Contents

Financial Diary

Annual General Meeting	15th June 1993
Payment of Final Dividend	1st July 1993
Announcement of Interim Results	September 1993
Payment of Interim Dividend	November 1993
Announcement of 1993 Annual Results	April 1994

Directors and Professional Advisers

Directors

Tony Travis (aged 49) 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. He is also chairman of the Group's Remuneration Committee.

Timothy Perkins (aged 58) 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 57) 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 52) 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 58) was appointed to the board in October 1990 as a non-executive director. He is a member of the Group's Remuneration Committee and acts as chairman of the Audit Committee. He is 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 54) 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 56) 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.

Terry Best (aged 48) qualified as a management accountant in 1974 and worked in a number of industrial and trading companies prior to joining Travis Perkins Trading Company Limited as finance director in 1990. He was appointed to the board as group finance director on 1st September 1992.

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

Secretary
M. R. Howlett, FCA

Auditor
Touche Ross & Co.,
Leicester

Bankers
Midland Bank plc
National Westminster Bank plc

Merchant Banker
N. M. Rothschild & Sons Ltd

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

Registrars
Barclays Registrars Ltd,
Bourne House,
34 Beckenham Road,
Beckenham,
Kent BR3 4TU.

Audit Committee
J. N. Clarke *(Chairman)*
T. I. Perkins
H. J. Smeeton

Remuneration Committee
E. R. A. Travis *(Chairman)*
J. N. Clarke
T. I. Perkins
H. J. Smeeton

Chairman's Statement

In another difficult year for the construction industry, Group profits before tax were £11,030,000 against £14,004,000 in 1991. Sales were 2 per cent lower at £303,440,000. Net earnings per share were 7.7 pence against 10.8 pence the previous year.

Within this overall result trading profit advanced by 5.8 per cent to £9,628,000 leading to a small increase in the net trading margin to 3.2 per cent on sales against 2.9 per cent in 1991. Whilst still at a low level, this is a reversal of the downward trend we have experienced in each of the previous three years.

Net interest charges were reduced to £242,000 from £357,000 in 1991.

Profit on the sale of surplus properties fell to £1,644,000 from the exceptionally high level of £5,842,000 in the previous year.

Bearing in mind the positive cash flow achieved in 1992 together with your Group's strong balance sheet and minimal borrowings the board has decided to recommend a final dividend of 5.5 pence per share net giving a maintained total dividend of 8.0 pence per share net for the year as a whole.

In reviewing the year I would first comment on the Group's financial performance. During 1992 there was a net cash inflow of £7,037,000. Net cash flow from operating activities generated £16,959,000, whilst net investing activities were positive by £2,134,000 due to a reduction in capital and acquisition expenditure to £8,181,000 and particularly strong receipts from the sale of tangible assets.

This has produced cash in hand of £744,000 at the year end. The only borrowing by the Group is £364,000 of unsecured loan notes, £17,000 of bank overdraft and finance lease obligations amounting to £653,000. Net assets at the year end stood at £158,127,000.

After consideration, the board decided not to present the financial statements for 1992 under the recently released accounting standard FRS 3 in order to maintain consistency with the half year figures. The 1993 financial statements will be produced under this standard.

I will now turn to the activities of our trading subsidiaries over the year.

Travis Perkins Trading Company, our principal subsidiary distributing a broad range of timber and building materials to the construction industry and allied trades, saw annual sales decline by 2.6 per cent to £275,504,000 bringing a small gain in market share.

As in 1991 the year was dominated by the need to reduce costs, reflecting the company's geographical concentration in the South of England where the housing market has been particularly depressed.

The average number of employees was reduced to 2,884 being 13.5 per cent below the previous twelve month average. Output per employee in volume terms improved by 12.7 per cent. All other operating costs were reviewed and reduced where possible. Whilst the bad debt charge of 1.2 per cent of credit sales remained stubbornly high, it did show an improvement on the 1.4 per cent of credit sales incurred in 1991.

The competitive market kept gross margins under pressure throughout the year and overall they slipped back by 0.7 per cent of sales against 1991 levels. However, this primarily reflected a change in the mix of sales and the comparison between individual product ranges remained stable as a result of the increased control that the development of the computer systems has given to the company over recent years.

Despite the slightly lower sales and gross margin, an 8.5 per cent fall in operating costs enabled the Trading Company, after adjustment for internal rent, to improve its net trading margin on sales for the year. An encouraging result achieved in a most difficult climate.

Over the year five branches were closed, nine were acquired and one transferred from a sister company, making a net addition of five and raising the total to 154. Amongst the acquisitions was Ashton Vernon which was purchased at the end of December 1992.

Chairman's Statement

continued

This business adds significantly to the company's interests in Cheshire and Greater Manchester and gives considerable potential for the development of market share in this geographical area through broadening the product range offered by the seven branches acquired.

Further improvements were made to a number of branches and the year saw the opening of three completely rebuilt branches at Leicester, Dorchester and Walthamstow. In October a programme was commenced to replace the company's data communications network in order to improve service levels and reduce costs. This programme has now been successfully completed.

In early April this year the Trading Company completed the purchase of the Norfolk based builders merchant, Lacey and Lincoln, with branches at Norwich and Great Yarmouth.

D. W. Archer, our specialist timber importer and merchant and roof truss manufacturer, continued to suffer from the depressed housing market and the falling price of imported timber.

Sales fell by 2.1 per cent to £19,473,000 and the gross margin fell by over 1 per cent of sales in a most competitive market. Costs, however, were reduced by 3.4 per cent, after adjustment for internal rent, enabling the company to produce a modest trading profit.

Archer operates from nine branches, having transferred its Didcot branch to Travis Perkins Trading Company during the year. It completed the redevelopment of its Oxford branch having secured the tenure of the site with the purchase of the freehold in 1991.

