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# **SAINSBURY'S**

annual report and accounts 1984

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J. SANSBURY



# Sainsbury's Annual Report and Accounts 1984

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## Joint Presidents

Lord Sainsbury of Drury Lane  
Sir Robert Sainsbury

## Board of Directors

Sir John Sainsbury *Chairman and Chief Executive*  
E. R. Griffiths *Deputy Chairman and Managing Director*  
P. J. Davis *Assistant Managing Director,  
Buying and Marketing*  
D. J. Sainsbury *Finance*  
G. C. Hoyer Millar *Property and Development*  
J. H. G. Barnes *Retail Operations*  
L. S. Payne *Distribution and Systems*  
C. Roberts *Meat, Pork Products and Bakery Buying*  
R. A. Ingham *Dairy, Produce and Off-Licence Buying*  
R. T. Vyner *Grocery and Non-Foods Buying*  
R. A. Clark *Personnel and Data Processing*  
D. E. Henson *Financial Controller*  
Sir James Spooner *Non-Executive*  
Mrs. J. Jenkins *Non-Executive*

## Departmental Directors

F. R. Bumstead *Non-Foods Buying*  
A. B. Cheesman *Off-Licence Buying*  
D. J. Clapham *Area Director*  
R. Cooper *Bakery and Delicatessen*  
E. A. Q. Davidson *Treasurer*  
N. A. Franks *Property*  
J. Galloway *Area Director*  
J. G. Grindle *Retail Operations*  
C. I. Harvey *Area Director*  
C. T. Haynes *Area Director*  
M. S. Hughes *Bacon and Pork Products Buying*  
A. L. Jacobs *Data Processing*  
R. Linfield *Architects and Engineering*  
R. McLaren *Dairy and Frozen Foods Buying*  
D. A. Males *Retail Operations*  
A. R. Mathias *Distribution*  
N. F. Matthews *Company Secretary*  
M. D. Morgan *Grocery Buying*  
F. E. Netscher *Chief Accountant*  
G. A. G. Nichols *Grocery Administration*  
E. G. Ricketts *Area Director*  
M. Rosen *Non-Foods Buying*  
D. W. Smith *Merchandising*  
Dr. R. Spencer *Scientific Services*  
O. R. Thomas *Personnel*  
R. P. Whitbread *Marketing*  
K. C. Worrall *Meat and Poultry Buying*

J Sainsbury plc  
Registered Office  
Stamford House  
Stamford Street  
London SE1 9LL

## Registrars

National Westminster Bank PLC  
Registrar's Department  
P.O. Box No. 82  
37 Broad Street  
Bristol BS99 7NH

The photograph opposite shows the new Chester supermarket which has a sales area of over 30,000 square feet and parking for over 500 cars. It was designed by Sainsbury's own architects



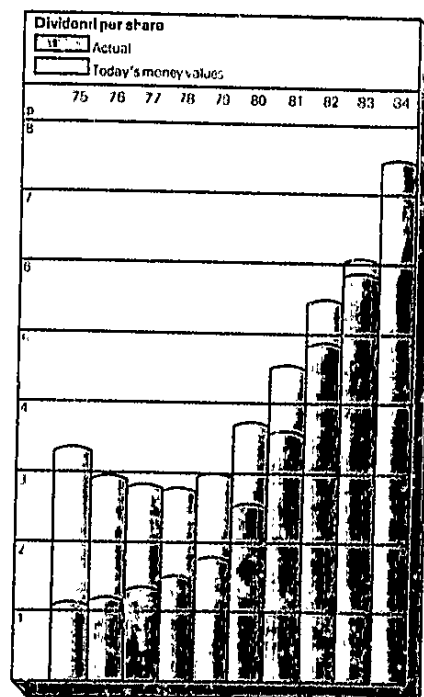
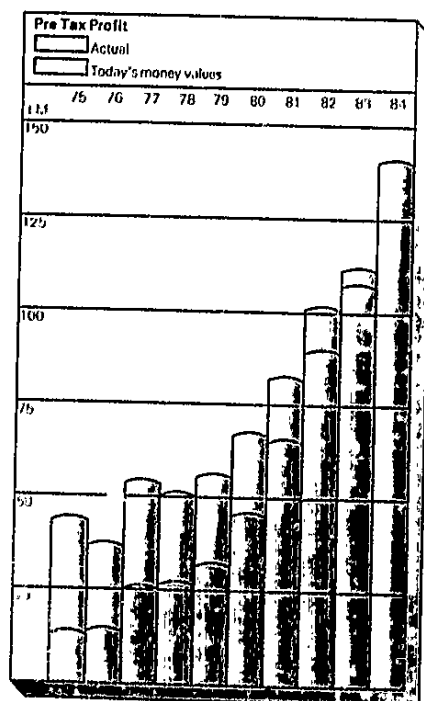
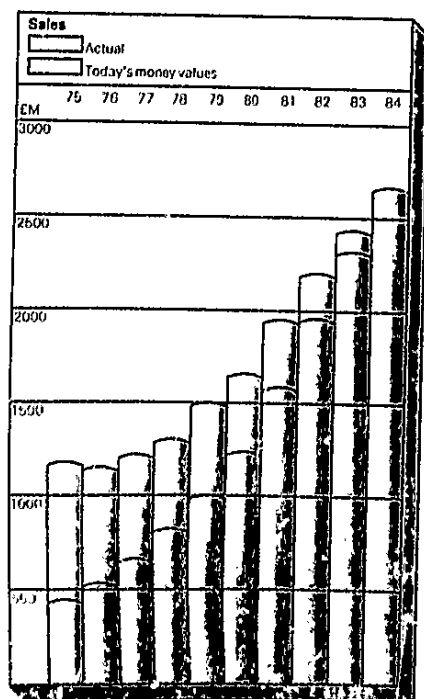
## Results at a Glance

Ten Year Table see pages 14/15

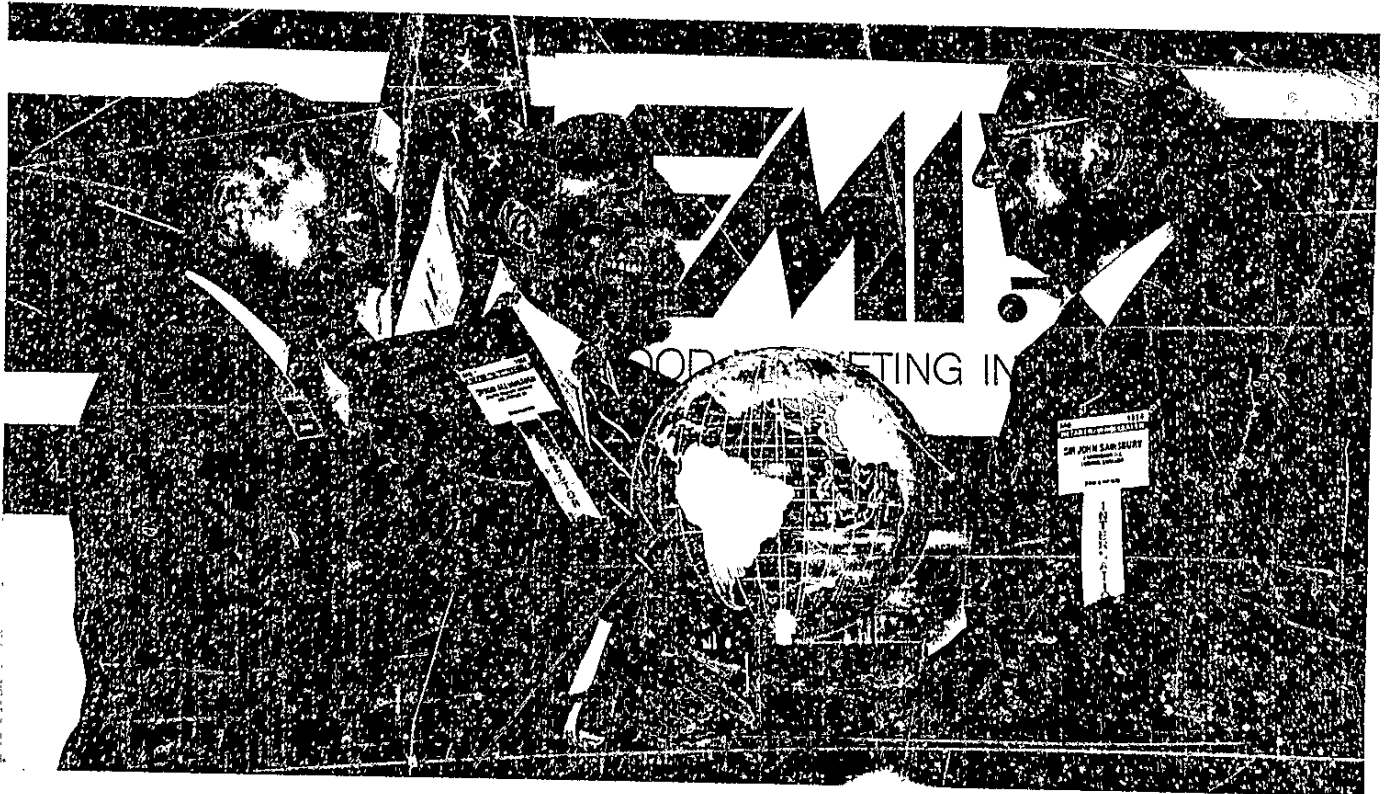
Note: The 1983 financial period covered 56 weeks. In this table and in the Chairman's Statement, figures for the 52 weeks to 26th March 1983 have been used for comparison. In the Report of the Directors and the Accounts the 1983 figures are for the 56-week period.

£ million	1984 52 weeks to 24th March	1983 52 weeks to 26th March	Increase
Group sales	2,688.5	2,315.6	16.4%
Retail profit	132.1	101.9	29.6%
Net margin	4.91%	4.40%	
Associates—share of profit	6.0	5.4	12.6%
Group profit before tax and profit sharing	138.1	107.2	28.7%
Profit sharing	8.1	6.6	22.1%
Group profit before tax and after profit sharing	130.0	100.7	29.1%
Group profit after tax and after profit sharing	89.0	73.3	21.4%
Earnings per share (fully taxed)	13.86p	14.20p	2.8%
Dividend per share	7.5p	5.85p	28.2%
Annual investment	181.4	157.5	15.2%

Group figures include Homebase



*Chairman Sir John Sainsbury, is pictured in Dallas, Texas, receiving the Food Marketing Institute of America's new International Award for "The Outstanding Supermarket Chain" from FMI Chairman, Byron Allumbaugh, (centre), and President, Bob Aders (left)*



I am pleased to announce another year's excellent trading by the Company when our supermarket sales grew by over 15%. This means that in the last decade the volume of goods we sell has increased more than twofold, and the number of customers we now serve every week has doubled to six million.

The Group profit before tax and profit sharing rose to £138.1 million, representing an increase of 28.7%, while the retail net margin reached a record level of 4.91%. Earnings per share advanced by 32.8%, making the ten year compound growth 27.6% per annum, or, adjusted for inflation, 12.9% per annum.

The investment programme for the year totalled £181 million, and exceeded that of any other retailer in the country. The fifteen new supermarkets have a total sales area of 383,000 square feet which is the largest sales area opened in any one year. In addition, seven new Homebase stores were opened to bring their number at the year end to fourteen.

The Company was proud to be honoured by the Food Marketing Institute of America when, on 7th May 1984, we were presented with their new International Award as "The Outstanding Supermarket Chain".

### The Formula for Success

Apart from the success of new supermarkets, one of the most satisfactory aspects of recent years has been the growth of trade in many of our long established stores, particularly where they have benefited from the programme of updating and re-equipping older branches. Thus, despite the considerable growth of the total sales area, our exceptionally high sales per square foot have been maintained in real terms.

As a consequence, store occupancy costs, when related to sales, have been held at a most advantageous level. The other and even greater cost advantage from which we have benefited is the improvement in productivity. Measured in terms of volume of sales per employee, productivity has advanced every year since 1976 and the past year's improvement of 1.1% is a continued contribution to holding down costs. Such progress would not have been possible but for the investment in larger supermarkets which has increased the average store size by 50% in ten years. It is this that has brought the success we have enjoyed, for larger stores mean more choice, more comfort, more convenience for the customer and the opportunity to raise productivity and contain operating costs. This in turn has enabled us to offer more competitive prices as well as better customer service.



