NOTICE OF ILLEGIBLE DOCUMENT

ON THE MICROFICHE RECORD

Companies House regrets that the microfiche record for this company, contain some documents, which are illegible.

The poor quality has been noted, but unfortunately steps taken to improve them were unsuccessful.

Companies House would like to apologise for any inconvenience this may cause

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the sixty-third annual general meeting of the company will be held at 12.15 pm on Wednesday 12th June 1991 at 171 Victoria Street, London SW1

To receive the directors' report and accounts for the year 1990-91

To consider the re-election of retiring directors

To consider the re-appointment of the auditors

To consider the remuneration of the auditors

By order of the Board [illegible] Secretary
171 Victoria Street London SW1
8th May 1991

A member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and vote instead of him

A proxy need not be a member of the company, but a proxy who is not a member has only the rights conferred by section 372(2) and section 373(2) of the Companies Act, 1985. To be effective a proxy form must reach the company's registered office not later than forty-eight hours before the time for holding the meeting. For the convenience of members a form of proxy is enclosed

BOARD OF DIRECTORS

Chairman	P I Lewis
Deputy chairman	S Hampson
	W A Wickard Brown
	J B G Carpenter
	D R Cloake
	P Falconer BA
	D E Johnson
	J H Fletcher BA
	B A O'Callaghan
	P J E O'Ryan
	J M Quinn
	P W K Still

OFFICERS AND PROFESSIONAL ADVISERS

Secretary	B J Prichard
Chief accountant	T M Phillips
Auditors	Price Waterhouse
Solicitors	Clifford Chance
Bankers	National Westminster Bank PLC
Registered office and Transfer office	171 Victoria Street London SW1E 5NN

SUMMARY OF RESULTS FOR THE YEAR ENDED 26TH JANUARY 1991

Turnover and profits	*1990*	*1991*
	£m	*£m*
Turnover	*2,046.3*	*2,159.2*
Trading profit	*123.8*	*109.8*
Interest	*17.6*	*18.4*
Taxation	*21.0*	*12.6*
Preference dividends	*.3*	*.3*
Balance available for profit sharing and retention in the business	*88.9*	*78.5*
Employer's national insurance contributions on Partnership bonus		*3.5*
Partnership bonus	*41.3*	*33.1*
Retained in the business to offset inflation	*4.8*	*4.5*
Retained in the business for development	*42.8*	*37.4*
Retained in the business for development — Extraordinary item	*18.6*	—
Capital employed — Net assets employed at the year end	*669.7*	*706.0*
Numbers employed — Employees (weighted for part timers)	*29,800*	*30,300*
Number of shops		
Department stores	*23*	*22*
Supermarkets	*88*	*94*

FIVE YEAR RECORD

	Years ended January				
	1987	*1988*	*1989*	*1990*	*1991*
	£m	*£m*	*£m*	*£m*	*£m*
Turnover	*1,568.4*	*1,724.8*	*1,917.7*	*2,046.3*	*2,159.2*
Profit after payment of interest	*118.7*	*136.0*	*148.2*	*119.6*	*101.9*
Pension costs	*13.3*	*14.7*	*16.7*	*9.4*	*10.5*
Taxation	*23.9*	*27.6*	*26.5*	*21.0*	*12.6*
Dividends	*.6*	*.5*	*.3*	*.3*	*.3*
Net profit available for profit sharing and retention in the business	*80.9*	*93.2*	*104.7*	*88.9*	*78.5*
Employer's national insurance contributions on Partnership bonus					*3.5*
Partnership bonus	*42.2*	*46.2*	*47.4*	*41.3*	*33.1*
As a percentage of ranking pay	*24*	*24*	*22*	*17*	*12*
Retained in the business	*38.7*	*47.0*	*57.3*	*47.6*	*41.9*
Retained in the business — Extraordinary item				*18.6*	—
	80.9	*93.2*	*104.7*	*107.5*	*78.5*
Net assets employed	*399.2*	*546.1*	*592.0*	*669.7*	*706.0*
Pay	*189.4*	*209.3*	*238.9*	*266.6*	*298.7*
Number of employees	*34,100*	*35,800*	*37,900*	*38,800*	*39,800*
including part time employees	*11,900*	*12,800*	*13,900*	*14,400*	*15,200*

STATEMENT BY THE CHAIRMAN

The Partnership made a pre-tax profit of £91 million. Interest payments were covered six times. The cash flow of retentions and depreciation, totalling £78 million, fell short of capital expenditure by £43 million, the gap being largely provided for by reduced cash balances and additional medium-term borrowing. The Partnership's borrowings at the end of the year were £179 million, or 21% of capital employed. Under the Partnership's special arrangements we were able to distribute in cash from the year's profit a Partnership Bonus of £43 million, the equivalent of 12% of annual earnings, to every Partner employed, of whom there are now over 34,000.