Kennedys Garden Centres managed to achieve an improvement in like-for-like sales of 6 per cent in a difficult environment. However, the additional overheads associated with the redevelopment of two new centres at Oxford and Hailsham reduced the company's net trading margin over the previous year.

At the end of January this year Kennedys completed the purchase of Rockinghams Garden Centre in Croydon giving it a total of eleven centres.

Travis Perkins (Properties), our new company holding the Group's properties, is responsible for disposing of surplus properties as well as managing those properties held for investment and acting as a consultant to our other subsidiaries on property matters. It does not engage in property development except to support the Group's trading requirements.

It continues to hold a number of surplus sites for disposal which are inevitably slow to move in the present state of the commercial property market. However, some twelve properties were disposed of last year to yield a net surplus of £1,644,000.

I cannot thank our staff enough for helping us adapt to one of the most prolonged and severe downturns in the construction industry since the war. The exaggerated cycle in our markets over the past years has put an exceptional strain on everyone which has been borne with great flexibility and fortitude.

The current year has started with more promise and for the first quarter both sales and profits are ahead of the same period in 1992. Confidence is still fragile but our customers are beginning to see a little more work in the pipeline. If interest rates remain stable at these lower levels we should see a gradually improving picture as the year unfolds.

A. Travis

20th April 1993

Directors' Report

The directors present their annual report and audited accounts for the year ended 31st December 1992.

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.

Walthamstow branch, rebuilt during the year

Results and dividends

The Group results and dividends for the year ended 31st December 1992 are as follows:

	1992 £'000	1991 £'000
Trading profit	9,628	9,102
Net interest payable	(242)	(357)
Profit on sale of properties	1,644	5,842
Exceptional items	–	(583)
Profit on ordinary activities before taxation	11,030	14,004
Tax on profit on ordinary activities	(3,147)	(3,065)
Profit on ordinary activities after taxation	7,883	10,939
Dividends paid and proposed	(8,152)	(8,141)
Retained and transferred (from)/to reserves	(269)	2,798

If approved the final dividend will be paid on 1st July 1993 to those shareholders on the register on 28th May 1993.

Review of Group's position, developments and future prospects.

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

In January 1992, the property assets of the Group were separated from the trading activities. This was effected by the transfer of the net assets, excluding properties, of the principal trading subsidiary into a previously dormant subsidiary company and the subscription of £50 million of new share capital into that company by the Holding Company. All the active companies in the Group including the new property holding company remain wholly owned subsidiaries of Travis Perkins plc.

Issue of shares

During the year, the Company issued 95,000 Ordinary Shares to employees under the Executive Share Option Scheme.

Directors' Report

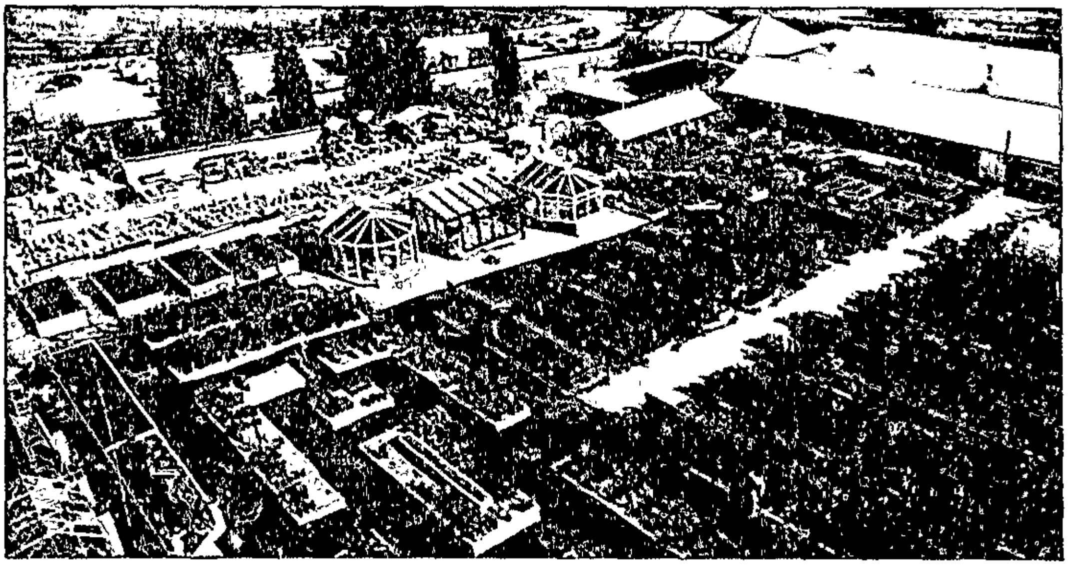
continued

Directors

The following were directors of the Company throughout the year with tne exception of Mr. T. Best (who was appointed on 1st September 1992). Mr. J. H. Wilson was a director until he retired on 31st August 1992. 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
	31.12.92	31.12.91	31.12.92	31.12.91	
E. R. A. Travis	3,136,778	2,470,111	–	–	*Beneficial Owner*
	1,372,006	3,372,006	–	–	Executor/Trustee
	1,083,174	1,083,174	–	–	Trustee
	9,143,181	8,476,515	–	–	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	744,245	50,000	50,000	Beneficial Owner
	1,497,821	1,652,821	–	–	Trustee
E. C. Adams	201,700	204,700	50,000	50,000	Beneficial Owner
T. Best	2,500	2,500*	50,000	20,000*	Beneficial Owner
J. N. Clarke	1,000	1,000	–	–	Beneficial Owner
R. C. Godber	3,840	3,840	75,600	75,600	Beneficial Owner
H. J. Smeeton	–	–	–	–	

* *at date of appointment.*



Kennedys Garden Centre at Oxford, acquired in 1991

During the year the shareholding of Mr. E. R. A. Travis, held as executor/trustee, was reduced to 1,372,006 shares. This shareholding relates to the estate of the late Mr. E. R. Travis. As a result of this reduction, the number of shares held by Mr. E. R. A. Travis as beneficial owner has increased by 666,667 shares and his beneficial interest as a member of a family group has increased by 666,666 shares.