In the last year we have reviewed the level of service offered to customers at the checkout and as a result have provided considerably more assistance. We believe this has been much appreciated and the high cost incurred has been fully justified by the customer reaction to improved service.

### **Traditional Objectives**

The expansion in the average size of our supermarkets may have been the key to our successful growth, but that alone would not have been sufficient. In trading terms we have gained greatly from our consistent adherence to the traditional values passed on by every generation since the founding of the business 115 years ago. This places the highest priority on achieving unrivalled standards in the quality of all we sell. It also means that there can never be any let up in our efforts to improve the quality of service to our customers and adapt to their changing needs. We must seek to be leaders in our trade in this respect as well as in the value of the goods we sell.

### **Staff**

Such objectives would not have been realised without the commitment and dedication of all Sainsbury's staff. Only by hard work, enterprise and professional ability has so much been achieved. I have much pleasure in paying tribute to all who, by their great efforts, have made the past year

another year of progress.

As shareholders who have seen previous Annual Reports will know, we attach great importance to our profit sharing and share option schemes and I draw attention to the details that will be found on page 10. We welcome the encouragement the Chancellor has given to the granting of share options, although to gain full effect his original proposals require some amendments. It would also be advantageous if he reviewed the tax concessions on profit sharing schemes to stimulate wider employee share ownership.

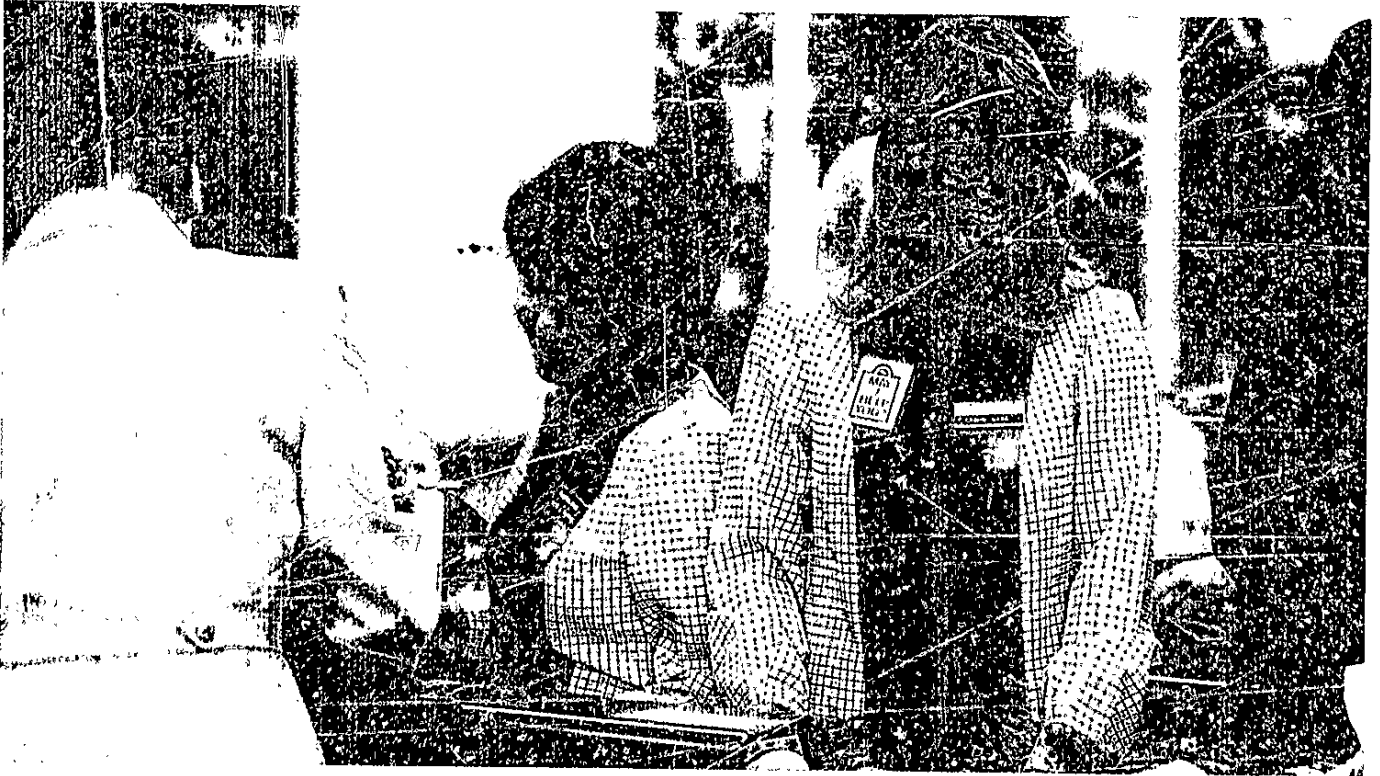
We continue to devote great attention to employee participation not only by facilitating greater share ownership in the Company, but by communicating the trading and financial results as fully as possible and through various forms of staff consultation. On page 10 you will also find evidence of the importance we give to training and career development of staff throughout the Group.

### **The Development Programme**

The list of new supermarkets opened during the year includes some exceptionally large and important stores (see page 12). At Crystal Palace in south London we have our largest supermarket, whilst at Cardiff we have our first store in the capital of Wales and only our second in the Principality. I am pleased to say, however, that before long we will be trading in



*"May I help you?" -- Sainsbury's have increased their service to customers at the checkout. A customer service assistant is pictured here helping shoppers at Nine Elms*



Newport and Swansea and opening a second store in Cardiff.

At Chester we opened our finest supermarket in the North West. In Yorkshire we were able to enlarge the highly successful Leeds store, opened in 1981, and also to open a second large store in Sheffield and a new store in Bradford, the latter having the added advantage of a Homebase alongside, as does our new Cardiff store.

Perhaps the most noteworthy new supermarket and certainly the one that gained the most media attention is the one opened in the Cromwell Road in central London. Here the most ingenious use of the ground floor of the former West London Air Terminal has given us a unique outlet for that part of London, providing not only a modern and spacious sales area, but the convenience of car parking alongside the store.

We are planning to maintain our new store programme, opening a further fifteen supermarkets in 1984/85 and extending or making major improvements in eighteen older stores.

Despite the past year's successes, our development programme has not been without its difficulties, in particular in securing planning permission. An unprecedented number of the appeals we made was rejected in 1983, in many cases for reasons which should lie outside the proper exercise of planning control. The function of the planning system is the limited one of regulating the use of land in

the public interest, not deciding who should compete with whom or whether the public "need" another supermarket. Given that the environment is adequately protected, the public can only gain from more choice of stores and the greater competition that is thereby generated. Too often recently it has appeared that the planning authorities have been concerned with protecting the status quo rather than allowing the shopper freedom of choice. After all, it is not the housewife but the trader who loses out if he mistakenly sites a new store where one is not needed.

### Trading Hours

As is generally known, the Government has established an Inquiry into the need for changing the permitted trading hours. Such an Inquiry is to be welcomed as the laws governing shop opening hours badly need reform to reflect the great changes in the pattern of shopping. We look forward to being allowed a greater freedom to trade later on weekdays and we are confident this will be welcomed by many customers. The more controversial issue is, of course, Sunday trading and here, while we would welcome Sunday trading for Homebase, we are concerned by the inflationary and other economic and social consequences which are likely to arise generally should supermarkets be drawn into the high cost of Sunday trading in a static food market.



### Suppliers

I would like to express appreciation to all suppliers who have striven hard to serve us well and made us able to uphold the highest standards of quality. We value the close collaboration and long trading relationships that we have with so many of our suppliers which are beneficial to us both and are in the best interests of our customers.

### Subsidiaries and Associates

It was in 1981 that the first Homebase opened. Today we have fourteen and plan to open a further nine during 1984/85. Their success has been greater than we expected and we are able to plan the future expansion of the chain with every confidence. Our trading objectives are similar to those of our supermarket business in that we seek to be unrivalled in the value we provide and in the quality of the very extensive range we stock.

SavaCentre, our hypermarket associate company, had an excellent year with sales expanding by 11% to reach an average weekly sale of £774,000 per hypermarket. The profit growth reflected this increase and at 4.4% the net profit margin was a record.

It was pleasing also to note that on a number of occasions SavaCentre was shown to have the lowest grocery prices of any retailer in the country. We look forward to our first SavaCentre in Scotland when the Edinburgh hypermarket opens in October 1984.

Haverhill Meat Products had a difficult year, suffering not only from higher pig prices, but also from a lack of buoyancy in bacon sales and intense competition in the pig processing industry both at home and from overseas. Breckland Farms, the pig production associate company, was affected by high feed costs, but benefited from the successful development of a new unit.

In November we acquired a 21% stake in Shaw's, a U.S. supermarket chain of forty-three stores trading in New England. Shaw's has enjoyed considerable success in recent years with rapid growth in sales and earnings per share. Our collaboration with Shaw's has already proved to be of value to both companies and we look forward to many years of fruitful association.



Sir John Sainsbury  
Chairman and Chief Executive,  
Chairman of The Sainsbury  
Charitable Fund Limited and  
J. Sainsbury (Properties)  
Limited



Mr. E. R. Griffiths  
Deputy Chairman and  
Managing Director;  
Chairman of Haverhill Meat  
Products Limited, Palethorpes  
Limited and J. Sainsbury  
Trustees Limited.



Mr. P. J. Davis  
Assistant Managing Director  
Buying and Marketing; a  
Director of Homebase Limited,  
Shaw's Supermarkets Inc.  
and The Sainsbury Charitable  
Fund Limited.



Mr. D. J. Sainsbury  
Finance Director; Chairman of  
SavaCentre Limited, a  
Director of Shaw's  
Supermarkets Inc., J. Sainsbury  
(Properties) Limited and  
J. Sainsbury Trustees Limited.

Mr. G. C. Hoyer Millar  
Responsible for property and  
development. Chairman of  
Homebase Limited; Managing  
Director of J. Sainsbury  
(Properties) Limited.



John Sainsbury *Chairman*



**Mr. J. H. G. Barnes**  
Responsible for the Retail  
Division; a Director of  
SavaCentre Limited



**Mr. L. S. Payne C.B.E.**  
Responsible for distribution  
and company systems, a  
Director of SavaCentre  
Limited, currently President of  
the Chartered Institute of  
Transport

**Mr. C. Roberts**  
Responsible for meat, pork  
products and bakery buying,  
a Director of Haverhill Meat  
Products Limited, and  
Palethorpes Limited



**Mr. R. A. Ingham**  
Responsible for dairy, produce  
and off licence buying, and  
also for the Scientific Services  
Division



**Mr. R. T. Vyner**  
Responsible for grocery and  
non-foods buying; a Director  
of SavaCentre Limited



**Mr. R. A. Clark**  
Personnel Director, also  
responsible for data  
processing and office services;  
a Director of J. Sainsbury  
Trustees Limited



**Mr. D. E. Henson**  
Financial Controller; a Director  
of Haverhill Meat Products  
Limited, Palethorpes Limited  
and Homebase Limited.



**Sir James Spooner**  
Non-Executive; joined the  
Board in 1981

**Mrs. J. Jenkins**  
Non-Executive, joined the  
Board in 1981





A private company, Shaw's Supermarkets Inc operates a chain of 43 supermarkets in the New England States of New Hampshire, Maine and Massachusetts. The inset shows one of the Company's new large stores at Raynham, Massachusetts.



### **SavaCentre Limited**

SavaCentre, our joint hypermarket venture with British Home Stores PLC, had an excellent year, achieving profit of £8.8 million (up 18%) on sales of £201 million (up 11%). The sixth SavaCentre opens in Edinburgh in October of this year. On 22nd August 1983 Mr.W.R.Yeates (formerly a Sainsbury Area General Manager) was appointed General Manager.