This distribution of Partnership Bonus the Partnership has been making at varying rates since 1929, but it was the first occasion our profit sharing has benefited from any statutory encouragement. The Government has recently announced a doubling in the value of the tax benefit under its profit related pay legislation, which is to be welcomed, but in the Partnership's case very *largely because of the size and scope of our* arrangements, the Inland Revenue's regulations are still too pettily restrictive to permit us to take full advantage.

Up to a point the results, set against the economic climate of 1990, were rewarding, but the outcome was disappointing to ourselves in that the more sparkling ratios of the mid 1980's could not be maintained.

Trading profit before pensions fell 10% to £130 million and the fall in pre-tax profit was 17%, the latter affected by higher interest payments due both to increased borrowings and higher rates of interest. The dominant factor in the lower trading profit was the increase in the pay sheet, being 11% overall, or plus 9% for earnings and plus 2% for numbers. By contrast, Partnership Bonus fell from 17% to 12% of normal commercial earnings so that as usual under the Partnership's arrangements the total return to our Partners was well and truly profit related.

A squeeze on consumers' expenditure may have been general in 1990, very largely following the swingeing increase in interest rates, but the consequences were particularly severe in those trades associated with house moving because of the effect on mortgages and house prices and the depressed housing market. This did not so much affect food retailing such as Waitrose, but it did have a significant effect on the furnishing trade where the Partnership's department stores do much of their business. We made two additional rods for our own back by taking on the exceptional cost of closing two Victorian department stores in north and south London, Jones Brothers at Holloway and Pratts in Streatham, and, by chance, since the planning was well beforehand, the opening of two new enterprises, the new John Lewis department store in Kingston and the rebuilding of Trewins in Watford. An additional central warehouse for department stores was established at Northampton. As it happened, there was too a more than usually vigorous programme of expansion and renewal in Waitrose involving ten new premises. In brief, costs overall rose 13%, whereas total sales for the year were no more than 6% ahead.

Sales of our department stores rose 4% to £1,080 million (or 3% on a more limited like for like basis). Sales for Waitrose increased 8% *to £1,097 million* or, on a like for like basis, 4%. Sales of our manufacturing units, including sales made inside the Partnership, fell 3%. In the South East the factory making bedding and kitchen furniture (which moved into new premises in 1989), together with the three businesses in the North West (Stead McAlpin, J H Birtwistle and Herbert Parkinson, producers of furnishing textiles, printing and weavings), felt some of the more direct effects of the recession. We are confident of their future, and have invested further in their latest technology.

At this stage in the new trading year, with the economy showing no sign of recovery, the Government's increase in VAT to 17½% (a sharp increase of over 15% in the tax) must prove inflationary and cannot but add to problems for retailers, either by reducing demand or by lowering profit margins — probably a bit of both. Apart, however, from such temporary difficulties, the policy of perpetual modernisation which is continuing unabated and steady expansion as [illegible], and against the background of reassuring financial ratios the Partnership will benefit strongly from the next upturn in the economy.

P T Lewis

DIRECTORS' REPORT FOR THE YEAR ENDED 26TH JANUARY 1991

Directors

The directors of the company are as listed on page 3. Mr I A J Anderson and Mr G P K Miller resigned from the Board on 10th December 1990. Mr J R G Carpenter and Mrs J M Quinn were appointed directors on the same date. Mr J R Foster and Mr D J Rawlings resigned from the Board on 28th March 1991. Mr P J I O Ryan and Mr P W K Nye were appointed directors on the same date.

Employees

The company is the principal trading subsidiary of John Lewis Partnership plc, the latter being the principal holding company under trusts set up in 1929 and 1950 to implement the constitution of the John Lewis Partnership. Among other things those trusts and the constitution provide employees of this company annually with a share of all the profits of the business in proportion to the pay of each individual; the constitution also provides for their constant and effective involvement in its affairs through elected councils and elected membership of the board of John Lewis Partnership plc. There is full, prompt and regular information on all its aspects through extensive weekly journalism, as well as wide ranging communication and exchange of opinion, written and oral, through councils, committees, journalism and immediate management. Detailed explanations of financial results are given at intervals through the year in local units and for the John Lewis Partnership as a whole, including full analysis and council debate on the annual report and accounts of the holding company. John Lewis plc fully maintained that constitution in the course of the year.