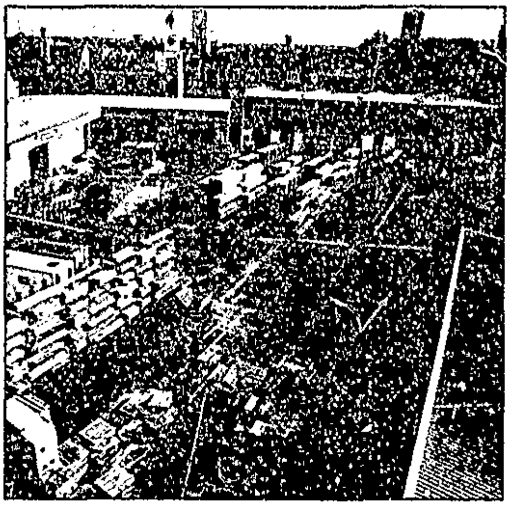
As trustees of the Travis Perkins Employee Share Scheme, Mr E. R. A. Travis and Mr T. I. Perkins held 298,210 shares at 31st December 1992 (1991: 305,387 shares) on behalf of the participants in this scheme. Mr E. R. A. Travis as trustee also held 442,843 shares at 31st December 1992 (1991: 458,183 shares) on behalf of participants in the Travis & Arnold Employee Share Scheme.

Sales counter facilities at Harvey Reeves Road, Northampton

In addition to the above, the following directors held options under the Employees Savings Related Share Option Scheme introduced during 1992:

E. C. Adams	12,500
R. C. Godber	12,500

Between 1st January 1993 and 20th April 1993, Mr. D. C. W. Perkins sold 3,000 shares and Mr. E. C. Adams sold 8,000 shares included



Improved storage facilties at Vauxhall, London SW8

within their beneficial interests at 31st December 1992. There have been no other transactions in directors' shareholdings since 31st December 1992.

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 1,497,821 shares.

The options are exercisable after 3 years but before 10 years following the date of grant at prices between 148p 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. D. C. W. Perkins and Mr. E. C. Adams retire by rotation and being eligible, offer themselves for re-election. Mr. T. Best was appointed to the board as Group Finance Director during the year and, in accordance with Article 87 of the Company's Articles of Association, he now retires as a director and, being eligible, offers himself for re-election at the Annual General Meeting. Mr. D. C. W. Perkins, Mr. E. C. Adams and Mr. T. Best 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 20th April 1993, Mr. K. T. Davidson, Mr. W. Worledge and Mrs. C. M. Travis as trustees had interests in 7,377,520 Ordinary Shares of the Company. 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

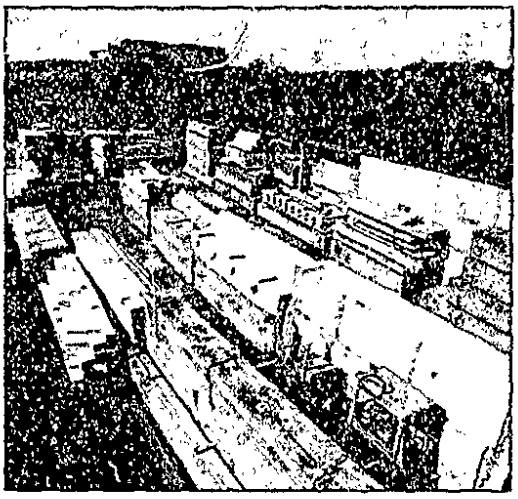
Details of fixed assets are given in Note 13.

Sales counter and self-selection facilities, Rickmansworth

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.

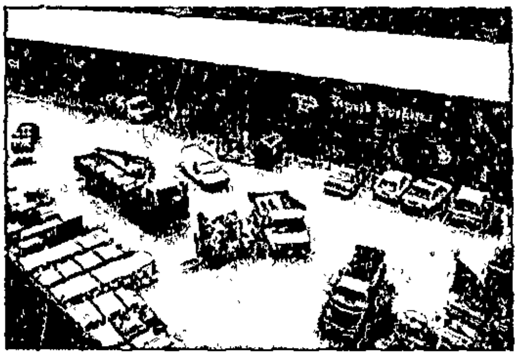
Disabled applicants for employment are given full consideration alongside all other applicants and due regard is given to their



Timber stocks at D. W. Archer, Oxford

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. Where a person becomes disabled during the course of his or her employment, the Company endeavours to supply suitable training for that person's continued employment.

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.



Redeveloped branch facilities at Swan Street, Leicester

Directors' Report

continued

Employee participation

The Group's employees are regularly informed of the Group's financial position, the market conditions in which it operates and are consulted regarding any changes in employment conditions. To encourage the involvement of the employees in the Company's performance, the Company introduced an Employees Savings Related Share Option Scheme during the course of 1992.

Donations

During the year the Group made the following donations:

Charitable purposes £17,798.

Statement of Compliance with the Code of Best Practice

Following the issue on 1st December 1992 of the Code of Best Practice of the Committee on the Financial Aspects of Corporate Governance, the Board has carried out a full review of the Company's compliance for the year ended 31st December 1992. As a result of this review some minor amendments have been made to the terms of reference for the Audit Committee and for the Remuneration Committee. These changes were effective from 9th March 1993.

