	37,500	-	-	-	37,500	43 3p
b	345,000	-	-	67,500	277,500	135 0p
c	40,625	-	6,250	-	34,375	273 0p
d	256,000	-	44,800	-	211,200	220 0p
e	1,140,000	-	35,000	55,000	1,050,000	177 0p
f	205,000	-	35,000	-	170,000	187 0p
g	-	450,000	-	-	450,000	228 0p
	<u>2,024,125</u>	<u>450,000</u>	<u>121,050</u>	<u>122,500</u>	<u>2,230,575</u>	

The options may be exercised during the following periods

- a any time before 1st November 1994
- b any time before 8th September 1996
- c any time before 21st August 1997
- d any time before 6th July 1998
- e between 30th November 1992 and 30th November 1999
- f between 13th October 1993 and 13th October 2000
- g between 26th November 1994 and 26th November 2001

23. Reserves

(a) The Group	Total Reserves £ 000	Share Premium Account £ 000	Non distributable Revaluation Surplus			Distributable Retained Profits £ 000
			Investment Property £ 000	Trading Property £ 000	Other Reserves £ 000	
At 1st January 1991	152,517	7,307	2,371	29,562	3,873	109,404
Transfer from profit and loss account	2,798	-	-	-	-	2,798
Realised on disposal of properties	(813)	-	(20)	(793)	-	-
Eliminated on reclassification of fixed assets to current assets	(2,197)	-	-	(2,197)	-	-
Transfer of trading properties to investment properties	-	-	496	(496)	-	-
Revaluation of properties	(14)	-	(14)	-	-	-
Realised revaluation surplus arising on additional depreciation of revalued assets	-	-	-	(305)	-	305
Issue of shares	176	176	-	-	-	-
Goodwill written off	(547)	-	-	-	-	(547)
	<u>151,920</u>	<u>7,483</u>	<u>2,833</u>	<u>25,771</u>	<u>3,873</u>	<u>111,960</u>

The cumulative total of goodwill written off directly to reserves for acquisitions since 23rd December 1989 is £2,310,000. The aggregate information for acquisitions prior to this date is not readily available.

Notes to the Accounts *continued*

year ended 31st December 1991

23. Reserves (continued)			
	Total	Distributable	Share
(a) The Company	Reserves	Retained	Premium
	£ 000	Profits	Account
At 1st January 1991	18 037	11 857	6 180
Transfer from profit and loss account	(3 013)	(3 013)	-
Issue of shares	176	-	176
At 31st December 1991	<u>15 200</u>	<u>8 844</u>	<u>6 356</u>
24. Capital commitments			
(a) The Group		1991	1990
		£ 000	£ 000
Contracted for but not provided in the accounts		3,324	5,473
Authorised but not yet contracted for		<u>392</u>	<u>1,134</u>
(b) The Company			
The Company has no capital commitments			
25. Obligations under finance leases		1991	1990
		£ 000	£ 000
Minimum lease payments payable			
Within 1 year		589	465
Within 1 to 2 years		578	436
Within 2 to 5 years		162	420
Finance charges allocated to future periods		1 329	1 321
		<u>(218)</u>	<u>(273)</u>
		<u>1 111</u>	<u>1 048</u>
26. Reconciliation of operating profit to net cash inflow from operating activities		1991	1990
		£ 000	£ 000
Trading profit		9 100	17 970
Depreciation charges		7 829	8 281
(Profit/loss on sale of fixed assets		(175)	128
Decrease in stocks		8 187	6 041
Decrease in debtors		2 362	2 971
(Decrease/increase in creditors		(10 778)	4 497
		<u>16 527</u>	<u>38 890</u>
27. Analysis of changes in cash and cash equivalents during the year		1991	1990
		£ 000	£ 000
At 1st January		6 444	8 287
Net cash outflow		(12,734)	(1,843)
At 31st December		<u>(6 290)</u>	<u>6 444</u>
Analysis of the balances of cash and cash equivalents as shown in the balance sheet			
	1991	1990	Change
	£ 000	£ 000	in Year
Cash at bank and in hand	58	8 856	(8 798)
Short term investments	23	23	-
Bank overdrafts	(6 389)	(2 431)	(3 958)
	<u>(6 290)</u>	<u>6 444</u>	<u>(12 734)</u>