*The Directors are Mr.D.J.Sainsbury (Chairman), Mr.J.H.G.Barnes, Mr.L.S.Payne and Mr.R.T.Vyner, together with four British Home Stores' Directors, and two Directors from SavaCentre, Mr.W.R.Yeates and Mr.I.C.Laurie.*

### **Homebase Limited**

The successful expansion of Sainsbury's chain of home improvement and garden centres continues with fourteen stores now trading. Stores opened during the year and projected openings for 1984/85 are shown on page 12. Pictured left is the new Northampton store.

*The Directors are Mr.G.C.Hoyer Millar (Chairman), Mr.P.J.Davis, Mr.D.E.Henson and Mr.D.A.Males, together with two Directors from our Belgian partners, GB-Inno-BM, S.A., and the General Manager, Mr.D.B.Adriano.*

### **Haverhill Meat Products Limited**

This company, jointly owned with Canada Packers Inc., of Toronto, produces Tendersweet bacon and a wide range of pork products. In 1983/84 it handled 635,000 pigs and, together with its wholly-owned subsidiary, Palethorpes, achieved a profit of £1.9 million on sales of £94 million.

*The Directors are Mr.E.R.Griffiths (Chairman), Mr.H.Galazka, Mr.D.E.Henson and Mr.C.Roberts, together with four Directors from Canada Packers Inc. of Toronto and three Directors from HMP, Mr.D.Pillar (General Manager), Mr.P.Collins and Mr.D.M.Hickman.*

### **J Sainsbury (Farms) Limited**

This wholly-owned subsidiary is responsible for the management of Sainsbury's farm interests in Scotland.

*The Directors are Mr.J.R.Hill (Chairman), Mr.M.S.Hughes and Mr.N.F.Matthews.*

### **Breckland Farms Limited**

This pig production company, jointly owned with Pauls plc (formerly Pauls & Whites plc) has further expanded its facilities. In a difficult year for the pig industry, the company has performed creditably, making a slight profit.

*The Directors are Mr.H.Galazka (Chairman), Mr.J.R.Hill, Mr.M.S.Hughes and Mr.F.E.Netscher, together with three Directors from Pauls plc and the General Manager, Mr.G.Brown.*

### **J. Sainsbury (Properties) Limited**

This subsidiary manages, but does not own, the Company's properties.

*The Directors are Sir John Sainsbury (Chairman), Mr.D.J.Sainsbury (Deputy Chairman), Mr.G.C.Hoyer Millar (Managing Director), Mr.R.A.Anderson, Mr.P.Boam, Mr.C.W.Burdsey, Mr.N.A.Franks, Mr.G.G.Haynes and Mr.R.Linfield.*

### **Kings Reach Investments Limited**

The Kings Reach development is situated on the south side of the River Thames close by Sainsbury's Head Office in Stamford Street. In addition to Sainsbury's, the shareholders in this company are The Union International Company PLC, The Stock Conversion and Investment Trust plc and a subsidiary of Reed International PLC.

*The Sainsbury Directors are Mr.C.W.Burdsey and Mr.D.J.Sainsbury.*

### **Shaw's Supermarkets Inc. (USA)**

Last November the Company acquired a 21% minority shareholding in Shaw's Supermarkets Inc., a very successful private American food retailing company with stores in Massachusetts, New Hampshire and Maine.

*The Sainsbury Directors are Mr.P.J.Davis and Mr.D.J.Sainsbury.*

## Employment Policies

Sainsbury's believes that its first obligation to employees is to run a successful business. The Group now employs 23,200 more people than five years ago. It maintains a significant recruitment programme which each year includes some 130 graduates and 270 'A' level school leavers as management trainees.

Employee involvement reflects the characteristics of the Group and the service industry. All 58,000 staff have job descriptions, initial training programmes often in workbook form, clear objectives and standards. Staff amenities (main picture) reflect the same consistently high standards that Sainsbury's seeks to provide for its customers.

Branch management are given regular training in people and communication skills. Formal procedures are enhanced by informal discussion during visits from senior management. Last year Directors made over 600 visits to stores and other Group locations.

There is a well established programme for communicating the financial results to staff. Shortly after the announcement the Chairman addresses a meeting of senior management and, with other Directors then attends divisional meetings throughout the Group. A special Employee Report (available this year on the day that the results appeared in the press) sets out in simple graphic terms all the salient points of the Group's trading and financial performance. It is supported by an audio visual programme shown in all locations when a line manager is present to lead discussion and answer questions (pictured bottom right). More than 20% of employees receive the Annual Report as shareholders.

This considerable effort has contributed to greater recognition amongst employees of the direct relevance to them of Group performance. That recognition is also fostered by participation through share ownership.

When the Company became a public company in 1973, staff were given preferential treatment to help them to obtain shares. In 1974 an SAYE Share Option Scheme was introduced. A profit sharing scheme followed in 1980. This is based on a non-discretionary formula, highly geared to profit performance, and offering shares or cash to all staff employed for two financial years. The number of participants has increased by over 12,000 in five years. More than thirteen million shares have been issued through the various employee share schemes.

The Group's policies respect the individual, and offer equal opportunities regardless of sex, race, religion or disability. There are now over 1,300 women in management, an increase of over 35% since 1980. The Company has successfully trained a number of deaf people as cashiers. For several years the Company has recorded the ethnic balance of its staff and is satisfied that this properly reflects the communities in which it is trading. In these and other ways the Group seeks to demonstrate clearly that in these aspects it is making progress each year.

## Training

An essential part of training is to impart new skills to existing staff, and existing skills to new staff. The volume of training away from work is equivalent to running a school with over 500 pupils. This is separate from training done at work with colleagues.

The need for traditional skills continues. Pictured top right, a recruit on the Youth Training Scheme learns butchery skills in the real world of work. Permanent jobs have been offered to nine out of every ten youngsters in the Scheme. Some 30 youth tutors are being recruited to support the Scheme which this year offers 500 youngsters the prospect of a full-time job.

Branch staff, shown centre right, are learning to use in-store computers to help with ordering, stock control and other essential activities. The Company operates six regional centres for this form of training.

Employee statistics	1980	1981	1982	1983	1984
Average number of employees					
full-time	16,907	18,578	19,930	21,180	22,910
part-time	20,373	24,028	27,659	30,519	33,726
full-time equivalent	24,809	27,913	30,506	33,305	36,384
Annual wage/salary costs (£'000)	93,382	123,904	154,405	198,754	213,989
Average wage/salary (£)	3,764	4,439	5,061	5,564	5,881
Sales per employee (£)	49,442	56,934	63,940	69,532	73,833
Number of employees eligible for profit sharing	16,868	18,835	22,544	25,811	29,000
Profit Fund (£'000)	2,208	3,699	5,675	7,222	8,066
Individual profit share based on average salary (£)	156	234	313	347	353







## New Developments

Sainsbury's opened fifteen new supermarkets during the last year and is planning to open a similar number in the current year. This maintains the expansion programme which Sir John Sainsbury announced in 1979. Of the seventy three supermarkets opened since then, eighteen are sited in new trading areas for Sainsbury's, twenty four are replacements and thirty one have provided additional representation in the Company's more established trading areas. During the same period thirty four older stores have been closed.

This mixed pattern of development will continue.

In addition to new store openings there has been a significant programme of store extensions and modernisations to improve existing facilities. In the last year five supermarkets were extended and seven given major refits. In the current year four stores are being extended adding thirty five thousand square feet to sales area.

Other investment by the Group in the last five years has included the opening of three new hypermarkets by SavaCentre and the successful establishment of Homebase which, with seven new stores opened last year, now operates fourteen home improvement and garden centres.

The rate of expansion continues to depend on obtaining planning consents and at the year end there were some thirty five major planning applications awaiting decision.

Investment in property represents by far the largest part of the Group's investment programme (see chart on page 14). This has been financed out of retained earnings, the sale of surplus properties and a programme of sale and lease back. Last year seventeen properties were sold subject to lease back agreements to institutional investors. At the same time, the Company has continued to acquire freehold properties for new developments thus maintaining the broad balance of its property portfolio.

### Openings 1983-84

Supermarkets	Sales Area sq. ft.
Crystal Palace	37,710
Crosby	17,860
Cardiff	26,110
Chester	30,300
West Ealing	22,220
Burton-on-Trent	27,450
Bradford	26,030
Beckenham	22,920
Cromwell Road, London	27,170
Halifax	24,280
Sheffield	29,960
Kimberley, Nottingham	26,480
Amblecote, Stourbridge	21,820
Thorley, Bishops Cleeve	18,190
Tottenham	24,480
	<u>382,980</u>

### Projected Openings 1984-85

Supermarkets	Sales Area sq. ft.
Bracknell	26,380
Hull	30,480
Blackpool	23,570
Canterbury	24,860
Newport	23,790
Cardiff	26,330
Keighley	24,280
Luton	27,660
York	27,250
Burnley	24,300
Walsall	24,180
Loughborough	24,850
Chadwell Heath	26,480
Watford	29,390
Brighton	29,640
	<u>393,440</u>

## Architectural Awards

The Company is delighted that several of its recent developments have received recognition for architectural merit.

Sainsbury's Birkenhead store (main picture), opened in March 1982, received a commendation by the Civic Trust in the Metropolitan Districts of Merseyside section of the Civic Trust Awards. The Trust, which was founded in 1957 to encourage the protection and improvement of the environment, said about the store: "Sainsbury's shines like a cheerful beacon in a rather characterless sprawl. ... This is a new development which makes a real contribution to the character of the area." The store was designed by Sainsbury's own architects.

The award made by the London Borough of Havering, following the opening of Sainsbury's Hornchurch store (pictured top) in December 1982, was in recognition of efforts to improve the environment within the Borough. The architects were Douglas, Marriott, Worby and Robinson in association with Sainsbury's own architects.

The development at Tonbridge (shown centre), comprising a sports centre, community hall and a Bental's department store, as well as a Sainsbury supermarket, opened in January 1982. It received a major commendation in the Business and Industry Panel for the Environment, and was chosen as an example of commerce benefiting the local community. The architects were Elsworth Sykes Partnership in association with Sainsbury's own architects.

Sainsbury's Epsom supermarket (pictured bottom), opened in August 1982, was commended in the Epsom and Ewell District Council Design Awards scheme for 1983. The Council spoke of Sainsbury's "substantial contribution to the high street scene". The store was designed by Sainsbury's own architects.



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### Openings 1983-84

Supermarkets	Sales Area sq. ft.	Homebase	Sales Area sq. ft.
Crystal Palace	37,710	Northampton	40,640
Crosby	17,860	Gloucester	39,740
Cardiff	26,110	Cardiff	51,300
Chester	30,300	Kingston	34,770
West Ealing	22,220	Bradford	51,550
Burton-on-Trent	27,450	Oldbury	42,940
Bradford	26,030	Branksome, Poole	45,800
Beckenham	22,920		
Cromwell Road, London	27,170		<u>306,740</u>
Halifax	24,280		
Sheffield	29,960		
Kimberley, Nottingham	26,480		
Amblecote, Stourbridge	21,820		
Thorley, Bishops Cleeve	18,190		
Tottenham	24,480		
	<u>382,980</u>		

### Projected Openings 1984-85

Supermarkets	Sales Area sq. ft.	Homebase	Sales Area sq. ft.
Bracknell	26,380	Hendon	48,460
Hull	30,480	Hull	48,160
Blackpool	23,570	Penge	34,130
Canterbury	24,860	Willesden	42,140
Newport	23,790	Walthamstow	47,300
Cardiff	26,330	Canford	39,540
Keighley	24,280	York	48,780
Luton	27,660	Walsall	47,020
York	27,250	Coventry	46,360
Burnley	24,300		
Walsall	24,180		<u>401,890</u>
Loughborough	24,850		
Chadwell Heath	26,480		
Watford	29,390		
Brighton	29,640		
	<u>393,440</u>		

## Architectural Awards

The Company is delighted that several of its recent developments have received recognition for architectural merit.

Sainsbury's Birkenhead store (main picture), opened in March 1982, received a commendation by the Civic Trust in the Metropolitan Districts of Merseyside section of the Civic Trust Awards. The Trust, which was founded in 1957 to encourage the protection and improvement of the environment, said about the store: "Sainsbury's shines like a cheerful beacon in a rather characterless sprawl. ...This is a new development which makes a real contribution to the character of the area." The store was designed by Sainsbury's own architects.