The company recruits disabled people for suitable vacancies and provides for such staff appropriate training and careers. Where disability occurs during the period of employment every effort is made to continue to provide suitable employment with the provision of appropriate training.

Principal activity

The company controls the businesses listed on page 28, comprising 22 department stores, 94 Waitrose supermarkets and ancillary manufacturing activities.

Use of profits

Preference dividends absorbed £89,750 and an interim dividend of £330,000 has been paid on the Ordinary Shares leaving £41,978,000 to be added to reserves.

Review of the business

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

Inflation

The directors consider it appropriate to reflect the effect of inflation in the accounts by setting aside a separate sum each year as a retention.

The retention is based on the effect of inflation on working capital requirements and the replacement cost of fixtures and fittings as explained in Notes 1 and 18 to the accounts.

Directors' interests

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

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

Charitable donations

The group donated £706,000 for charitable purposes during the year but made no political donations.

[illegible] D J Pritchard Secretary

Date [illegible]

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 26TH JANUARY 1991

Notes		1991 £m	1990 £m
2	Turnover	2,159.2	2,046.3
	Value added tax	181.1	173.7
		1,978.1	1,872.6
	Cost of sales	1,384.3	1,320.8
	Gross profit	593.8	[illegible]1.8
	Selling and distribution costs	418.5	366.[illegible]
	Administrative costs	55.0	52.1
3	Pension costs	10.5	9.4
	Trading profit	109.8	123.8
4	Interest	18.4	13.6
	Profit before Partnership bonus and taxation	91.4	110.2
	Employer's national insurance on Partnership bonus	3.5	
	Partnership bonus	33.1	41.3
5	Profit on ordinary activities before taxation	54.8	68.9
6	Tax on profit on ordinary activities	12.6	21.0
	Profit on ordinary activities after taxation	42.2	47.9
7	Extraordinary item	—	18.6
8	Profit for the financial year	42.2	66.[illegible]
9	Dividends	.3	.3
18	Profit retained to offset inflation	4.5	4.8
20	Profit retained for development	37.4	61.4

CONSOLIDATED BALANCE SHEET AS AT 26TH JANUARY 1991

Notes		1991 £m	1990 £m
	Fixed assets		
10	Tangible assets	801.3	712.6
	Current assets		
14	Stocks	176.4	164.[illegible]
15	Debtors	165.8	157.1
	Investments – short term deposits	.5	20.0
	Cash at bank and in hand	5.7	18.7
		348.4	360.3
	Creditors		
16	Amounts falling due within one year	287.6	253.6
	Net current assets	60.8	106.7
	Total assets less current liabilities	862.1	819.3
	Creditors		
16	Amounts falling due after more than one year	156.1	158.6
	Net assets	706.0	660.7
	Capital and reserves		
17	Called up share capital	9.0	9.0
20	Share premium account	1.9	1.9
20	Revaluation reserve	158.6	161.1
20	Other reserves – capital	1.4	1.4
20	Profit and loss account – accumulated profit	535.1	487.3
	Total capital employed	706.0	660.7

Approved by the Board on 18th April 1991
P T Lewis
S Hampson

P T Lewis
S Hampson

BALANCE SHEET AS AT 26TH JANUARY 1991

Notes		*1991* *£m*	*1990* *£m*
	Fixed assets		
10	Tangible assets	*272.2*	*243.7*
11	Investments in subsidiaries	*170.2*	*132.8*
		442.4	*376.5*
	Current assets		
14	Stocks	*114.2*	*10[illegible]*
15	Debtors	*152.3*	*143.9*
	Investments – short term deposits	*.5*	*20.0*
	Cash at bank and in hand	*1.7*	*1.[illegible]*
		268.7	*287.3*
	Creditors		
16	Amounts falling due within one year	*337.4*	*306.8*
	Net current liabilities	*68.7*	*19.5*
	Total assets less current liabilities	*373.7*	*357.0*
	Creditors		
16	Amounts falling due after more than one year	*150.0*	*152.4*
	Net assets	*223.7*	*204.6*
	Capital and reserves		
17	Called up share capital	*9.0*	*9.0*
20	Share premium account	*1.9*	*1.9*
20	Revaluation reserve	*4.7*	*4.9*
20	Profit and loss account – accumulated profit	*208.1*	*188.8*
	Total capital employed	*223.7*	*204.6*