Paragraph 4.3 of the Code of Best Practice recommends that the Audit Committee should comprise of a minimum of three non-executive directors. As shown on page 2 however, Travis Perkins' Audit Committee comprises two non-executive directors together with the deputy chairman. The Board believes that these individuals possess appropriate independence, experience and expertise to provide an effective audit committee.

Other than for the matters referred to above and for the three provisions with which no listed company can yet comply until the necessary guidance has been developed as recommended in the Committee's report, the Company has been in full compliance with the requirements of the Code of Best Practice throughout the financial year. These three provisions on which guidance is still awaited relate to the reporting by directors on internal control, on the requirement to prepare the financial statements on a going concern basis and to the statement of the responsibilities of the auditor.

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

M. R. Howlett M R Howlett
Secretary

20th April 1993

Auditor's Report to the Directors of Travis Perkins plc on Compliance with the Code of Best Practice

We have reviewed the above statement of compliance with the Code of Best Practice insofar as it relates to those provisions which are capable of objective verification as specified by paragraphs 1.4, 1.5, 2.3, 2.4, 3.1 to 3.3 and 4.3 of the Code.

On the basis of the results of our review, in our opinion the statement of compliance with the Code of Best Practice has been compiled with due care.

Touche Ross & Co.,
Chartered Accountants and
Registered Auditor,
St. John's House,
East Street,
Leicester LE1 6NG.

Touche Ross & Co

20th April 1993

Directors' Responsibilities for the Financial Statements

The directors are required to prepare financial statements which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit and cash flows of the Group for the period to that date. These requirements are specified in the Companies Act 1985 and in applicable accounting standards. It is also the directors' responsibility to:

(i) maintain adequate accounting records;

(ii) safeguard the assets of the Company;

(iii) prevent and detect fraud and other irregularities.

The directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates have been used in the preparation of the financial statements and that applicable accounting standards have been followed.

Auditor's Report to the Members of Travis Perkins plc

We have audited the financial statements on pages 12 to 25 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 1992 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,
St. John's House,
East Street,
Leicester LE1 6NG.

Touche Ross & Co

20th April 1993

Consolidated Profit and Loss Account

for the year ended 31st December 1992

Note		1992 £'000	1991 £'000
2	**Turnover**	303,440	310,291
	Trading profit	9,628	9,102
5	Net interest payable	(242)	(357)
	Profit on sale of properties	1,644	5,842
3	Exceptional items	–	(583)
5	**Profit on ordinary activities before taxation**	11,030	14,004
8	Tax on profit on ordinary activities	(3,147)	(3,065)
	Profit on ordinary activities after taxation	7,883	10,939
9	Dividends paid and proposed	(8,152)	(8,141)
23	**Retained and transferred (from)/to reserves**	(269)	2,798
10	**Earnings per ordinary share**	7.7p	10.8p

Consolidated Balance Sheet

31st December 1992

Note		1992 £'000	1991 £'000
	Fixed assets		
13	Tangible assets	98,530	104,058
14	Investments	6,029	6,737
		104,559	110,795
	Current assets		
15	Stocks	42,669	42,488
16	Debtors	54,917	62,155
17	Properties held for resale	2,490	3,352
18	Investments	20	20
	Cash at bank and in hand	744	58
		100,840	108,073
19	**Creditors:** amounts falling due within one year	45,992	55,569
	Net current assets	54,848	52,504
	Total assets less current liabilities	159,407	163,299
20	**Creditors:** amounts falling due after more than one year	146	652
21	**Provisions for liabilities and charges**	1,134	553
		158,127	162,094
	Capital and reserves		
22	Called up share capital	10,183	10,174
23	Share premium account	7,642	7,483
23	Revaluation reserves	24,947	28,604
23	Other reserves	3,873	3,873
23	Profit and loss account	111,482	111,960
		158,127	162,094

E. R. A. Travis
} *Directors*
T. Best

The financial statements were approved by the Board of Directors on 20th April, 1993.

Company Balance Sheet

31st December 1992

Note		1992 £'000	1991 £'000
	Fixed assets		
13	Tangible assets	699	1,239
14	Investments	79,515	23,327
		80,214	24,566
	Current assets		
16	Debtors	18,126	18,233
	Cash at bank and in hand	1	5,375
		18,127	23,608
19	**Creditors:** amounts falling due within one year	9,858	10,299
	Net current assets	8,269	13,309
	Total assets less current liabilities	88,483	37,875
20	**Creditors:** amounts falling due after more than one year	17,622	12,501
		70,861	25,374
	Capital and reserves		
22	Called up share capital	10,183	10,174
23	Share premium account	6,515	6,356
23	Profit and loss account	54,163	8,844
		70,861	25,374

E. R. A. Travis
T. Best } *Directors*

The financial statements were approved by the Board of Directors on 20th April, 1993.

Consolidated Cash Flow Statement

for the year ended 31st December 1992

Note		1992 £'000	1992 £'000	1991 £'000	1991 £'000
26	**Net cash inflow from continuing activities**	16,959		16,527	
	Net cash outflow in respect of reorganisation costs	–		(1,276)	
	Net cash inflow from operating activities		16,959		15,251
	Returns on investments and servicing of finance				
	Interest received	1,091		345	
	Interest paid	(1,200)		(568)	
	Interest element of finance lease rentals	(101)		(162)	
	Dividends paid	(8,147)		(8,134)	
	Net cash outflow from returns on investments and servicing of finance		(8,357)		(8,519)
	Taxation				
	UK Corporation tax paid in respect of:				
	Year ended 31st December 1989	–		(7,480)	
	Year ended 31st December 1990	–		(6,902)	
	Year ended 31st December 1991	(3,401)		–	
	Tax paid		(3,401)		(14,382)
	Investing activities				
	Purchase of tangible fixed assets	(5,885)		(8,272)	
29	Purchase of trade undertakings	(2,296)		(1,587)	
	Receipts from sales of tangible fixed assets	9,995		5,564	
30	Sale of businesses	320		1,268	
	Net cash inflow/(outflow) from investing activities		2,134		(3,027)
	Net cash inflow/(outflow) before financing		7,335		(10,677)
	Financing				
	Issue of ordinary share capital	168		188	
	Capital element of finance lease rentals	(458)		(440)	
	Repayment of unsecured loan notes	(8)		(1,805)	
28	Net cash outflow from financing		(298)		(2,057)
27	**Increase/(decrease) in cash and cash equivalents**		7,037		(12,734)