The award made by the London Borough of Havering, following the opening of Sainsbury's Hornchurch store (pictured top) in December 1982, was in recognition of efforts to improve the environment within the Borough. The architects were Douglas, Marriott, Worby and Robinson in association with Sainsbury's own architects.

The development at Tonbridge (shown centre), comprising a sports centre, community hall and a Bentall's department store, as well as a Sainsbury supermarket, opened in January 1982. It received a major commendation in the Business and Industry Panel for the Environment, and was chosen as an example of commerce benefiting the local community. The architects were Elsworth Sykes Partnership in association with Sainsbury's own architects.

Sainsbury's Epsom supermarket (pictured bottom), opened in August 1982, was commended in the Epsom and Ewell District Council Design Awards scheme for 1983. The Council spoke of Sainsbury's "substantial contribution to the high street scene". The store was designed by Sainsbury's own architects.

## Summary of Results/Retail Statistics

### Results

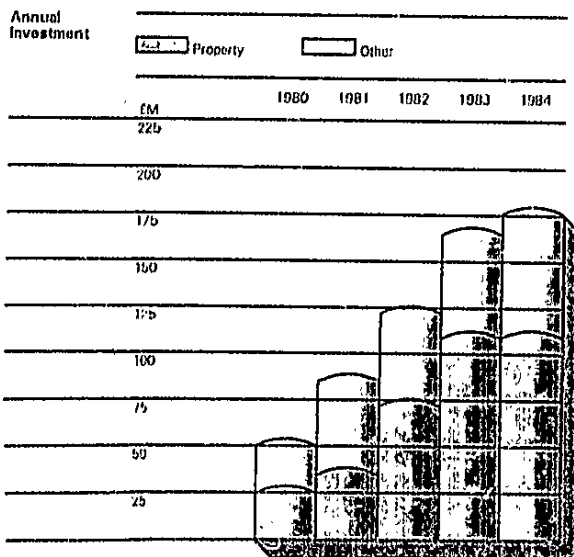
£ million	1975	1976	1977
Sales	452.8	543.4	663.8
Increase on previous year	25.0%	20.0%	22.1%
Retail Profit	14.3	15.4	25.3
Net margin	3.17%	2.83%	3.81%
Associates—share of profit	0.3	—	0.9
Profit before tax and profit sharing	14.6	15.4	26.2
Increase on previous year	7.4%	5.4%	69.8%
Profit sharing	—	—	—
Tax charged	7.8	8.0	6.0
Profit after tax and profit sharing	6.8	7.4	20.2
Extraordinary items	—	0.7	0.9
Earnings per share† (fully taxed)	2.11p	2.23p	3.77p
Increase/(decrease) in real terms	(9.0%)	(15.0%)	46.6%
Dividend per share†	1.13p	1.23p	1.36p

### Retail Statistics

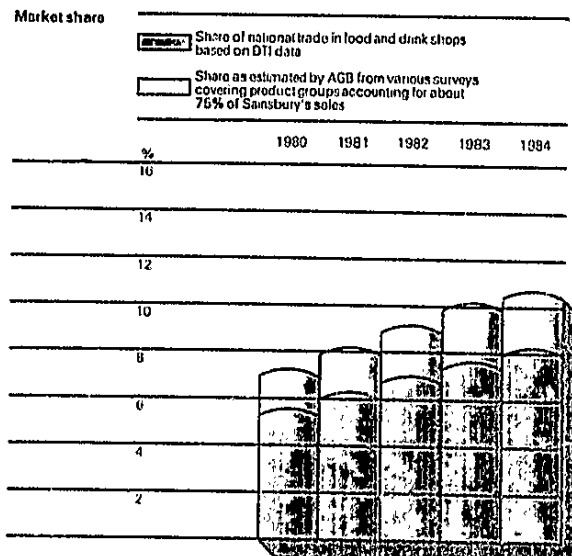
†Adjusted in respect of capitalisation issues in 1980 and 1982

Number of outlets at financial year-end			
Supermarkets—over 20,000 sq. ft. sales area	9	18	18
10,000—20,000 sq. ft. sales area	85	94	104
under 10,000 sq. ft. sales area	69	63	59
Total	163	175	181
Small stores	38	34	32
SavaCentre	—	—	—
Homebase	—	—	—
Sales area (000 sq. ft.)			
Total Sainsbury	1,936	2,240	2,391
Net increase on previous year	13.2%	17%	7%
SavaCentre	—	—	—
Homebase	—	—	—
New supermarket openings	11	17	10
Average size of new supermarkets (sq. ft.)	18,200	19,780	19,400
Average size of all supermarkets (sq. ft.)	11,340	12,300	12,760
Average supermarket sales			
Per supermarket (£ per week)	51,500	58,200	68,400
Per square foot (£ per week)	4.71	4.95	5.46
Share of national trade in food and drink shops (based on DTI data)	4.1	4.2	4.4

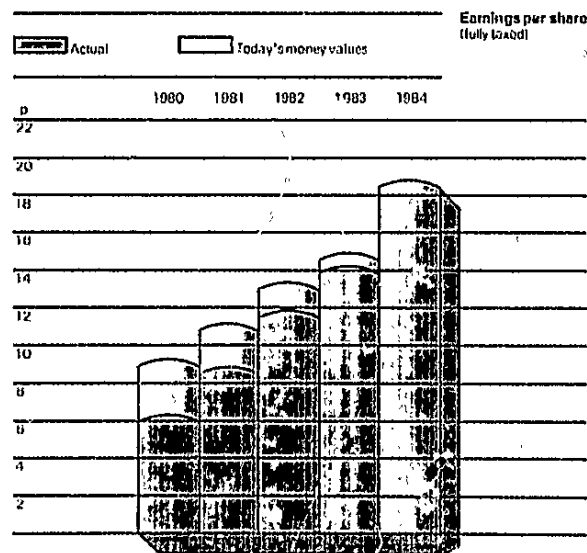
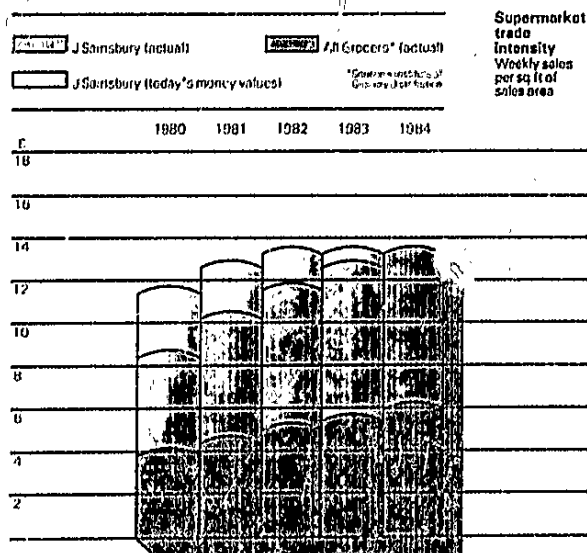
Annual Investment



Market share



	1978	1979	1980	1981	1982	1983*	1984
3 %	311.1 22.2%	1,007.1 24.2%	1,226.6 21.8%	1,589.2 29.6%	1,950.5 22.7%	2,315.8 17.6%	2,688.5 16.1%
3 %	27.1 3.35% 0.5	31.8 3.16% 0.8	45.4 3.70% 0.6	64.4 4.05% 1.4	86.6 4.44% 2.5	101.9 4.40% 5.4	132.1 4.91% 6.0
2 3%	27.6 5.3%	32.6 18.4%	46.0 41.0%	65.8 42.9%	89.1 35.5%	107.3 20.0%	138.1 28.7%
0	6.6	6.3	2.2 8.7	3.7 12.7	5.7 15.4	6.6 27.4	8.1 41.0
2	21.0	26.4	35.1	49.4	68.0	73.3	89.0
9	—	—	4.4	3.9	2.9	—	—
p	3.96p	4.72p	6.33p	8.87p	11.87p	14.20p	18.86p
3%	(7.6%)	10.0%	15.7%	20.5%	20.0%	10.7%	26.9%
p	1.52p	1.78p	2.56p	3.63p	4.87p	5.85p	7.50p
*The 1983 results are for the 52 weeks to 26th March 1983; however, for comparability purposes percentage changes relate to the 52 weeks to 26th February 1983							
3	23	26	26	28	39	44	60
4	107	111	122	135	139	149	147
9	55	53	49	45	40	36	35
1	185	190	197	208	218	229	242
2	32	34	34	29	27	22	20
—	1	2	2	4	5	5	5
—	—	—	—	—	2	7	14
1	—	2,616	2,766	2,978	3,282	3,564	3,944
7%	4.5%	4.7%	5.7%	7.7%	10.2%	8.6%	10.7%
—	79	145	145	298	385	385	385
—	—	—	—	—	86	301	608
0	7	7	9	15	17	17	15
0	18,660	18,040	14,830	16,890	21,060	19,150	25,530
0	13,080	13,330	13,590	13,940	14,720	15,310	16,070
0	82,000	99,400	117,000	145,900	171,100	192,200	214,200
6	6.33	7.50	8.71	10.57	11.99	12.83	13.58
4	4.8	5.4	5.6	6.3	7.0	7.6	8.2



## Summary of Results/Retail Statistics

### Results

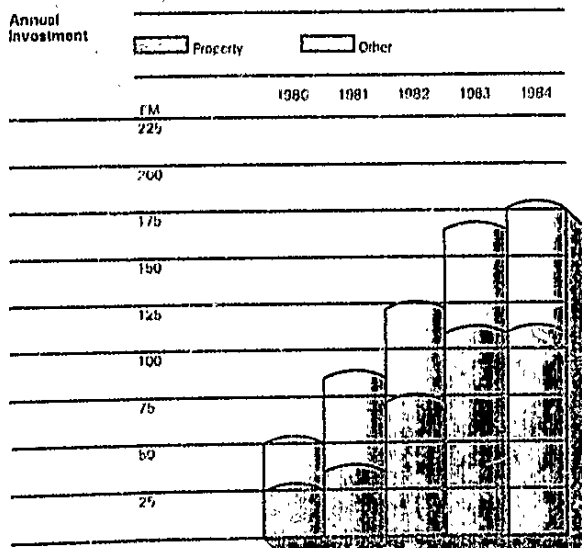
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### Retail Statistics

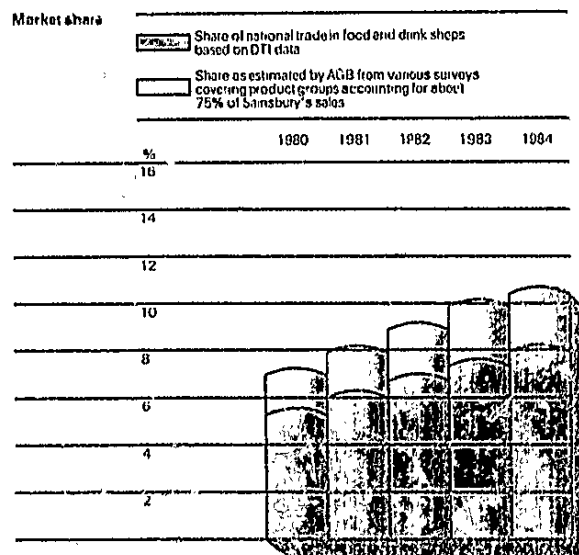
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Annual investment