Approved by the Board on 18th April 1991
P T Lewis
S Hampson

P T Lewis
S Hampson

CASH FLOW STATEMENT FOR THE YEAR ENDED 26TH JANUARY 1991

	1991	*1990*
	£m	*£m*
Operating activities:		
Profit before partnership bonus and taxation	91.4	110.2
Depreciation charged	36.7	30.9
Increase in debtors	(8.7)	(18.8)
Increase in creditors	25.6	4.2
Increase in stock	(11.9)	(4.3)
Corporation tax paid	(23.2)	(20.2)
Partnership bonus paid for the previous year	(41.3)	(47.[illegible])
Cash flow from operating activities	68.6	[illegible]4.3
Investing activities:		
Purchase of fixed assets	(138.3)	(137.2)
Sale of fixed assets	16.3	40.9
Cash flow from investing activities	(122.0)	(96.3)
Financing activities:		
Bond issue	—	100.0
Repayment of debentures	(.1)	
Bond issue expenses	—	(1.4)
Dividends paid	(.3)	(.3)
Cash flow from financing activities	(.4)	98.3
Net (decrease) increase in cash and cash equivalents	(53.8)	[illegible]6.3
Cash and cash equivalents at 27 January 1990	38.7	(17.6)
Cash and cash equivalents at 26 January 1991	(15.1)	38.7

NOTES ON THE ACCOUNTS

1 Accounting policies

The consolidated profit and loss account and balance sheet include the accounts of the company and all subsidiaries.

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

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

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

The accounts are prepared under the historical cost convention with the exception of certain land and buildings which are included at valuations made in 1988 and 1991. The valuations were made on the basis that each property was regarded as available for existing use in the open market. Recent additions are carried at cost until they reach full trading potential. The surplus arising on the revaluation of properties is credited to revaluation reserve.

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

- Freehold and long leasehold buildings — 1% to 4%
- Other leaseholds — over the remaining period of the lease
- Fixtures and fittings — 10% to 33⅓%

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

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

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

The profit for the year is allocated in the consolidated profit and loss account between that part which is *required to* provide against the effect of inflation on the replacement cost of fixtures and fittings and working capital requirements, and that part which is available for future expansion and development of the group in real terms.

2 Analysis of turnover and profit

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

3 Pension Fund

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

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

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

The pension charge for the year was £10.5m (£9.4m).

4 Interest

	1991	*1990*
	£m	*£m*
Interest payable:		
On bank loans, overdrafts and other loans repayable within 5 years	*5.1*	[illegible]
On all other items	*15.6*	[illegible]
Interest receivable	*(2.3)*	[illegible]
	18.4	[illegible]

NOTES ON THE ACCOUNTS *continued*

5 Profit on ordinary activities before taxation

	1991 £m	1990 £m
Profit on ordinary activities before taxation is stated after charging the following:		
Staff costs		
Pay	298.7	266.6
Social security costs	28.0	24.6
Employer's national insurance contributions on Partnership bonus	3.5	
Partnership bonus	33.1	41.5
Other pension costs	10.5	9.4
Depreciation	36.7	30.0
Auditors' remuneration	.4	.3
Operating lease rental of land and buildings	26.9	21.5

6 Tax on profit on ordinary activities

	1991 £m	1990 £m
Corporation tax based on the profit for the year	17.3	18.4
Corporation tax - previous years	(1.1)	(.6)
Deferred tax	(3.6)	3.2
	12.6	21.0

The tax charge is based on a corporation tax rate of 34% (35%) and has been reduced by £9.5m (£5.6m) as a result of capital allowances in excess of depreciation.

Total taxation deferred and unprovided in respect of capital allowances in excess of depreciation amounts to £53.8m (£47.6m) based on corporation tax at 33%.

No provision has been made in these accounts for the liability to taxation of £1.9m (£13.8m) on capital gains, which would arise if properties were to be sold at the amounts at which they have been revalued and included in these accounts.

7 Extraordinary item

	1991 £m	1990 £m
Profit on disposal of warehouse premises	—	18.6

No tax charge arises as a result of this disposal.