Notes to the Accounts

year ended 31st December 1992

1. Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards. Compliance with SSAP 19 "Accounting for investment properties" requires departure from the requirements of the Companies Act 1985 relating to depreciation and an explanation of the departure is given in note (i) (iii). 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 became 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 net assets over the cost represents a capital reserve and is transferred directly to reserves.

(c) *Associated companies*
The results of two small associated companies are not included in the consolidated accounts as they are not significant in relation to those of the Group. The investment in associates is shown in the balance sheet at cost.

(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	10-20% per annum
Mobile plant	15% per annum
Motor vehicles	20-25% per annum
Computer installations	25% per annum
Tools and plant for hire	25% 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 historic cost and net realisable value. The appropriate transfer from revaluation reserves is set against the value transferred from fixed assets.

(iii) Profits on the sale of properties are calculated by deducting the depreciated historic 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 included in the financial statements to the extent that it is probable a liability or asset will crystalise in the future.

(g) *Repairs and renewals*
Expenditure on repairs and renewals is written off in the year in which it is incurred.

Notes to the Accounts

year ended 31st December 1992

1. Accounting policies (continued)

(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 substantially level percentage of the current and expected future pensionable payroll 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.

The principal scheme is the Travis Perkins Pension and Dependants Benefits Scheme, for which the last 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 £38.5m, 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 regular triennial valuation is being carried out at present.

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) The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, as these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

(j) *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

The exceptional items in 1991 represent 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.

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 for the purpose of the scheme have been calculated at 9.22p, which is not sufficient to warrant any payment to the trustees of the scheme.

5. Profit on ordinary activities before taxation

	1992 £'000	1991 £'000
Profit on ordinary activities before taxation is after:		
Changes in stocks of finished goods	181	(9,926)
Raw materials and consumables	(217,316)	(209,505)
Staff costs:		
Wages and salaries	(40,636)	(43,801)
Social security costs	(3,479)	(3,756)
Other pension costs	(842)	(983)
Depreciation and other amounts written off tangible and intangible fixed assets	(7,743)	(7,829)
Other operating charges	(25,473)	(26,983)
Interest payable and similar charges (note 7)	(1,308)	(746)
Other operating income	1,496	1,594
Other interest receivable and similar income	1,066	389
Profit on sale of properties	1,644	5,842
Exceptional items	—	(583)
Items included above but not disclosed elsewhere:		
Depreciation of assets held under finance leases	151	151
Rental income	879	888
Profit on sale of plant and equipment	267	175
Audit fee	99	111
Amounts paid to auditor for non audit work	71	93
Hire of vehicles, plant and machinery	1,634	1,702
Other leasing charges—property	3,615	3,790
Pension costs represent:		
Regular cost	1,659	1,762
Variations from regular cost arising from the latest actuarial valuation	(817)	(779)
Charge to profit and loss account	842	983
Contributions paid to the scheme	(1,639)	(1,741)
Increase in pension scheme prepayment (note 16)	(797)	(758)

6. Information regarding directors and employees

	1992 £'000	1991 £'000
Directors' emoluments:		
Salary	508	507
Performance bonus	5	5
Other emoluments	80	79
	593	591
Remuneration of the Chairman	72	68
Remuneration of the highest paid director	118	120

Directors' performance bonuses are based on the Group's net annual earnings per share.

Scale of other directors' remuneration:	No.	No.
£10,001 to £15,000	2	2
£20,001 to £25,000	1	—
£45,001 to £50,000	1	—
£70,001 to £75,000	1	2
£85,001 to £90,000	1	1
£95,001 to £100,000	1	1

Average number of persons employed:	No.	No.
Selling	2,354	2,703
Distribution	437	481
Administration	428	500
	3,219	3,684

Notes to the Accounts

year ended 31st December 1992

7. Interest payable and similar charges

	1992 £'000	1991 £'000
Interest on short term loans and overdrafts repayable within 5 years	1,174	542
Interest on unsecured loan notes	33	42
Finance lease charges	101	162
	1,308	746

8. Tax on profit on ordinary activities

		1992 £'000	1991 £'000
Corporation tax at 33%	— Current year	3,087	2,753
	— Prior year	(521)	(880)
Deferred tax at 33%	— Current year	479	437
	— Prior year	102	755
		3,147	3,065

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

9. Dividends

	1992 £'000	1991 £'000
Interim 2.5p per share (1991 2.5p per share)	2,546	2,543
Proposed final 5.5p per share (1991 5.5p per share)	5,601	5,596
Adjustment in respect of options exercised between the balance sheet date and the record date	5	2
	8,152	8,141

10. Earnings per ordinary share

Earnings per ordinary share are calculated by dividing profit on ordinary activities after taxation of £7,883,000 by the weighted average number of ordinary shares in issue during the year of 101,809,804.

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.

	1992 £'000	1991 £'000
Group profit dealt with in the parent company accounts:		
Trading loss	(473)	(1,228)
Group dividends received	53,944	6,356
	53,471	5,128

12. Operating lease commitments

At 31 December 1992 the Group was committed to making the following payments during the next year in respect of operating leases.