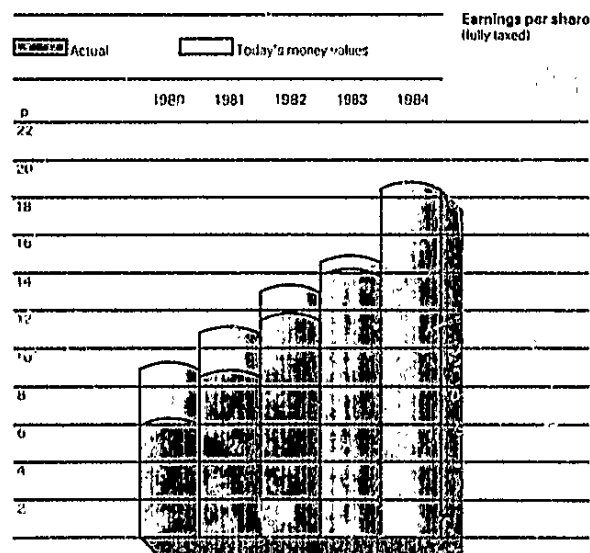
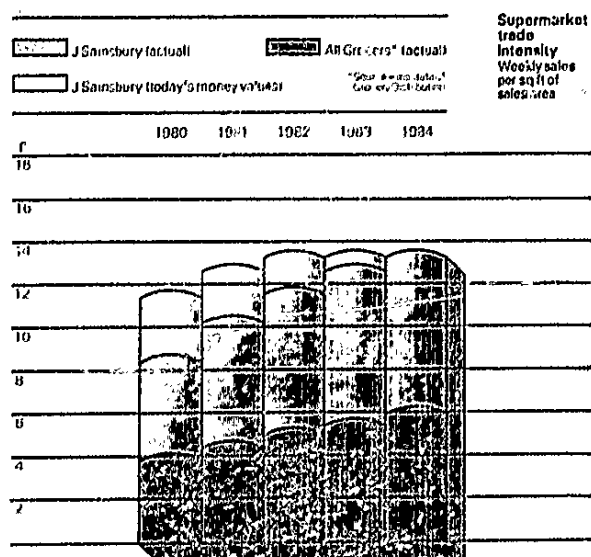


Market share





1978	1979	1980	1981	1982	1983*	1984
811.1 22.2%	1,007.1 24.2%	1,226.6 21.8%	1,589.2 29.6%	1,950.5 22.7%	2,315.8 17.6%	2,688.5 16.1%
27.1 3.35% 0.5	31.8 3.16% 0.8	45.4 3.70% 0.6	64.4 4.05% 1.4	86.6 4.44% 2.5	101.9 4.40% 5.4	132.1 4.91% 6.0
27.6 5.3% —	32.6 18.4% —	46.0 41.0% —	65.8 42.9% —	89.1 35.5% —	107.3 20.0% —	138.1 28.7% —
6.6 21.0 —	6.3 26.4 —	8.7 35.1 4.4	12.7 49.4 3.9	15.4 68.0 2.9	6.6 73.3 —	8.1 89.0 —
3.96p (7.6%) 1.52p	4.72p 10.0% 1.78p	6.33p 15.7% 2.56p	8.87p 20.5% 3.63p	11.87p 20.0% 4.87p	14.20p 10.7% 5.85p	18.86p 26.9% 7.50p
*The 1983 results are for the 52 weeks to 26th March 1983; however for comparability purposes percentage changes relate to the 52 weeks to 26th February 1983						
23 107 55 —	26 111 53 —	26 122 49 —	28 135 45 —	39 139 40 —	44 149 36 —	60 147 35 —
185 32 1 —	190 34 2 —	197 34 2 —	208 29 4 —	218 27 5 2	229 22 5 7	242 20 5 14
2,499 4.5% 79 —	2,616 4.7% 145 —	2,766 5.7% 145 —	2,978 7.7% 298 —	3,282 10.2% 385 86	3,564 8.6% 385 301	3,944 10.7% 385 608
7 18,660 13,080	7 18,040 13,330	9 14,830 13,590	15 16,890 13,940	17 21,060 14,720	17 19,150 15,310	15 25,530 16,070
82,000 6.33 4.8	99,400 7.50 5.4	117,000 8.71 5.6	145,900 10.57 6.3	171,100 11.99 7.0	192,200 12.83 7.6	214,200 13.58 8.2

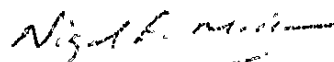


## Report of the Directors

for the 52 weeks to 24th March 1984

Group Performance	A review of the Group's performance during the year, with comments on the financial results and future developments, is contained in the Chairman's Statement which is adopted as part of this Report. These comments include comparisons based on a comparable 52-week period for 1982/83.
Profit and Dividend	<p>The profit of the Group before taxation and profit sharing amounted to £138.1 million. After deducting £8.1 million for the profit sharing scheme, £41.0 million for taxation, and £25.9 million for dividends paid and proposed, the balance of £62.7 million has been transferred to reserves.</p> <p>The Directors are proposing the payment of a final dividend of 5.1p per share on 20th July 1984 to shareholders on the Register at the close of business on 20th June 1984. Together with its associated tax credit, this dividend is equivalent to a dividend of 7.29p per share and makes a total dividend for the year of 10.71p per share.</p>
Principal Activities	<p>The principal activity of the Group is the retail distribution of food. Other activities through subsidiary and associate companies include the operation of home improvement and garden centres, hypermarkets, pig production and the processing of bacon and pork products. Further details of these operations are given on page 9.</p> <p>Sainsbury products to the value of £1.6 million (1983 £1.1 million) were exported through other companies.</p>
Share Capital	During the year further shares were allotted under the Company's share option schemes for employees. Details of shares allotted and options outstanding are shown on page 25.
Capitalisation Issue	The Directors are recommending a capitalisation issue on the basis of one new share for every existing share held on 20th June 1984. The new shares will not rank for the final dividend to be declared at the Annual General Meeting but will rank for any dividend declared subsequently. The capitalisation issue will not affect the total amount of dividends payable by the Company in the future.
Market Value of Properties	The Directors are of the opinion that the properties at book value in the Historical Cost Accounts of £481.3 million have a substantially greater market value as shown by the valuation used in the Current Cost Accounts of £662.2 million. The basis of this valuation is set out in Note 4a on page 30.
Fixed Assets	The movements of fixed assets are shown in Note 1 on page 21.
Research and Development	The Group continues, in association with suppliers, to develop new products for its own label range, both in food and non-food lines, and to improve the quality and presentation of the existing range. The Group's Scientific Services Division maintains a constant watch on quality and hygiene standards and co-operates with universities, food research associations and government departments in research into the preservation, packaging, storage and handling of food products. As the largest greengrocer in the country, the Company carries out extensive trials with producers both in the UK and abroad into new conditions for the growing and handling of fresh produce.
Employment Policies	Information is given on page 10 regarding the Group's policy on the employment of disabled people and its policy and practice on providing information to employees.
Donations	Donations to charitable organisations amounted to £0.3 million (1983 £0.3 million), and to political parties nil.
Directors	<p>The Directors are shown on page 1, and all held office throughout the year. Mr. T. A. D. Sainsbury, MP, resigned on 16th June 1983 following his appointment as a Government Whip. In accordance with the Articles of Association, a Resolution will be submitted to the Annual General Meeting for the re-appointment of Mrs. J. Jenkins, who, being a non-executive director, retires by rotation and offers herself for re-election. Directors holding executive office are not subject to retirement by rotation. No Director had during or at the end of the year any material interest in any contract of significance to the Group's business.</p>
Directors' and Other Interests	The number of ordinary shares, options over ordinary shares and units of loan stock held by the Directors and their families at 24th March 1984 and other substantial interests notified to the Company are shown on page 31.
Auditors	Clark Whitehill are willing to continue in office and a Resolution to re-appoint them as Auditors and to authorise the Directors to fix their remuneration will be submitted to the Annual General Meeting.

By Order of the Board  
N. F. Matthews  
Secretary 22nd May 1984



Basis of Consolidation	The Group accounts consolidate the accounts of the Company and all its subsidiaries made up to the Company's financial year end. No Profit and Loss account is presented for the Company as provided by section 149(5) of the Companies Act 1948.
Sales	Sales consist solely of sales through retail outlets, and exclude rental and other income and VAT.
Cost of Sales	Cost of sales consists of all costs to the point of sale including warehouse and transportation costs and all the costs of operating retail outlets.
Deferred Tax	In accordance with the Statement of Standard Accounting Practice No. 15, provision is made on the liability method for deferred tax which could become payable within the foreseeable future and which has been calculated in the light of the Group's projected levels of trading and capital expenditure. No provision is made for any potential liability to corporation tax on capital gains in respect of either net gains arising on disposals of assets subsequent to 6th April 1965 or future gains that might arise if the properties were disposed of at the values included in the accounts, since any liability has been or will be deferred under the provisions of Section 115 of the Capital Gains Tax Act 1979.
Depreciation	Freehold and long leasehold properties are depreciated if, in the opinion of the Directors, a diminution in value from book value to estimated residual value, either in historic or replacement cost terms, will occur over the useful life of the asset to the Group. Depreciation is calculated to write off the diminution in value over the remaining useful life by equal annual instalments. Certain landlords' fittings, which have been capitalised as part of leasehold properties, are depreciated in equal annual instalments over the estimated useful life of the asset to the Group. Leasehold properties with less than 50 years unexpired are depreciated to write off their book value in equal annual instalments over the unexpired period of the lease. Fixtures, equipment and vehicles are depreciated to write off their cost over their estimated useful lives in equal annual instalments at varying rates not exceeding 15 years and commencing in the accounting year following capitalisation.
Capitalisation of Interest	Interest incurred on borrowings to finance specific property developments has been capitalised, net of tax relief.
Research	Research and Development expenditure is written off as incurred against the profits of the year.
Income on Short Term Investments & Securities	Income on short term investments and securities is credited to the profit and loss account when received.
Sale and Leaseback of Properties	Surpluses on sale and leaseback of properties are treated as deferred income and amortised in equal annual instalments over the term of years to the next rent review.
Stocks	Stocks are valued at the lower of cost and net realisable value; stocks at warehouses are valued at invoiced prices, and at retail outlets at calculated average cost prices.
Foreign Currencies	Assets and liabilities in foreign currencies are converted to sterling at the exchange rates ruling at the balance sheet date.
Associates	Associates are those shown on page 22. An Associate is a company in which the Group participates in commercial and financial policy and has an interest of between 20 per cent. and 50 per cent. inclusive. Such companies are also related companies as defined in the Companies Act 1981.
Earnings per Share	The calculation of earnings per share is based on profit after tax and minority interest but before extraordinary items, and on the weighted average of ordinary shares in issue after adjustment for capitalisation issues.

## Auditors' Report

To the Members of J Sainsbury plc

We have audited the Financial Statements on pages 17 to 30 in accordance with approved Auditing Standards.

In our opinion:

the Financial Statements on pages 17 to 28, which have been prepared under the historical cost convention as modified by the revaluation of certain properties, give under that convention a true and fair view of the state of affairs of the Company and the Group at 24th March 1984 and of the profit and source and application of funds of the Group for the period then ended and comply with the Companies Acts 1948 to 1981; and

the current cost Financial Statements on pages 29 and 30 have been properly prepared in accordance with the policies and methods described in the Notes on page 30 to give the information required by the Statement of Standard Accounting Practice No. 16.

Clark Whitehill

Chartered Accountants

London

22nd May 1984

# Historical Cost Balance Sheets

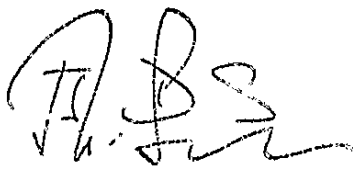

24th March 1984

	Note	Group		Company	
		1984 £m	1983 £m	1984 £m	1983 £m
<b>Fixed Assets</b>					
Tangible Assets	1	681.2	565.9	640.7	538.8
Investments	2	37.2	28.8	67.2	48.3
		<u>718.4</u>	<u>594.7</u>	<u>707.9</u>	<u>587.1</u>
<b>Current Assets</b>					
Stocks		149.9	141.5	141.8	136.5
Debtors	5	14.5	15.8	12.2	15.0
ACT Recoverable	8	5.7	3.9	5.7	3.9
Cash at Bank and in Hand		37.5	38.9	36.2	38.2
		<u>207.6</u>	<u>200.1</u>	<u>195.9</u>	<u>193.6</u>
<b>Creditors: due within one year</b>	6	<u>(419.8)</u>	<u>(356.1)</u>	<u>(412.4)</u>	<u>(354.6)</u>
<b>Net Current Liabilities</b>		<u>(212.2)</u>	<u>(156.0)</u>	<u>(216.5)</u>	<u>(161.0)</u>
<b>Total Assets Less Current Liabilities</b>		506.2	438.7	491.4	426.1
<b>Creditors: due after one year</b>	7	(9.3)	(9.7)	(6.3)	(9.7)
<b>Deferred Income</b>	9	(15.9)	(11.6)	(15.9)	(11.6)
<b>Minority Interest</b>		(7.4)	(4.3)	—	—
		<u>473.6</u>	<u>413.1</u>	<u>469.2</u>	<u>404.8</u>
<b>Capital and Reserves</b>					
Called up Share Capital	10	86.3	85.6	86.3	85.6
Share Premium Account	11	8.2	3.8	8.2	3.8
Revaluation Reserve	12	36.8	41.7	36.8	41.7
Profit and Loss Account	13	342.3	282.0	337.9	273.7
		<u>473.6</u>	<u>413.1</u>	<u>469.2</u>	<u>404.8</u>

Notes on the historical cost accounts are on pages 21 to 28.