Notes to the Accounts continued

year ended 31st December 1991

28. Analysis of changes in financing during the year

	Share Capital including premiums £ 000	Lease and Finance Lease Obligations £ 000
Balance at 1st January 1991	17,469	3,225
Cash inflows (outflows) from financing	188	(2,245)
Inception of finance lease contracts	-	503
At 31st December 1991	<u>17,657</u>	<u>1,483</u>

29. Purchase of subsidiary and other undertakings

	1991 £ 000	1990 £ 000
Net assets acquired:		
Fixed assets	795	5,141
Current assets	245	2,615
Current liabilities	-	(2,224)
	<u>1,040</u>	<u>5,532</u>
Goodwill	547	1,763
	<u>1,587</u>	<u>7,295</u>
Satisfied by:		
Issue of loan notes	-	1,800
Cash	1,587	5,495
	<u>1,587</u>	<u>7,295</u>

The goodwill arising on the purchase of subsidiary and other undertakings has been written off against reserves.

30. Sale of business assets

	1991 £ 000	1990 £ 000
Net assets disposed of		
Fixed assets	432	-
Stocks	1,739	-
	<u>2,171</u>	<u>-</u>
Loss on disposal	(583)	-
	<u>1,588</u>	<u>-</u>
Satisfied by		
Cash	1,268	-
Other debtors	320	-
	<u>1,588</u>	<u>-</u>



Trading Companies and Locations

TRAVIS PERKINS TRADING COMPANY LIMITED

Head Office: Lodge Way House, Harlestone Road, Northampton NN5 7UG

Branches at:

Avon

Bristol: Emery Road, Brislington;
Bristol: Ridgeway Road, Fishponds
Clevedon: Tickenham Road
Weston Super Mare: Philips Road
Yate: North Road

Bedfordshire

Bedford: Willow Road
Biggleswade: Shortmead Street

Berkshire

Maidenhead: Boyne Valley Road
Newbury: Mill Lane
Reading: Hypson Way
Reading: City Road, Tilehurst
Strough: Stoke Wharf, Stoke Road

Buckinghamshire

Aylesbury: Southern Road

Cambridgeshire

Cambridge: Devonshire Road
Chatteris: London Road
Cottenham: High Street
Huntingdon: Ermine Street
Peterborough: Ivatt Way;
Peterborough: Padholme Road,
Peterborough: Westwood
Stapleford: Church Street
Wisbech: Oldfield Lane

Cheshire

Aitrincham: Grosvenor Road
Bredbury: Old Moor Road
Chester: Winsford Way
Macclesfield: Heapy Street
Stockport: Brent Road
Warrington: Causeway Avenue

Clwyd

Wrexham: Benjamin Road

Cornwall

Penryn: Commercial Road

Devon

Plymouth: Sutton Road
Torquay: Newton Road

Dorset

Bournemouth: Windham Road;
Bournemouth: Wallisdown Road
Bridport: St. Andrews Works
Dorchester: Poundbury Ind. Estate
Swanage: Victoria Avenue
Weymouth: Avon Close

Essex

Braintree: Benfield Way
Brentwood: Ongar Road
Chelmsford: Navigation Road
Clacton: Oxford Road
Colchester: Hawkins Road
Dagenham: Whalebone Lane South
Dunmow: Chelmsford Road
Epping: Station Road
Grays: London Road
Maldon: Spital Road
Rainham: Rainham Road
Romford: South Street
Southend: Grainger Road
Stanford le Hope: Wharf Road
Wickford: Robert Way
Witham: Maldon Road

Glamorgan

Swansea: Portardulais Road

Gloucestershire

Cheltenham: Mead Road,
Leckhampton
Cirencester: Love Lane
Gloucester: Ashville Road

Gwent

Cwmbran: Lower Pontnewydd

Hampshire

Andover: Bridge Street
Basingstoke: Roentgen Road
Eastleigh: Twyford Road;
Eastleigh: Barton Park
Fleet: Fleet Road
Lymington: Grove Road
Southampton: Albert Road North

Hertfordshire

Hitchin: Wallace Way
Potters Bar: Barnet Road
Rickmansworth: Church Lane
Ware: Baldock Street

Humberstone

Hull: Clarence Street

Kent

Ashford: Victoria Crescent
Aylesford: Forstal Road
Canterbury: Marshwood Close
Chatham: Jenkins Dale
Ramsgate: Newington Road
Sidcup: Hurst Road
Tunbridge Wells: Tunnel Road