	Land and buildings £'000	Other £'000
Leases which expire:		
Within one year	116	98
Within 1 to 2 years	10	267
Within 2 to 5 years	240	101
After 5 years	3,169	—
	3,535	466

13. Tangible fixed assets

	The Group					The Company
	Freehold	Long leases	Short leases	Plant and equipment	Total	Total*
Cost or valuation	£'000	£'000	£'000	£'000	£'000	£'000
At 1st January 1992	81,354	3,805	5,167	46,264	136,590	1,648
Additions	2,748	176	373	3,631	6,928	54
Transfer to current assets	(2,895)	—	(95)	—	(2,990)	—
Transfer from/(to) investments	40	—	(15)	—	25	—
Disposals	(1,195)	(98)	(19)	(5,107)	(6,419)	(96)
Net inter-company transfers	—	—	—	—	—	529
At 31st December 1992	80,052	3,883	5,411	44,788	134,134	2,135
At valuation	49,710	2,249	2,226	—	54,185	—
At cost	30,342	1,634	3,185	44,788	79,949	2,135
	80,052	3,883	5,411	44,788	134,134	2,135
Accumulated depreciation						
At 1st January 1992	3,284	214	562	28,472	32,532	409
Charged this year	1,263	83	245	6,152	7,743	530
Transfer to current assets	(292)	—	(16)	—	(308)	—
Transfer to investments	—	—	(2)	—	(2)	—
Disposals	(81)	(7)	(2)	(4,271)	(4,361)	(43)
Net inter-company transfers	—	—	—	—	—	540
At 31st December 1992	4,174	290	787	30,353	35,604	1,436
Net book value						
At 31st December 1992	75,878	3,593	4,624	14,435	98,530	699
At 31st December 1991	78,070	3,591	4,605	17,792	104,058	1,239
Comparable amounts determined according to the historical cost convention:						
Cost	61,426	3,723	6,492	44,788	116,429	2,135
Accumulated depreciation	9,740	421	2,195	30,353	42,709	1,436
Net book value						
At 31st December 1992	51,686	3,302	4,297	14,435	73,720	699
At 31st December 1991	50,862	3,263	4,557	17,792	76,474	1,239

*Total Company fixed assets comprise plant and equipment only.

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 approximately £689,000 (Company: £628,000) in respect of assets held under finance leases.

Notes to the Accounts

year ended 31st December 1992

14. Fixed asset investments

	The Group 1992 £'000	The Group 1991 £'000	The Company 1992 £'000	The Company 1991 £'000
Shares in group undertakings	–	–	81,875	25,687
Interests in associated companies (note 1(c))	6	6	–	–
Investment properties	6,023	6,731	–	–
	6,029	6,737	81,875	25,687
Provision for permanent diminution in value	–	–	(2,360)	(2,360)
	6,029	6,737	79,515	23,327

(a) The principal operating subsidiaries are set out on pages 26 and 27. All subsidiaries are 100% owned. Each company is registered, operates in and is incorporated in England and Wales.

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

	Group shares £'000	Properties £'000
At 1st January 1992	25,687	6,731
Further investment in subsidiary shares	50,000	–
Transfers from subsidiaries	6,188	–
Transfers to freehold trading properties	–	(27)
Additions	–	42
Disposals	–	(82)
Revaluation of properties	–	(311)
Transfers to current assets	–	(330)
At 31st December 1992	81,875	6,023

The further investment in subsidiary shares of £50,000,000 reflects the establishment of Travis Perkins (Properties) Limited.

15. Stocks

Stocks consist of goods for resale.

16. Debtors

	The Group 1992 £'000	The Group 1991 £'000	The Company 1992 £'000	The Company 1991 £'000
Trade debtors	40,685	43,053	–	–
Amounts owed by subsidiaries	–	–	13,876	11,548
Other debtors	5,197	10,369	97	1,451
Prepayments and accrued income	4,767	4,049	566	550
Tax recoverable	4,268	4,684	3,587	4,684
	54,917	62,155	18,126	18,233

a) Included in prepayments is an amount of £2,265,000 (1991 £1,468,000) being the excess of the amount funded to the Group's pension schemes over the regular cost.

b) Included in tax recoverable is £1,626,000 (1991 £1,865,000) being A.C.T. on the proposed final dividend, receivable after more than one year.

c) Included within other debtors is £130,000 being proceeds from the sale of properties, receivable after more than one year.

17. Properties held for resale

	£'000
At 1st January 1992	3,352
Transfer from fixed assets	2,682
Transfer from investment properties	330
Transfer from revaluation reserve	(1,968)
Disposals	(1,906)
At 31st December 1992	2,490

Notes to the Accounts

year ended 31st December 1992

18. Investments held as current assets

	1992 £'000	1991 £'000
Unlisted investments at cost	20	20
Directors' valuation	20	20

19. Creditors: amounts falling due within one year

	The Group 1992 £'000	The Group 1991 £'000	The Company 1992 £'000	The Company 1991 £'000
Bank loans and overdrafts	17	6,368	1,380	—
Obligations under finance leases	507	459	505	448
Trade creditors	27,318	26,566	—	—
Corporation tax	3,360	3,828	140	—
Other taxation and social security	5,805	8,586	1,726	3,570
Other creditors	1,535	2,173	75	227
Accruals and deferred income	1,485	1,621	67	86
Dividends proposed	5,601	5,596	5,601	5,596
Unsecured loan notes	364	372	364	372
	45,992	55,569	9,858	10,299

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 1997 at the option of the registered holders. Interest is payable six monthly at a rate equal to the six month LIBID. During the year £8,000 of loan notes were repaid at par.