The Financial Statements on pages 17 to 30 were approved by the Board of Directors on 22nd May 1984, and are signed on its behalf by

John Sainsbury, *Chairman*  
E. R. Griffiths, *Deputy Chairman*

X  V  
X  V

## Group Historical Cost Profit and Loss Account

For the 52 weeks to 24th March 1984  
compared with 56 weeks for 1983

	Note	1984 52 weeks £m	1983 56 weeks £m
<b>Group Sales (including VAT)</b>		2,688.5	2,483.3
<b>VAT</b>		113.7	99.6
<b>Group Sales (excluding VAT)</b>		2,574.8	2,383.7
<b>Cost of Sales</b>		2,391.6	2,225.3
<b>Gross Profit</b>		183.2	158.4
<b>Administrative Expenses</b>		56.3	49.0
<b>Other Operating Income</b>	14	2.7	0.9
<b>Net Interest Receivable/(Payable)</b>	15	2.5	(0.1)
<b>Retail Profit – net margin on VAT inclusive sales 4.9% (4.4%)</b>	16	132.1	110.2
<b>Associates – share of profit</b>	4	6.0	5.8
<b>Profit before Tax and Profit Sharing</b>	17	138.1	116.0
<b>Profit Sharing</b>	17	8.1	7.2
<b>Profit on Ordinary Activities before Tax</b>		130.0	108.8
<b>Tax on Profit on Ordinary Activities</b>	20	41.0	29.8
<b>Profit on Ordinary Activities after Tax</b>		89.0	79.0
<b>Minority Interest</b>		0.4	0.1
<b>Profit for Financial Year</b>		88.6	78.9
<b>Dividends</b>	21	25.9	20.0
<b>Profit Retained</b>	13	62.7	58.9
<b>Earnings per Share – actual</b>		25.78p	23.22p
<b>– fully taxed basis</b>		18.86p	15.35p

# **Group Statement of Source and Application of Funds** for the 52 weeks to 24th March 1984

	1984 52 weeks £m	1983 56 weeks £m
<b>Source of Funds</b>		
Profit on ordinary activities before tax	130.0	108.8
Adjustments for items not involving movement of funds		
Depreciation	29.2	19.4
Share of profits before tax of Associates	(6.0)	(5.8)
<b>Total Generated from Operations</b>	<u>153.2</u>	<u>122.4</u>
<b>Funds from Other Sources</b>		
Share capital	5.1	5.0
Minority interest capital contribution	2.7	2.7
Disposal of tangible fixed assets	33.4	9.3
Deferred income	4.3	11.6
	<u>198.7</u>	<u>151.0</u>
<b>Application of Funds</b>		
Capital expenditure	179.2	177.9
Dividends paid	21.8	17.5
Tax paid	36.9	8.0
Net investment in Associates	13.4	(3.1)
Redemption of debentures	—	0.3
	<u>251.3</u>	<u>200.6</u>
<b>Reduction in Working Capital</b>		
Increase in net creditors	43.3	41.1
Deduct increase in stocks	8.4	7.5
	<u>34.9</u>	<u>33.6</u>
<b>Decrease in Net Liquid Funds (including bills payable)</b>	<u>17.7</u>	<u>16.0</u>



## Notes on the Historical Cost Accounts

### 1 Tangible Fixed Assets

	Properties £m	Group Fixtures, Equipment & Vehicles £m	Total £m	Properties £m	Company Fixtures, Equipment & Vehicles £m	Total £m
<b>Cost or Valuation</b>						
At 26th March 1983	402.4	233.2	635.6	379.7	228.4	608.1
Additions	115.1	62.8	177.9	104.9	57.9	162.8
Disposals	(28.4)	(12.2)	(40.6)	(27.5)	(12.2)	(39.7)
At 24th March 1984	489.1	283.8	772.9	457.1	274.1	731.2
<b>Depreciation</b>						
At 26th March 1983	2.4	67.3	69.7	2.3	67.0	69.3
Provided in the year	5.8	23.4	29.2	5.7	22.6	28.3
Disposals	(0.4)	(6.8)	(7.2)	(0.4)	(6.7)	(7.1)
At 24th March 1984	7.8	83.9	91.7	7.6	82.9	90.5
<b>Net Book Value</b>						
At 24th March 1984	481.3	199.9	681.2	449.5	191.2	640.7
At 26th March 1983	400.0	165.9	565.9	377.4	161.4	538.8
<b>Capital Work-in-Progress Included Above</b>						
At 24th March 1984	41.0	12.6	53.6	37.4	12.4	49.8
At 26th March 1983	44.5	14.8	59.3	43.3	14.5	57.8

Certain freehold and leasehold properties were revalued at open market value on 10th March 1973 by Messrs. Healey & Baker and/or Messrs. G. L. Hearn and Partners.

The amount included in additions in respect of capitalised interest incurred in the year ended 24th March 1984 amounted to £1.3 million after deducting tax relief of £1.3 million. The capitalised amount brought forward from previous years was nil. The amount of additions disclosed in the Source and Application of Funds Statement is shown before deduction of the tax relief.

	At Cost	Group At 1973 Valuation	Total	At Cost	Company At 1973 Valuation	Total
<b>Analysis of Properties</b>						
At 24th March 1984	£m	£m	£m	£m	£m	£m
Freehold	264.5	36.1	300.6	237.7	36.1	273.8
Long Leasehold	159.5	14.2	173.7	155.7	14.2	169.9
Short Leasehold	12.7	2.1	14.8	11.3	2.1	13.4
	436.7	52.4	489.1	404.7	52.4	457.1

If the above properties included at 1973 Valuation of £52.4 million had been included at original cost, the cost and depreciation figures at 24th March 1984 would have been Freehold £9.6 million, Long Leasehold £5.4 million and Short Leasehold £0.6 million with cumulative depreciation of £0.1 million, £0.6 million and £0.4 million respectively (compared to £0.7 million, £1.6 million and £1.3 million depreciation on revalued cost).

### 2 Investments

	Group 1984 £m	1983 £m	Company 1984 £m	1983 £m
Subsidiaries (see Note 3)	—	—	47.6	27.7
Associates (see Note 4)	37.2	28.8	19.6	20.6
	37.2	28.8	67.2	48.3

### 3 Investment in Subsidiaries

	Share of Ordinary Allotted Capital
Homebase Limited	75%
J Sainsbury (Farms) Limited	100%
J. Sainsbury (Properties) Limited	100%
The Cheyne Investments Limited	100%
The Cheyne Investments Inc.	100%
J. Sainsbury Trustees Limited	Limited by guarantee
J Sainsbury Trustees (No. 2) Limited	100%
The Sainsbury Charitable Fund Limited	Limited by guarantee

All subsidiaries operate and are incorporated in the United Kingdom, with the exception of The Cheyne Investments Inc. which operates and is incorporated in the USA.

All shares are held by J Sainsbury plc, with the exception of The Cheyne Investments Inc., which is held by The Cheyne Investments Limited.

	Company £m
<b>Investments</b>	
Balance 26th March 1983	17.0
Additions	8.2
	<hr/>
Balance 24th March 1984	25.2
	<hr/>
<b>Long Term Capital Advances</b>	
Balance 26th March 1983	10.7
Increase	14.7
Decrease	3.0
	<hr/>
Balance 24th March 1984	22.4
	<hr/>
<b>Total Investments 24th March 1984</b>	<b>47.6</b>
	<hr/>
<b>26th March 1983</b>	<b>27.7</b>
	<hr/>

### 4 Investment in Associates

	Share of Allotted Capital	Share of Profit or (Loss) Before Tax	
		1984 £m	1983 £m
SavaCentre Limited 16,180,050 "B" Ordinary Shares of £1 each	50%		
SavaCentre (Leasing) Limited The 50 "B" Ordinary Shares of £1 each were sold on 13th January 1984	—	4.4	4.0
Haverhill Meat Products Limited 500,000 "B" Ordinary Shares of £1 each	50%	0.9	1.6
Breckland Farms Limited 200,000 "B" Ordinary Shares of £1 each 141,532 1% Redeemable Preference Shares of £1 each	50%	—	0.3
Kings Reach Investments Limited 28,760 Ordinary Shares of 1p each	28.76%	0.2	(0.1)
Shaw's Supermarkets Inc. 423,412 Common Capital Stock of \$1 each	21.02%	0.5	—
		<hr/>	<hr/>
		6.0	5.8
		<hr/>	<hr/>

## Investment in Associates continued

	Group 1984 £m	Company 1984 £m
<b>Investments</b>		
Balance 26th March 1983	17.3	17.3
Additions (after deducting £7 million goodwill – Note 13)	7.7	—
Disposals	—	—
Balance 24th March 1984	25.0	17.3
<b>Share of Post Acquisition Reserves</b>		
Balance 26th March 1983	8.2	—
Share of retained profits for the year	1.7	—
Balance 24th March 1984	9.9	—
<b>Long Term Capital Advances</b>		
Balance 26th March 1983	3.3	3.3
Decrease	1.0	1.0
Balance 24th March 1984	2.3	2.3
<b>Total investment 24th March 1984</b>	<b>37.2</b>	<b>19.6</b>
<b>26th March 1983</b>	<b>28.8</b>	<b>20.6</b>

The proportion of the profits and losses of the associates attributable to the Group and the reserves included in the Group balance sheet are taken from the audited accounts produced within three months of the balance sheet date, except Kings Reach Investments Limited where they are management accounts.

The share of the results of Shaw's Supermarkets Inc. relate to the period of two months from the date of acquisition of the stock to 31st December 1983.

The share of results of the two SavaCentre companies for 1983 relate to a period of 56 weeks.

The reserves shown above are after deducting dividends received by J Sainsbury plc of £0.6 million.

All Associates operate and are incorporated in the United Kingdom with the exception of Shaw's Supermarkets Inc. which operates and is incorporated in the USA.

## 5 Debtors

	Group		Company	
	1984 £m	1983 £m	1984 £m	1983 £m
Trade	1.3	0.9	1.1	0.9
Amounts owed by Associates	1.1	0.9	1.1	0.9
Other Debtors	8.0	7.4	6.2	6.8
Prepayments	4.1	6.6	3.8	6.4
	<b>14.5</b>	<b>15.8</b>	<b>12.2</b>	<b>15.0</b>

## 6 Creditors: due within one year

	Group		Company	
	1984 £m	1983 £m	1984 £m	1983 £m
Bank Overdrafts and Unpresented Cheques	60.5	58.9	50.0	55.9
Bills Payable	14.7	—	14.7	—
Trade Creditors	203.3	186.3	201.2	183.2
Amounts owed to Subsidiaries	—	—	8.5	7.0
Corporation Tax	37.0	36.1	37.0	36.1
Social Security Costs and Other Taxes	6.5	5.2	6.3	5.1
Other Creditors	75.8	54.1	74.1	52.6
Accruals	4.4	2.0	3.0	1.2
Proposed Dividend (Note 21)	17.6	13.5	17.6	13.5
	<u>419.8</u>	<u>356.1</u>	<u>412.4</u>	<u>354.6</u>

## 7 Creditors: due after one year

	Group		Company	
	1984 £m	1983 £m	1984 £m	1983 £m
6½% First Mortgage Debenture Stock 1988/93	1.7	1.7	1.7	1.7
7½% First Mortgage Debenture Stock 1987/92	0.6	0.6	0.6	0.6
8% Irredeemable Unsecured Loan Stock	2.9	2.9	2.9	2.9
Mortgage Loan	1.1	2.2	1.1	2.2
Property Creditors	—	2.3	—	2.3
Loan to Homebase Limited from minority shareholder	3.0	—	—	—
	<u>9.3</u>	<u>9.7</u>	<u>6.3</u>	<u>9.7</u>

Each mortgage debenture issue provides for repayment on the following terms:

- By redemption at par within five years of the terminal date.
- By yearly drawing out of a sinking fund to be established for the purpose.