8 Profit for the financial year

	1991 £m	1990 £m
Dealt with in the accounts of		
John Lewis plc	19.4	27.9
Subsidiaries	22.8	38.6
	42.2	66.5

As permitted by Section 228 of the Companies Act 1985, John Lewis plc has not presented its own profit and loss account.

9 Dividends

	1991 £m	1990 £m
5% (now 3.5% plus tax credit) First Cumulative Preference Stock and 7% (now 4.9% plus tax credit) Cumulative Preference Stock	.1	.1
Ordinary shares	.2	.2
	.3	.3

The ordinary shares are all held by the parent company, John Lewis Partnership plc which is registered in England.

NOTES ON THE ACCOUNTS *continued*

10 Tangible assets
Consolidated

	Land and buildings £m	*Fixtures and fittings* £m	*Payments on account and assets in course of construction* £m	*Total* £m
Cost or valuation				
At 27th January 1990	*523.0*	*246.4*	*87.5*	*856.9*
Additions at cost	*16.0*	*57.1*	*65.2*	*138.3*
Revaluation adjustment	*3.4*	—	—	*3.4*
Transfers	*129.6*	*1.1*	*(130.7)*	—
Disposals	*(7.6)*	*(15.9)*	*(7.9)*	*(31.4)*
At 26th January 1991	*664.4*	*288.7*	*14.1*	*967.2*
At cost	*254.0*	*288.7*	*14.1*	*556.8*
At valuation 1988	*410.4*	—	—	*410.4*
	664.4	*288.7*	*14.1*	*967.2*
Depreciation				
At 27th January 1990	*32.8*	*111.5*	—	*144.3*
Charges for the year	*9.8*	*26.9*	—	*36.7*
On disposals	*(1.2)*	*(13.9)*	—	*(15.1)*
At 26th January 1991	*41.4*	*124.5*	—	*165.9*
Net book values at 27th January 1990	*490.2*	*134.9*	*87.5*	*712.6*
Net book values at 26th January 1991	*623.0*	*164.2*	*14.1*	*801.3*

	1991 £m	*1990* £m
Land and buildings at cost or valuation		
Freehold property	*325.2*	*294.4*
Leasehold property, 50 years or more unexpired	*271.2*	*183.9*
Leasehold property, less than 50 years unexpired	*68.0*	*44.7*
	664.4	*523.0*

Included in land and buildings at 26th January 1991 is land valued at £[illegible]m which is not subject to depreciation. If they had not been revalued, land and buildings at 26th January 1991 would have been included at the following amounts:

Cost	*515.8*	*[illegible]*
Accumulated depreciation	*51.4*	*[illegible]*
	464.4	*329.1*

NOTES ON THE ACCOUNTS *continued*

10 Tangible assets *continued*

Company

	Land and buildings £m	*Fixtures and fittings* £m	*Payments on account and assets in course of construction* £m	*Total* £m
Cost or valuation				
At 27th January 1990	97.3	142.8	69.0	309.1
Additions at cost	5.8	33.0	17.7	56.5
Transfers	77.0	.5	(77.5)	—
Disposals	(.3)	(13.1)	(7.8)	(21.2)
At 26th January 1991	179.8	163.2	1.4	344.4
At cost	136.4	163.2	1.4	301.0
At valuation 1988	43.4	—	—	43.4
	179.8	163.2	1.4	344.4
Depreciation				
At 27th January 1990	1.8	63.6	—	65.4
Charges for the year	1.7	16.5	—	18.2
On disposals	—	(11.4)	—	(11.4)
At 26th January 1991	3.5	68.7	—	72.2
Net book values at 27th January 1990	95.5	79.2	69.0	243.7
Net book values at 26th January 1991	176.3	94.5	1.4	272.2

	1991 £m	1990 £m
Land and buildings at cost or valuation		
Freehold property	29.7	28.7
Leasehold property, 50 years or more unexpired	145.0	66.4
Leasehold property, less than 50 years unexpired	5.1	2.2
	179.8	97.3

Included in land and buildings at 26th January 1991 is land valued at £3.7m, which is not subject to depreciation.