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 1992 £'000	The Group 1991 £'000	The Company 1992 £'000	The Company 1991 £'000
Obligations under finance leases	146	652	141	645
Amounts owed to subsidiaries	—	—	17,481	11,856
	146	652	17,622	12,501

21. Provisions for liabilities and charges

(a) **The Group**

	Balance at 1st January 1992 £'000	Charged to profit and loss account £'000	Balance at 31st December 1992 £'000
Deferred taxation	553	581	1,134

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

	1992 Provided £'000	1992 Unprovided £'000	1991 Provided £'000	1991 Unprovided £'000
Capital allowances in excess of depreciation	33	4,014	—	3,870
Sale of properties	—	5,274	—	4,621
Unrealised surplus on revaluation of properties	—	1,067	—	1,283
Investment revaluation reserve	—	131	—	159
Other timing differences	1,101	—	553	—
	1,134	10,486	553	9,933

(b) **The Company**

The Company has no actual or potential liability to deferred taxation.

22. Called up share capital

	Ordinary Shares of 10p			
	Authorised		Issued	
	No.	£'000	No.	£'000
At 1st January 1992	135,000,000	13,500	101,738,134	10,174
Issued under the Group Executive Share Option Scheme (see below)	–	–	95,000	9
At 31st December 1992	135,000,000	13,500	101,833,134	10,183

The following options over ordinary shares have been granted under the Group Executive Share Option Scheme and remain outstanding at 31st December 1992:

	Outstanding at 1st January 1992	Granted during the year	Lapsed during the year	Exercised during the year	Outstanding at 31st December 1992	Exercise price
a	37,500	–	–	–	37,500	43.3p
b	277,500	–	–	–	277,500	135.0p
c	34,375	–	–	–	34,375	273.0p
d	211,200	–	48,000	–	163,200	220.0p
e	1,050,000	–	40,000	95,000	915,000	177.0p
f	170,000	–	20,000	–	150,000	187.0p
g	450,000	–	–	–	450,000	228.0p
h	–	168,750	–	–	168,750	148.0p
	2,230,575	168,750	108,000	95,000	2,196,325	

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 any time before 30th November 1999
f between 13th October 1993 and 13th October 2000
g between 26th November 1994 and 26th November 2001
h between 23rd November 1995 and 23rd November 2002

Under the Employees Savings Related Share Option Scheme employees hold options to subscribe for 1,077,250 Ordinary Shares at a price of 145p per share, exercisable between 1st November 1997 and 31st October 1998 or earlier in certain circumstances.

23. Reserves

			Non-distributable Revaluation Surplus			
(a) The Group	Total reserves £'000	Share premium account £'000	Investment property £'000	Trading property £'000	Other reserves £'000	Distributable retained profits £'000
At 1st January 1992	151,920	7,483	2,833	25,771	3,873	111,960
Transfer from retained profits	(269)	–	–	–	–	(269)
Realised on disposal of properties	(1,024)	–	(18)	(1,006)	–	–
Eliminated on reclassification of trading and investment properties to current assets	(1,968)	–	(232)	(1,736)	–	–
Transfer of investment properties to trading properties	–	–	(35)	35	–	–
Revaluation of properties	(311)	–	(311)	–	–	–
Realised revaluation surplus arising on additional depreciation of revalued assets	–	–	–	(354)	–	354
Issue of shares	159	159	–	–	–	–
Goodwill written off (note 29)	(563)	–	–	–	–	(563)
	147,944	7,642	2,237	22,710	3,873	111,482

The cumulative total of goodwill written off directly to reserves for acquisitions since 23rd December 1989 is £2,873,000. The aggregate information for the period prior to that date is not available

Notes to the Accounts

year ended 31st December 1992

23. Reserves (continued)

(b) **The Company**	Total reserves £'000	Distributable retained profits £'000	Share premium account £'000
At 1st January 1992	15,200	8,844	6,356
Transfer from profit and loss account	45,319	45,319	—
Issue of shares	159	—	159
At 31st December 1992	60,678	54,163	6,515

24. Capital commitments

	1992 £'000	1991 £'000
(a) **The Group**		
Contracted for but not provided in the accounts	469	3,324
Authorised but not yet contracted for	1,271	392

(b) **The Company**
The Company has no capital commitments.

25. Obligations under finance leases

	1992 £'000	1991 £'000
Minimum lease payments payable:		
Within 1 year	578	589
Within 1 to 2 years	158	578
Within 2 to 5 years	4	162
	740	1,329
Finance charges allocated to future periods	(87)	(218)
	653	1,111

26. Reconciliation of operating profit to net cash inflow from operating activities

	1992 £'000	1991 £'000
Trading profit	9,628	9,102
Depreciation charges	7,743	7,829
Profit on sale of fixed assets	(267)	(175)
Decrease in stocks	436	8,187
Decrease in debtors	1,239	2,362
Decrease in creditors	(1,820)	(10,778)
Net cash inflow from continuing operating activities	16,959	16,527

27. Analysis of changes in cash and cash equivalents during the year

	1992 £'000	1991 £'000
At 1st January 1992	(6,290)	6,444
Net cash inflow/(outflow)	7,037	(12,734)
At 31st December 1992	747	(6,290)

Analysis of the balances of cash and cash equivalents as shown in the Balance Sheet

	1992 £'000	1991 £'000	Change in year £'000
Cash at bank and in hand	744	58	686
Short term investments	20	20	—
Bank overdrafts	(17)	(6,368)	6,351
	747	(6,290)	7,037

28. Analysis of changes in financing during the year

	Share capital (including premium) £'000	Finance lease obligations £'000	Unsecured loan notes £'000
At 1st January 1992	17,657	1,111	372
Cash inflows/(outflows) from financing	168	(458)	(8)
At 31st December 1992	17,825	653	364

29. Purchase of business undertakings

	1992 £'000	1991 £'000
Net assets acquired:		
Fixed assets	1,284	795
Current assets	824	245
Current liabilities	(1)	–
Accruals for consequent reorganisation costs	(374)	–
	1,733	1,040
Goodwill	563	547
	2,296	1,587
Satisfied by:		
Cash	2,296	1,587

The goodwill arising on the purchase of subsidiary and other undertakings has been written off against reserves. This goodwill arose principally from the acquisition of the trade and net assets of Ashton Vernon Limited on 18th December 1992. The results for 1992 are unaffected by this acquisition.