The sinking fund obligations in any year may be satisfied by tendering, at the lower of par or inclusive cost, stock previously purchased by the Company; the obligations in respect of both stocks arising in the year ended 24th March 1984 have been met in this way. No debenture stock was redeemed between 25th March 1984 and 22nd May 1984. The mortgage debenture stocks are secured on certain of the Group's freehold and leasehold properties.

The mortgage loan is interest free and is repayable on 1st October 1986.

The loan to Homebase Limited is an unsecured loan repayable in 1988 and bears interest at 1% above base rate.

## 8 ACT Recoverable and Deferred Tax

The potential liabilities for deferred tax and the amount provided in respect of each are as follows:

	Group		Company	
	1984 Total £m	1984 Provision £m	1983 Total £m	1983 Provision £m
Timing differences between depreciation and capital allowances (Company £69.7 million)	72.5	—	90.1	—
Other timing differences including payments for consortium group relief under indemnities	2.5	1.8	1.9	1.9
Potential capital gains on disposal of properties at net book value including net gains already deferred	21.2	—	26.7	—
	<u>96.2</u>	<u>1.8</u>	<u>118.7</u>	<u>1.9</u>
Less: Advance Corporation Tax Recoverable		<u>7.5</u>		<u>5.8</u>
		<u>5.7</u>		<u>3.9</u>

## 9 Deferred Income

	Group	
	1984	1983
	£m	£m
Balance 26th March 1983	11.6	—
Surpluses arising in the year	10.7	12.5
Release to Profit and Loss Account (Note 14)	(6.4)	(0.9)
Balance 24th March 1984	15.9	11.6

## 10 Called Up Share Capital

	1984
	£m
Ordinary Shares of 25p each	
Authorised—400,000,000 shares	100
Allotted at 26th March 1983—342,459,404 shares fully paid	85.6
Shares allotted—Savings-Related Share Option Schemes	0.1
—Executive Share Option Schemes	0.4
—Profit Sharing Scheme	0.2
Allotted at 24th March 1984—345,253,644 shares fully paid	86.3

### a) Savings-Related Share Option Schemes

Under the Company's Savings-Related Share Option Schemes certain employees hold options to purchase ordinary shares in the Company. The options are normally exercisable between five and six years from the date that they are taken out. In certain circumstances however, options can be exercised earlier. Details of these options at 24th March 1984 were as follows:

Options granted	Price	Options exercised in the year		Options outstanding at the end of the year	
		Number of options	Shares allotted	Number of options	Shares under option
4th November 1977	54½p	105	115,624	—	—
3rd November 1978	52½p	169	223,321	139	197,488
2nd November 1979	72p	15	14,864	1,003	1,406,408
18th February 1981	164½p	16	7,333	2,249	2,377,438
30th October 1981	191½p	3	508	1,046	726,288
29th October 1982	374p	7	377	2,376	947,920
28th October 1983	387p	—	—	1,615	536,174
			362,027		6,191,716

### b) Executive Share Option Schemes

Details of options as at 24th March 1984 were as follows:

Options granted	Price	Options exercised in the year		Options outstanding at the end of the year	
		Number of options	Shares allotted	Number of options	Shares under option
14th September 1979	77½p	10	139,964	2	12,228
29th January 1980	77½p	3	30,768	2	18,064
12th September 1980	127½p	101	1,480,124	28	254,240
11th September 1981	227½p	11	74,398	240	1,445,342
13th January 1983	390p	7	39,572	289	1,330,912
18th March 1983	390p	—	—	1	1,806
18th July 1983	368p	—	—	12	34,892
16th January 1984	476p	—	—	327	1,049,698
			1,764,826		4,147,182

Figures for prices and shares adjusted for capitalisation issues in December 1980 and June 1982.

# 11 Share Premium Account

	Group £m	Subsidiaries £m	Associates £m	Company £m
Balance 26th March 1983	3.8	—	—	3.8
Premiums arising on shares allotted during the year	4.4	—	—	4.4
Balance 24th March 1984	8.2	—	—	8.2

# 12 Revaluation Reserve

	Group £m	Subsidiaries £m	Associates £m	Company £m
Balance 26th March 1983	41.7	—	—	41.7
Transfer to Profit and Loss Account in respect of property disposals during the year (Note 13)	(4.9)	—	—	(4.9)
Balance 24th March 1984	36.8	—	—	36.8

# 13 Profit and Loss Account

	Group £m	Subsidiaries £m	Associates £m	Company £m
Balance 26th March 1983	282.0	0.1	8.2	273.7
Profit retained for the year	62.7	1.1	1.7	59.9
Transfer from Revaluation Reserve (Note 12)	4.9	—	—	4.9
Currency revaluation in respect of Shaw's	(0.3)	0.3	—	(0.6)
Goodwill (see note below)	(7.0)	(7.0)	—	—
	342.3	(5.5)	9.9	337.9

The directors do not consider the cost of obtaining a valuation of the properties of Shaw's Supermarkets, Inc. to be justifiable. Consequently, in accordance with current accounting practice the whole of the excess on acquisition of the cost of the investment over the book value of the net assets attributable to the investment has been written off.

# 14 Other Operating Income

	1984 52 weeks £m	1983 56 weeks £m
Share of surplus on sale and leaseback of properties	6.4	0.9
Profit on disposal of other fixed assets	1.0	—
Exceptional backlog depreciation in respect of certain landlords' fittings	(4.7)	—
	2.7	0.9

# 15 Net Interest Receivable/(Payable)

	1984 52 weeks £m	1983 56 weeks £m
Interest receivable	5.5	2.9
Interest payable:		
On loans not wholly repayable within five years		
Debenture Interest	0.2	0.2
Loan Stock Interest	0.2	0.2
Bank and Other Interest on loans wholly repayable within five years	2.6	2.6
	3.0	3.0
	2.5	(0.1)



## 16 Retail Profit

	1984 52 weeks £m	1983 56 weeks £m
The Retail Profit has been arrived at after charging:		
Depreciation		
Pension Scheme Contributions	29.2	19.4
Directors' Emoluments (Fees nil - Note 19)	12.2	11.5
Auditors' Remuneration (Company £100,000)	0.9	0.9
Pensions to former Directors	0.1	0.1
	0.1	0.1

## 17 Profit Sharing

This represents the amounts due to employees under their profit sharing scheme which is calculated on the retail profit. In order that the employees can identify the retail profit, the profit and loss account has been amended and expanded from the precise details of the Companies Act 1981.

## 18 Employees

	1984 52 weeks £m	1983 56 weeks £m
Employees' remuneration and related costs during the year amounted to:		
Wages and Salaries	215.6	198.8
Social security costs	16.8	16.8
Other pension costs	12.2	11.5

Employees' profit sharing scheme

244.6	227.1
8.1	7.2
252.7	234.3

The weekly average number of employees during the year was:

	1984 52 weeks	1983 56 weeks
Full-time	22,910	21,180
Part-time	33,726	30,519

The number of employees whose total remuneration exceeded £30,000 was as follows:

	1984 52 weeks	1983 56 weeks
£30,001-£35,000	11	8
£35,001-£40,000	5	3
£40,001-£45,000	1	2

## 19 Directors' Remuneration

	1984 52 weeks	1983 56 weeks
Chairman	£90,500	£94,000
Remuneration of all Directors fell within the following ranges:		
£ 0 -£ 5,000	1	—
£ 5,001-£10,000	2	2
£10,001-£15,000	—	1
£15,001-£20,000	1	—
£20,001-£25,000	4	5
£25,001-£30,000	—	—
£30,001-£35,000	—	—
£35,001-£40,000	—	—
£40,001-£45,000	—	—
£45,001-£50,000	—	—
£50,001-£55,000	—	—
£55,001-£60,000	—	—
£60,001-£65,000	—	—
£65,001-£70,000	—	—
£70,001-£75,000	—	—
£75,001-£80,000	—	—
£80,001-£85,000	—	—
£85,001-£90,000	—	—
£90,001-£95,000	—	—

## 20 Tax on Profit on Ordinary Activities

	Group	
	1984 52 weeks £m	1983 56 weeks £m
The tax charge for the year is:		
Corporation tax	37.3	26.2
Deferred tax	0.9	0.5
Share of Associates' tax	3.7	2.5
Payment for consortium group relief	—	0.6
Release of tax indemnities arising from disposal of associate (Note 4)	(0.9)	—
	<u>41.0</u>	<u>29.8</u>

The corporation tax charge above of £37.3 million is at the rate of 50% (1983 52%) and calculated after taking the benefit of stock relief and capital allowances totalling £77.2 million. After deducting tax relief of £1.3 million on interest capitalised the net amount of £36.0 million is payable in January 1985. Capital allowances have been calculated on the same basis as in previous years. A recent Court of Appeal decision (Stokes v Costain Property Investments Limited) has rendered expenditure on certain types of plant and equipment on which relief has been claimed ineligible for capital allowances. It is understood that the Inland Revenue will not normally seek to apply this decision and it is considered that the Group is unlikely to suffer any restriction of capital allowances as a result of this decision.

The tax calculations take account of the corporation tax rates proposed within the 1984 Finance Bill.

The Company is not a close company under the terms of the Income and Corporation Taxes Act 1970.

## 21 Dividends

	Company	
	1984 £m	1983 £m
Interim	8.3	6.5
Proposed final	17.6	13.5
	<u>25.9</u>	<u>20.0</u>

The interim dividend of 2.4p per share, paid on 20th January, 1984 together with the related tax credit is equal to 3.42p and the proposed final of 5.1p per share together with the related tax credit is equal to 7.29p.

## 22 Future Capital Expenditure

	Group	
	1984 £m	1983 £m
Contracted for but not provided for in the accounts	66.6	68.3
Authorised but not contracted for to date by Board of Directors	130.2	119.7

## 23 Contingent Liabilities and Financial Commitments

The Group has guaranteed facilities for Associates to the extent of £5.3 million (1983 £5.5 million) at the date of approval of these Accounts. Other contingent liabilities amounted to £0.2 million (1983 £0.2 million) at that date. In addition the Company has guaranteed a subsidiary's bank overdraft to the extent of £7.5 million. The Group has many future financial commitments in respect of rents payable on certain leasehold properties; these are charged to the Profit and Loss Account in the year to which they relate.

## 24 Pension Commitments

The Group has deducted the necessary pension contributions from those employees who are members and has paid over these and its own contributions to the J Sainsbury Pension and Death Benefit Scheme. The contributions have been paid in accordance with the recommendations made by the independent firm of Actuaries reporting to the Trustees of the Scheme to provide the benefits as set out in the Rules of the Scheme. The Scheme has been valued during the last two years by the Scheme's independent Actuaries; they have confirmed that on the on-going valuation basis adopted for this purpose, the Scheme is in balance, after taking credit for future contributions.