If they had not been revalued, land and buildings at 26th January 1991 would have been included at the following amounts:

Cost	177.6	95.0
Accumulated depreciation	6.0	4.4
	171.6	90.6

NOTES ON THE ACCOUNTS *continued*

11 Investments in subsidiaries

	Shares in group companies £m	*Loans to group companies £m*	*Total £m*
At 27th January 1990	*48.0*	*84.8*	*132.8*
Movements	—	*30.1*	*30.1*
Dividends receivable	—	*7.3*	*7.3*
At 26th January 1991	*48.0*	*122.2*	*170.2*

Wholly owned subsidiaries of John Lewis plc

- John Lewis Properties plc
- Waitrose Limited
- Cavendish Textiles Limited
- Stead, McAlpin & Company Limited
- Herbert Parkinson Limited
- J H Birtwistle & Company Limited
- John Lewis Overseas Limited
- Leckford Estate Limited

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

The accounts of Waitrose Limited are audited by Kidsons Impey. The share of group turnover attributable to Waitrose Limited is 48% (47%).

12 Directors emoluments

	1991 £000	*1990 £000*
Directors' remuneration including pension fund contributions and Partnership bonus of 12% (17%) was as follows:		
Remuneration as managers	*1,669*	*1,464*
Pensions to past directors	*7*	*7*

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

	1991	*1990*		*1991*	*1990*
Chairman	*£238,701*	*£206,281*			
Other directors:					
£10,001 – £15,000	*1*		*£100,001 – £105,000*	*2*	*2*
£15,001 – £20,000	*1*		*£105,001 – £110,000*	*1*	*1*
£30,001 – £35,000	—	*1*	*£110,001 – £115,000*	*2*	
£40,001 – £45,000	—	*1*	*£120,001 – £125,000*	—	*1*
£60,001 – £65,000	*1*		*£130,001 – £135,000*	—	*1*
£70,001 – £75,000	—	*1*	*£155,001 – £160,000*	*1*	
£80,001 – £85,000	—	*1*	*£160,001 – £165,000*	—	*1*
£90,001 – £95,000	*1*	*2*	*£165,001 – £170,000*	*1*	
£95,001 – £100,000	*1*		*£170,001 – £175,000*	*1*	

NOTES ON THE ACCOUNTS *continued*

13 Employees

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

Department stores	*21,600*	*21,700*
Supermarkets	*16,900*	[illegible]
Other	*1,300*	*1,300*

14 Stocks

	1991	1990
	£m	£m
Consolidated		
Raw materials and work-in progress	*7.0*	*9.6*
Finished goods	*169.4*	[illegible]
	176.4	[illegible]
Company		
Raw materials and work in progress	*.6*	*.6*
Finished goods	*113.6*	[illegible]
	114.2	[illegible]

15 Debtors

Consolidated		
Amounts falling due within one year:		
Trade debtors	*120.9*	[illegible]
Other debtors	*7.1*	[illegible]
Pension fund prepayment	—	*9.2*
Prepayments and accrued income	*12.8*	*9.2*
	140.8	[illegible]
Amounts falling due after more than one year:		
Trade debtors	*25.0*	*22.6*
	165.8	[illegible]
Company		
Amounts falling due within one year		
Trade debtors	*113.7*	*103.0*
Other debtors	*4.7*	*3.3*
Prepayments and accrued income	*8.9*	[illegible]
	127.3	*121.3*
Amounts falling due after more than one year		
Trade debtors	*25.0*	*22.6*
	152.3	*143.9*

NOTES ON THE ACCOUNTS *continued*

16 Creditors	1991 £m	1990 £m
Consolidated		
Amounts falling due within one year		
Loans and bank overdraft	21.3	
Trade creditors	127.9	[illegible]
Holding company	1.4	1.4
Other creditors	14.2	13.1
Corporation tax	18.1	[illegible]
Deferred tax	—	3.2
Other taxation and social security	47.9	43.6
Pension fund accrual	1.3	
Accruals and deferred income	22.4	[illegible]
Proposed dividend	.2	.2
Partnership bonus	32.9	[illegible]
	287.6	[illegible]
Amounts falling due after more than one year		
Due by instalments after 5 years		
Debenture loans	1.1	1.2
Due other than by instalments after 5 years		
Debenture loans	5.0	5.0
10¾% Bonds, 2006	50.0	50.0
10[illegible]% Bonds, 2014	100.0	100.0
Other creditors	—	2.4
	156.1	158.6
Total of instalment payments due after 5 years	1.0	1.1
Debentures (secured on land and buildings)		
John Lewis Properties plc		
9¾% Mortgage Debenture Stock, 1992/97	5.0	5.0
[illegible]% Mortgage Debenture Stock, 1993/98	1.1	1.2
	6.1	6.2