D.W. ARCHER LIMITED

Head Office: 17-19 Rosekirk Lane, Reading RG2 0JW

Branches at

Amersham: Penn Street
Banbury: Tramway Road
Birmingham: Goosemoor Lane

Bristol: Albert Road, St. Philips
Gloucester: Hempstead Lane
Oxford: West Way Botley

Reading: Rosekirk Lane
Swindon: Okus Trading Estate
Wycombe: Wycombe Lane, West Green

Trading Companies and Locations continued

TRAVIS PERKINS TRADING COMPANY LIMITED – CONTINUED

Leicestershire

Coalville: Snibson Drive
 Hinckley: Harrowbrook Road
 Leicester: Highmeres Road;
 Leicester: Swan Street
 Loughborough: Station Avenue
 Market Harborough: Clarence St.
 Melton Mowbray: Mill Street
 Narborough: Station Yard
 Oakham: Station Approach

Lincolnshire

Boston: High Street
 Bourne: South Road
 Grantham: Harlaxton Road
 Stamford: Ryhall Road

East London

Dalston: Dalston Lane
 Hackney: Kingsland Road
 Plaistow: High Street
 Walthamstow: Wood Street
 Woodford: Marlborough Road

North London

Hampstead: West End Lane
 New Southgate: Station Road
 St. Pancras: St. Pancras Way
 Winchmore Hill: Green Lane

South London

Balham: Old Devonshire Road
 Fulham: Imperial Road
 Forest Hill: Malham Road
 Peckham: Frensham Street
 Southwark: Redcross Way
 Vauxhall: South Lambeth Road
 Woolwich: Woolwich Road

West London

Acton: Victoria Road
 Ealing: Popes Lane
 Paddington: Harrow Road;
 Paddington: Paddington Green

Middlesex

Harrow: Neptune Road

Norfolk

Cromer: Middlebrook Way

Northamptonshire

Kettering: Telford Way
 Northampton: Harvey Reeves Road;
 Northampton: Kettering Road
 Rushden: High Street
 Wellingborough: Links Road

Nottinghamshire

Newark: Brunel Drive
 Worksop: Carlton Road

Oxfordshire

Didcot: Station Road

Somerset

Taunton: East Reach

Staffordshire

Burton on Trent: Horninglow St.
 Newcastle: Shelton New Road
 Stafford: Corporation Street

Suffolk

Ipswich: Handford Cut

Surrey

Cheam: Ewell Road
 Croydon: Hampton Road;
 Croydon: Lansdowne Road
 Farnham: West Street
 Guildford: Woodbridge Road
 Leatherhead: Oak Road
 Wallington: Ross Parade

Sussex

Bexhill: Glovers Lane
 Brighton: Beaconsfield Road;
 Brighton: Trafalgar Lane
 Crawley: Crawley Road, Faygate
 Eastbourne: Whitley Road
 Hastings: Springfield Valley Rd.
 Horsham: Burns Way
 Littlehampton: Pier Road
 Newhaven: New Road
 Portslade: Baltic Wharf
 Shoreham: Brighton Road
 Worthing: Long Furlong Road

Warwickshire

Rugby: Hillmorton Road;
 Rugby: Somers Road

Wiltshire

Swindon: Dunbeath Road

Yorkshire

Sheffield: Century Street

KENNEDYS GARDEN CENTRES LIMITED

Head Office: Kennedy House, 11 Crown Row, Bracknell, Berkshire RG12 3TH

Garden Centres at:

Church Lawford:
 Kings Newnham Road
 Claygate: Oaken Lane
 Farnham Royal: Crown Lane

Folkestone: Jcinton Road
 Hailsham: A22 Lower Dicker
 Oxford: South Hinksey
 Stroud: Ebley Rd., Stonehouse

Swindon: Hyde Road,
 Stratton St. Margaret
 Twyford: A4 Hare Hatch
 Wellingborough: Millers Lane



Notice of Meeting

Notice is hereby given that the twenty-eighth Annual General Meeting of Travis Perkins plc will be held at Lord's Banqueting and Conference Centre, St. Johns Wood Road, London NW8 8QN, on Tuesday, 9th June 1992 at 12.00 noon for the following purposes:

- 1 To receive and adopt the financial statements for the year ended 31st December 1991 together with the reports of the directors and auditors thereon.
- 2 To declare a final dividend.
- 3 To re-elect pursuant to Article 109 of the Company's Articles of Association the following directors retiring by rotation:
T. I. Perkins
J. H. Wilson
- 4 To re-appoint Touche Ross & Co., Chartered Accountants, as auditor and to authorise the directors to fix their remuneration.