30. Sale of business assets

	1992 £'000	1991 £'000
Net assets disposed of:		
Fixed assets	–	432
Stocks	–	1,739
	–	2,171
Loss on disposal	–	(583)
	–	1,588
Satisfied by:		
Cash	–	1,268
Other debtors	–	320

The disposals related to the scaffolding and nursery businesses which were acquired before 1st January 1989. It was not possible to ascertain the goodwill attributable to either of these businesses.

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: Hither Green
Weston Super Mare: Philips Road
Yate: North Road

Bedfordshire
Bedford: Willow Road
Biggleswade: Shortmead Street

Berkshire
Maidenhead: Boyn Valley Road
Newbury: Mill Lane
Reading: Hyperion Way
Reading: City Road, Tilehurst
Slough: Stoke Wharf, Stoke Road

Buckinghamshire
Aylesbury: Southern Road

Cambridgeshire
Cambridge: Devonshire Road
Chatteris: London Road
Cottenham: High Street
Huntingdon: Ermine Street
Peterborough: Ivatt Way (2)
Peterborough: Padholme Road
Stapleford: Church Street
Wisbech: Oldfield Lane

Cheshire
Altrincham: Grosvenor Road
Bredbury: Old Moor Road
Cheadle: Lime Grove
Chester: Winsford Way
Macclesfield: Windmill Street
Stockport: Brent Road
Warrington: Causeway Avenue
Wilmslow: Alderley Road

Clwyd
Wrexham: Benjamin Road

Cornwall
Penryn: Church Hill

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
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 (2)
Fleet: Fleet Road
Lymington: Grove Road
Southampton: Albert Road North

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

Humberside
Hull: Clarence Street

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

Lancashire
Farnworth: Albert Road

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 Road
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
Forest Hill: Stanstead Road
Fulham: Imperial Road
Southwark: Redcross Way
Vauxhall: South Lambeth Road
Woolwich: Woolwich Road

West London
Acton: Victoria Road
Ealing: Popes Lane
Paddington: Harrow Road
Paddington: Paddington Green

Greater Manchester
Ashton Under Lyne: Boodle Street
Oldham: Bell Street

Middlesex
Harrow: Neptune Road

Norfolk
Cromer: Middlebrook Way
Great Yarmouth: Quay Mill Walk
Norwich: King Street

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

Trading Companies and Locations

TRAVIS PERKINS TRADING COMPANY LIMITED—continued

Nottinghamshire
Newark: Brunel Drive
Worksop: Carlton Road

Oxfordshire
Didcot: Station Road

Somerset
Taunton: East Reach

Staffordshire
Burton on Trent: Horninglow St.
Cannock: Phoenix Road
Longton: Battison Crescent
Newcastle: Shelton New Road
Stafford: Corporation Street

Suffolk
Ipswich: Handford Cut

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

Sussex
Brighton: Beaconsfield Road
Brighton: Trafalgar Lane
Crawley: Crawley Road, Faygate
Eastbourne: Whitley Road
Hastings: Springfield Valley Road
Horsham: Burns Way
Littlehampton: Pier Road
Newhaven: New Road
Portslade: Baltic Wharf
Shoreham: Brighton Road (2)
Worthing: Long Furlong Road

Warwickshire
Rugby: Hillmorton Road
Rugby: Somers Road

Wiltshire
Swindon: Dunbeath Road

Yorkshire
Sheffield: Century Street

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Amersham: Penn Street
Banbury: Tramway Road
Birmingham: Goosemoor Lane
Bristol: Albert Rd, St. Phillips
Gloucester: Hempstead Lane
Oxford: West Way, Botley
Reading: Rosekiln Lane
Swindon: Okus Trading Estate
Wycombe: Wycombe Lane

KENNEDYS GARDEN CENTRES LIMITED
Head Office: Kennedy House, 11 Crown Row, Bracknell, Berkshire, RG12 3TH.

Garden Centres at:

Church Lawford: Kings Newnham Rd
Claygate: Oaken Lane
Croydon: Purley Way
Farnham Royal: Crown Lane
Folkestone: Jointon Road
Hailsham: A22 Lower Dicker
Oxford: South Hinksey
Stroud: Ebley Road, Stonehouse
Swindon: Hyde Road
Twyford: A4 Hare Hatch
Wellingborough: Millers Lane

TRAVIS PERKINS (PROPERTIES) LIMITED
Head Office: Lodge Way House, Harlestone Road, Northampton NN5 7UG.

Notice of Meeting

Notice is hereby given that the twenty-ninth 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 15th June 1993 at 12.00 noon for the following purposes:

1. To receive and adopt the financial statements for the year ended 31st December 1992 together with the reports of the directors and auditor 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:

   D. C. W. Perkins
   E. C. Adams

4. To re-elect pursuant to Article 87 of the Company's Articles of Association the following director appointed since the last Annual General Meeting:

   T. Best

5. To re-appoint Touche Ross & Co., Chartered Accountants, as auditor and to authorise the directors to fix their remuneration.

Special business

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 £509,160.

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

By Order of the Board
M. R. Howlett
Secretary
20th May 1993

77 South Lambeth Road
Vauxhall
London SW8 1RJ

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 Holidays 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 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 £509,160 (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 [illegible] 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.