NOTES ON THE ACCOUNTS *continued*

16 Creditors *continued*	*1991*	*1990*
	£m	*£m*
Company		
Amounts falling due within one year		
Loans and bank overdraft	*20.0*	
Trade creditors	*113.2*	92.[illegible]
Holding company	*1.1*	1.4
Owed to group companies	*104.4*	111.1
Other creditors	*11.2*	9.9
Corporation tax	*2.9*	2.1
Deferred tax	—	3.2
Other taxation and social security	*36.1*	33.2
Pension fund accrual	*1.3*	
Accruals and deferred income	*15.1*	13.1
Proposed dividend	*.2*	.2
Partnership bonus	*31.9*	40.1
	337.4	306.8
Amounts falling due after more than one year		
Due other than by instalments after 5 years		
10 [illegible]% Bonds, 2006	*50.0*	50.0
10.5% Bonds, 2014	*100.0*	100.0
Other creditors	—	2.4
	150.0	152.4

17 Share capital

Authorised, issued and fully paid		
5% (now 3.5% plus tax credit) First Cumulative Preference Stock	*1.5*	1.5
7% (now 4.9% plus tax credit) Cumulative Preference Stock	*.7*	.7
Ordinary shares of £1 each	*6.8*	6.8
	9.0	9.0

18 Inflation

Profit retained to offset inflation relates to		
Depreciation of fixtures and fittings	*4.5*	[illegible]

A working capital adjustment is calculated on the basis of appropriate indices, published by the Government Statistical Service, applied to the values of stock, debtors and creditors in the preceding year. The application of these indices has resulted in no adjustment in 1990 or 1991.

19 Commitments

At 26th January 1991 the directors had authorised capital expenditure of £1[illegible]m (£123.5m) of which contracts had been placed for £34.6m (£42.8m).

NOTES ON THE ACCOUNTS *continued*

20 Reserves
Consolidated

	Share premium £m	*Revaluation reserve £m*	*Other reserves – capital £m*	*Profit and loss account £m*	*Total reserves £m*
At 27th January 1990	*1.9*	*161.1*	*1.4*	*487.3*	*651.7*
Profit retained to offset inflation	—	—	—	*4.5*	*4.5*
Profit retained for development	—	—	—	*37.4*	*37.4*
Revaluation adjustment	—	*3.4*	—	—	*3.4*
Transfers	—	*(5.9)*	—	*5.9*	—
At 26th January 1991	*1.9*	*158.6*	*1.4*	*535.1*	*697.0*

Company

	Share premium £m	*Revaluation reserve £m*	*Profit and loss account £m*	*Total reserves £m*
At 27th January 1990	*1.9*	*4.9*	*188.8*	*195.6*
Profit retained for development	—	—	*19.1*	*19.1*
Transfers	—	*(.2)*	*.2*	—
At 26th January 1991	*1.9*	*4.7*	*208.1*	*214.7*

21 Lease commitments

	1991 £m	*1990 £m*
Rentals on land and buildings for the next financial year on leases expiring		
Within 1 year	*.2*	*1.7*
Between 1 and 2 years	—	*.1*
Between 2 and 5 years	*.5*	*.1*
Over 5 years	*26.2*	*25.0*

REPORT OF THE AUDITORS

We have audited the financial statements of John Lewis plc set out on pages 7 to 19 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 26th January 1991 and of the profit and cash flow of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

Price Waterhouse
Chartered Accountants
London [illegible] April 1991

RETAIL BRANCHES

Department Stores

London

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

Southern England

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

Midlands, East Anglia Northern England and Scotland

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

Waitrose supermarkets

London

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

Southern England

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

Midlands

Blaby	Evington	Hall Green	Kingsthorpe
Daventry	Four Oaks	Kidderminster	Stourbridge

East Anglia

Buckhurst Hill	Newmarket	Saffron Walden	St Neots
Huntingdon	Peterborough	St Ives	

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

Stead McAlpin, Carlisle (Textile Printing)
J H Birtwistle, Haslingden (Spinning and weaving)
Herbert Parkinson, Darwen (Weaving and making up)
Herbert Parkinson, Darwen (Weaving and making up)

Jaylor & Penton, Weybridge
(Fitted kitchen furniture and bedding)
Leckford Estate, Stockbridge (Farming)