Special Business

- 5 To consider and, if thought fit, to pass the following Ordinary Resolution:
That the Travis Perkins Sharesave Scheme 1992 ("the Scheme") to be constituted by the Rules produced in draft to the Meeting and initialled by the Chairman for identification only (the main features of which are summarised in the Appendix to the Chairman's letter to shareholders dated 15th May 1992) be and it is hereby approved and adopted and the directors be and they are hereby authorised to adopt the Rules of the Scheme in the form produced to the Meeting (subject to any amendments thereto required by the Inland Revenue and approved by the directors) and to do all acts and things which they may consider necessary or expedient for implementing and giving effect to the same. The directors shall be authorised to vote and to be counted in a quorum of any meeting of the directors at which any matter connected with the Scheme is under consideration notwithstanding that they may be interested in the same in any present or proposed capacity whatsoever and this Resolution shall operate so far as it is necessary by way of suspension and relaxation of any prohibition on interested directors voting contained in the present or proposed Articles of Association of the Company provided that no director may vote or be counted in the quorum in consideration of any matter solely concerning his own participation in the Scheme.
- 6 To consider and, if thought fit, to pass the following Special Resolution:
That the directors be and they are hereby empowered pursuant to Section 95 of the Companies Act 1985 ("the Act") to allot equity securities (as defined in Section 94 of the Act) of the Company for cash pursuant to any general authority conferred on them in accordance with Section 80 of the Act as if Section 89(1) of the Act did not apply to any such allotment, and the directors shall be entitled to make at any time prior to the expiry of the power hereby conferred on them in accordance with Section 80 of the Act which would or might require equity securities to be allotted after the expiry of such power provided that, subject as aforesaid, such power shall cease to have effect on the date of the earlier of fifteen months from the date hereof or the conclusion of the next Annual General Meeting of the Company following the passing of this resolution and provided also that such power shall be limited to:
 - (i) The allotment of equity securities in connection with the rights issue of such record date as the directors may determine for the purpose of an issue where the equity securities respectively attributable to the interests of all Ordinary Shareholders are proportionate (as nearly as may be) to the respective number of Ordinary Shares held by them at any such record date so determined, provided that the directors may make such arrangements in respect of overseas shareholders and fractional entitlements as they may consider necessary or convenient; and
 - (ii) the allotment (otherwise than pursuant to paragraph (i) above) of equity securities up to an aggregate nominal value of £508,690



Notice of Meeting continued

- 7 To transact any other ordinary business of the Company.

77 South Lambeth Road
Vauxhall
London SW8 1RJ

By Order of the Board
A. L. Gurney
Secretary

15th May 1992

Notes

- 1 A Member entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a Member.
- 2 The instrument appointing a proxy and (in the case of an instrument signed by an agent of a Member who is not a corporation) the authority under which such instrument is signed or an office copy or duly certified copy thereof must be deposited at the Office of the Company's Registrar, Barclays Registrars Ltd, Bourne House, 34 Beckenham Road, Beckenham, Kent BR3 4TU, not less than 48 hours before the time appointed for the above meeting or any adjournment thereof.
- 3 Copies of contracts of service (unless expiring or determinable by the Company within one year without payment of compensation) of directors with the Company, or with any of its subsidiary companies, will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturdays and Public Holiday excluded) from the date of this Notice to the date of the Meeting, at the Meeting itself or for a period of 15 minutes prior to the Meeting.
- 4 The register of Directors' shareholdings and transactions will be available for reference at the Meeting and for a period of fifteen minutes prior to the Meeting.
- 5 The purpose of Resolution 5 is explained in the Chairman's letter and Appendix accompanying this document.
- 6 The purpose of Resolution 6 is as follows:
The Companies Act 1985 provides that, when equity securities are being issued for cash, such securities must first be offered to existing ordinary shareholders unless the Board is given the power to allot them without regard to that requirement. Resolution 6 therefore empowers the Board to allot for cash equity securities of a nominal amount not exceeding £508,690 (representing 5% of the issued share capital) without first offering such securities to existing ordinary shareholders. The authority extends until the earlier of the conclusion of the Annual General Meeting for 1991 or the date fifteen months from the passing of Resolution 6. Any issue of shares for cash will, however, still be subject to the requirements of the London Stock Exchange.