## Group Current Cost Balance Sheet

24th March 1984

	Note	1984 £m	1983 £m
<b>Fixed Assets</b>			
Tangible Assets			
Investment in Associates	4	889.0 54.2	762.2 44.7
		<u>943.2</u>	<u>806.9</u>
<b>Current Assets</b>			
Creditors: due within one year		207.8 (419.8)	200.2 (356.1)
<b>Net Current Liabilities</b>		<u>(212.0)</u>	<u>(155.9)</u>
<b>Total Assets Less Current Liabilities</b>		731.2	651.0
Creditors: due after one year		(9.3)	(9.7)
Minority Interest		(7.5)	(4.3)
		<u>714.4</u>	<u>637.0</u>
<b>Capital and Reserves</b>			
Called up Share Capital			
Share Premium Account		86.3	85.6
Revaluation Reserve		8.2	3.8
Profit and Loss Account		36.8	41.7
Current Cost Reserve	2	283.7	236.1
	3	299.4	269.8
		<u>714.4</u>	<u>637.0</u>

## Group Current Cost Profit and Loss Account

for 52 weeks to 24th March 1984  
compared with 56 weeks for 1983

	Note	1984 52 weeks £m	1983 56 weeks £m
<b>Group Sales (including VAT)</b>		2,688.5	2,483.3
<b>Retail Profit – on historical cost basis</b>		132.1	110.2
<b>Current Cost Adjustments</b>	5	(15.0)	(10.8)
<b>Gearing Adjustment</b>	7	3.1	1.7
		<u>120.2</u>	<u>101.1</u>
<b>Associates – share of profit</b>		5.2	5.2
<b>Current Cost Profit before Tax and Profit Sharing</b>		125.4	106.3
<b>Profit Sharing</b>		8.1	7.2
<b>Current Cost Profit before Tax</b>		117.3	99.1
<b>Tax on Profit on Ordinary Activities</b>		41.0	29.8
<b>Current Cost Profit on Ordinary Activities after Tax</b>		76.3	69.3
<b>Minority Interest</b>		0.4	0.1
<b>Current Cost Profit for Financial Year</b>		75.9	69.2
<b>Dividends</b>		25.9	20.0
<b>Current Cost Profit Retained</b>	2	<u>50.0</u>	<u>49.2</u>
<b>Current Cost Earnings per Share – actual basis</b>		22.07p	20.38p
<b>Current Cost Dividend Cover – maximum distribution basis</b>		2.73	3.02
<b>Current Cost Return on Capital Employed</b>		16.61%	16.27%

Notes on the current cost accounts are on page 30.

## Notes on the Current Cost Accounts

### 1 General Notes

- a) The current cost accounts have been prepared in accordance with the principles set out in Statement of Standard Accounting Practice No.16 and the related Guidance Notes issued by the Accounting Standards Committee.
- b) The Accounting Policies of the Group used in preparation of the historical cost accounts have been adopted in the current cost accounts.

### 2 Profit and Loss Account

	1984 £m
Balance 26th March 1983	236.1
Current Cost Profit Retained	50.0
Transfer from Revaluation Reserve	4.9
Currency revaluation in respect of Shaw's	(0.3)
Goodwill written off	(7.0)
Balance 24th March 1984	<u>283.7</u>

### 3 Current Cost Reserve

Balance 26th March 1983	287.7
As previously stated	17.9
Prior year adjustment (see Note c)	
As restated	269.8
Revaluation Surpluses reflecting price changes	
Properties	18.3
Fixtures, Equipment and Vehicles	(2.5)
Trading Stocks	0.1
Associates	1.1
Minority Interest	(0.1)
	16.9
Current Cost Adjustments	15.8
Gearing Adjustment	(3.1)
Balance 24th March 1984	<u>299.4</u>

- a) The Current Cost Reserve represents the amount set aside by the Group to maintain the net operating assets of the business to the extent that this has not already been allowed for in the historical cost accounts.
- b) The realised element of the Current Cost Reserve amounts to £74.5 million (1983 £57.5 million), including £15.9 million of deferred income (1983 £11.6 million), being the current cost adjustments which have been passed through the Current Cost Profit and Loss Account.
- c) As described in Note 4(a) the Group's property portfolio has been valued by applying annual internal indices to a base internal valuation carried out at 1st March 1980. It has been recognised this year that this has resulted in an over-valuation of £17.9 million which arose in prior years on specific properties. It is not possible to allocate this to specific years and so the opening balances of fixed assets and current cost reserve have been restated as at 28th February 1982.

### 4 Fixed Assets

- a) An internal valuation of the Group's property portfolio was carried out by the Group's own qualified staff at 1st March 1980. This valuation, adjusted for subsequent disposals and additions, has been updated by the Group's internal index (averaging 5.5% in 1983/84) and incorporated into the current cost accounts and the surplus included in the Current Cost Reserve.

- b) Official price indices published by the Central Statistics Office have been applied to fixtures, equipment and vehicles, (averaging 5.0%).

	Gross £m	Depreciation £m	Net £m
Properties	674.8	12.6	662.2
Fixtures, Equipment and Vehicles	398.2	171.4	226.8
	<u>1,073.0</u>	<u>184.0</u>	<u>889.0</u>

### 5 Current Cost Adjustments

	1984 £m	1983 £m
Depreciation	8.6	8.9
Deferred Income	6.4	1.9
Cost of Sales	7.6	6.3
Monetary Working Capital	(7.6)	(6.3)
	<u>15.0</u>	<u>10.8</u>
Associates	0.8	0.6
	<u>15.8</u>	<u>11.4</u>

#### a) Depreciation

The depreciation adjustment is the difference between the depreciation calculated on the replacement cost of fixed assets at the Balance Sheet date and that charged in the historical cost accounts.

#### b) Deferred Income

This represents the difference between the estimated current cost valuation of sold and leased back properties in the year and the realised proceeds.

#### c) Cost of Sales

The cost of sales adjustment represents the difference between the actual and the estimated replacement cost of products at the time of sale.

#### d) Monetary Working Capital

The monetary working capital adjustment represents the effect of price changes on Creditors and Unpresented Cheques, less Debtors. It has been restricted to the Cost of Sales adjustment since monetary working capital is a credit greater than the value of stock. The excess net credit has been included in net borrowings in calculating the Gearing Adjustment.

- e) The adjustments for 'c' and 'd' have been based on price indices maintained by the Group relative to its own trade. The averaging method has been used (Index 5.8%).

### 6 Net Operating Assets

The net operating assets of £943.2 million (1983 £806.9 million) were provided by a total shareholders' interest of £739.5 million (1983 £654.8 million) and net borrowings of £203.7 million (1983 £152.1 million).

### 7 Gearing Adjustment

The gearing adjustment reduces the current cost operating adjustments to the extent that net operating assets are financed out of net borrowings rather than shareholders' funds.

## Directors' and Other Interests

	Beneficial		Ordinary Shares Non-Beneficial		Options	
	1984	1983	1984	1983	1984	1983
Sir John Sainsbury	26,243,007	32,970,181	9,313,475	3,144,760	86,395	116,439
E. R. Griffiths	42,810	32,221	—	—	85,165	113,067
P. J. Davis	11,663	10,669	—	—	69,028	90,879
D. J. Sainsbury	88,333,944	95,663,776	136,264	161,264	52,610	68,354
G. C. Hoyer Millar	101,586	99,985	—	—	67,601	89,452
J. H. G. Barnes	30,885	22,116	—	—	65,442	86,355
L. S. Payne	29,247	3,997	—	—	62,593	90,660
C. Roberts	28,524	28,449	—	—	61,400	72,266
R. A. Ingham	25,665	33,385	—	—	63,007	73,683
R. T. Vyner	7,372	19,837	—	—	62,822	81,058
R. A. Clark	36,391	32,599	—	—	53,600	67,776
D. E. Henson	1,148	373	—	—	62,040	104,996
Sir James Spooner	1,000	1,000	—	—	—	—
Mrs. J. Jenkins	—	—	—	—	—	—

*Note:* Beneficial holdings include the Director's personal holdings and those of his spouse and minor children, as well as holdings in family trusts, of which the Director's spouse or his minor children are beneficiaries or potential beneficiaries. Non-beneficial holdings, with the exception of 64,000 shares, relate to charitable trusts of which the Director is a trustee.

H.O.N. & V. Trustee Limited and Vanheimer Trustee Limited, both of which are trust companies owned by the partners of Herbert Oppenheimer, Nathan & Vandyk, the Company's solicitors, and W. M. Pybus and W. Picton Turbervill, partners of Herbert Oppenheimer, Nathan & Vandyk, are trustees of various settlements, including charitable settlements. At 22nd April 1984 the total holdings of the trusts of which the above are trustees amounted to 11%, 11%, 10% and 8% respectively. As trustees and beneficially, S. D. Sainsbury, T. A. D. Sainsbury and Lady (Robert) Sainsbury hold 12%, 9% and 5%. All these holdings include duplications.

Directors' interests in Loan Stock are:— Sir John Sainsbury, beneficial 50 (1983 50), non-beneficial 455,000 (1983 455,000); D. J. Sainsbury, non-beneficial 2,095 (1983 2,095).

Between 24th March 1984 and 22nd April 1984 there were no changes in the Directors' interests.

## Shareholders' Interests

24th March 1984

Number of Shareholders 30,212 (1983 28,447)

Shareholdings Range	Shareholders %		Shares %	
	1984	1983	1984	1983
100 and under	5.12	4.58	0.03	0.03
101 to 250	12.72	12.11	0.22	0.20
251 to 500	36.39	37.40	1.28	1.24
501 to 1,000	21.22	19.99	1.41	1.26
1,001 to 10,000	22.26	23.58	4.92	5.06
10,001 to 100,000	1.52	1.60	3.93	3.94
100,001 to 1,000,000	0.61	0.58	17.15	15.75
over 1,000,000	0.16	0.16	71.06	72.52
	100.00	100.00	100.00	100.00

Category of Shareholders	Shareholders %		Shares %	
	1984	1983	1984	1983
Pension Funds	0.27	0.30	8.39	7.71
Insurance Companies	0.49	0.49	5.82	5.55
Investment Trusts	0.11	0.12	0.19	0.17
Banks and Nominee Companies	5.17	5.06	15.10	12.59
Other Corporate Bodies	1.14	1.16	4.31	4.45
Other Shareholders	92.82	92.87	66.19	69.53
	100.00	100.00	100.00	100.00

At the year end the Company's Employee Profit Sharing Trust held 2,588,891 shares (1983 2,064,683 shares) on behalf of 10,944 participants (1983 9,325) in the Scheme. These are included in "Other Shareholders" above.

## Notice of Annual General Meeting

Notice is hereby given that the sixty-second Annual General Meeting of J Sainsbury plc will be held at the Plaisterers Hall, 1 London Wall, London EC2 on Wednesday, 4th July 1984 at 12 noon for the following purposes:

- 1 To receive and adopt the report of the Directors and the Financial Statements for the 52 weeks to 24th March 1984 and the Report of the Auditors thereon.
- 2 To declare a final dividend on the ordinary shares.
- 3 To re-appoint Mrs. J. Jenkins a Director.
- 4 To re-appoint Clark Whitehill as Auditors and to authorise the Directors to fix their remuneration.

As special business, to consider and, if thought fit, to pass the following Resolutions set out in the appendix to the accompanying letter dated 7th June 1984 from the Chairman of the Company to shareholders, and which will be proposed as Ordinary Resolutions:

- 5 To increase the authorised share capital of the Company.
- 6 To authorise the capitalisation issue.
- 7 To authorise the amendment of the Company's Profit Sharing Scheme.

By Order of the Board

N. F. Matthews  
Secretary

22nd May 1984

### Notes

- 1 A member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- 2 Although this Annual Report is sent to Debenture and Loan Stockholders and to beneficial owners of shares under the Share Trust of the Company's Employee Profit Sharing Scheme, only holders of ordinary shares or their proxies are entitled to attend and vote at this meeting.
- 3 There will be available for inspection at the Registered Office of the Company during normal business hours on any weekday (Saturday excepted) from the date of this Notice until the date of the meeting and at the place of the meeting for fifteen minutes prior to and during the meeting:
  - (i) The Register of Directors' Interests kept by the Company under Section 29 of the Companies Act 1967.
  - (ii) Copies of all service contracts for periods in excess of one year between the Directors and the Company.

## Financial Calendar

### 1 Dividend and Interest Payments

Ordinary dividend:	Interim announced:	November	paid: January
	Final proposed:	May	paid: July
6½% First Mortgage Debenture Stock 1988/93		31st May	30th November
7½% First Mortgage Debenture Stock 1987/92		7th March	7th September
8% Irredeemable Unsecured Loan Stock		1st March	1st September

### 2 Other dates—Financial Year 1984/85

Results for half-year:	announced November
Results for year:	announced May
Report & Accounts:	circulated in June
Annual General Meeting:	July

