

W EADEN LILLEY & CO LIMITED

FINANCIAL ACCOUNTS
FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

Company number 30736



GRIFFIN CHAPMAN
CHARTERED ACCOUNTANTS

Colchester



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W EADEN LILLEY & CO LIMITED

FINANCIAL ACCOUNTS

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

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W EADEN LILLEY & CO LIMITED

COMPANY INFORMATION

AT 27TH JANUARY 2001

Incorporated on 31st January 1890

Company number 30736

CHAIRMAN W E Lilley

SECRETARY P E Richards

REGISTERED OFFICE St Martin's House
63 West Stockwell Street
Colchester
Essex, CO1 1HE

BANKERS Barclays Bank Plc
Cambridge

AUDITORS Griffin Chapman
St Martin's House
63 West Stockwell Street
Colchester
Essex, CO1 1HE

W EADEN LILLEY & CO LIMITED

REPORT OF THE DIRECTORS FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

The directors submit to the members the one hundred and twelfth annual report and audited accounts for the 52 weeks ended 27th January 2001.

Principal activity

The principal activity of the business continued to be the operation of department stores.

Review of business

The company made a loss after exceptional items and tax for the period of £215,945.

Future developments

The company will continue to operate and promote the Saffron Walden and Great Shelford stores and the photographic department in Green Street, Cambridge, together with the warehouse at Mercers Row, Cambridge.

Dividends

A dividend of £500,000 was paid during the year.

Fixed assets

Movements in tangible fixed assets are show in note 12.

Directors

The directors who held office during the period and their interest in the share capital were as follows: -

		Ordinary shares	
		27 th January 2001	30 th January 2000
W E Lilley	- beneficial	2,110	2,420
	- non-beneficial	310	300
G M Lilley	- beneficial (Resigned 26.2.2000)	-	1,285
	- non-beneficial	-	-
M O Marriott	(Resigned 26.2.2000)	-	-
G S Minto	(Resigned 26.2.2000)	-	-

W EADEN LILLEY & CO LIMITED

REPORT OF THE DIRECTORS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

Purchase of own shares

During the year, the company purchased a total of 7,580 Ordinary shares of £10 each in the capital of the company, for a total consideration of £5,381,800. At the time when the duly approved purchase contract was signed by all parties, the shares being purchased represented 75.80% of the called-up ordinary share capital. Once all the formalities relating to the purchase were completed, the shares were cancelled in accordance with sections 160(4) and 162(2) of the Companies Act 1985. The shares were purchased in order to benefit the company's trade.

The following director being eligible offers himself for re-election at the forthcoming Annual General Meeting, W E Lilley.

Political and charitable contributions

There were no political contributions made in the period, and charitable contributions amounted to £554.

Auditors

Griffin Chapman have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

Prior to the company purchase of own shares on 26th February 2000, D B Cain, a partner in Griffin Chapman, the auditors to the company, was a co-trustee for 2,000 ordinary shares. He was also a trustee with W E Lilley for 300 ordinary shares. To avoid any possible conflict of interest, another partner of the firm is responsible for the company's audit.

By order of the board,



P E Richards

Company Secretary

2nd October 2001

WEADEN LILLEY & CO LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

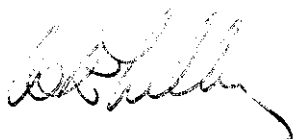
We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements we are required to: -

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ make reasonable and prudent judgements and estimates;
- ◆ prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for: -

- ◆ keeping proper accounting records;
- ◆ safeguarding the company's assets;
- ◆ taking reasonable steps for the prevention and detection of fraud.

On behalf of the board,



W E Lilley

2nd October, 2001

W EADEN LILLEY & CO LIMITED

AUDITORS' REPORT TO THE MEMBERS OF W EADEN LILLEY & CO LIMITED FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

We have audited the financial statements on pages 6 to 22 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on page 10 and 11.

Respective responsibilities of directors and auditors

As described on page 4, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

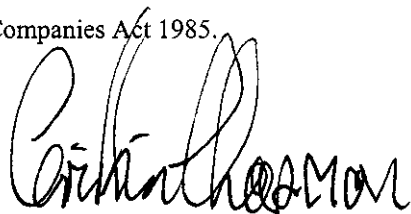
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 27th January 2001 and of its profit for the period then ended and have been properly reflected in accordance with the Companies Act 1985.



Griffin Chapman

CHARTERED ACCOUNTANTS

REGISTERED AUDITORS

Dated

31/10/2001

W EADEN LILLEY & CO LIMITED

PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

	Note	27 TH January 2001 £	29 TH January 2000 £
TURNOVER	2	2,013,946	4,046,063
Cost of sales		1,335,228	2,947,145
GROSS PROFIT		<u>678,718</u>	<u>1,098,918</u>
Administrative expenses		(803,329)	(2,166,661)
OPERATING LOSS	3	<u>(124,611)</u>	<u>(1,067,743)</u>
Other interest receivable and similar income	6	144,013	329,103
Interest payable	7	(8,262)	(18,231)
Exceptional item	8	(226,087)	4,576,345
LOSS ON ORDINARY ACTIVITIES			
BEFORE TAXATION		(214,947)	3,819,474
Taxation	9	(548)	(2,236)
PROFIT ON ORDINARY ACTIVITIES			
AFTER TAXATION		(215,495)	3,817,238
Dividends	10	(500,000)	-
RETAINED (LOSS)/PROFIT FOR THE			
FINANCIAL PERIOD	20	<u>(715,495)</u>	<u>3,817,238</u>

Movements in reserves are shown in notes 20 to 22.

There were no acquisitions during the current and previous period.

There are no recognised gains or losses in 2001 or 2000 other than those reflected in the profit and loss above.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2001 £	2000 £
Reported (loss)/profit on ordinary activities after taxation	(215,495)	3,817,238
Realisation of property revaluation gains of previous years	-	1,743,678
Historical cost profit on ordinary activities after taxation	<u>(215,495)</u>	<u>5,560,916</u>
Historical cost (loss)/profit for the period retained after taxation and dividends	<u>(715,495)</u>	<u>5,560,916</u>

W EADEN LILLEY & CO LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****FOR THE 52 WEEKS ENDED 27TH January 2001**

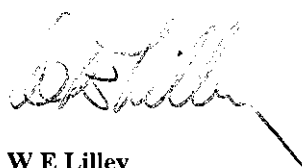
	2000	1999
	£	£
(Loss)/Profit for the period	(214,947)	3,819,474
Professional and other costs on company purchase of own shares	(49,126)	-
Total (losses)/gains recognised since last report	<u>(264,073)</u>	<u>3,819,474</u>

W EADEN LILLEY & CO LIMITED

BALANCE SHEET AS AT 27TH JANUARY 2001

	Note	27 TH JANUARY 2001		29 TH JANUARY 2000	
		£	£	£	£
FIXED ASSETS					
Intangible assets	11	-	-	-	-
Tangible assets	12	798,124		880,293	
Investments	13	12,040		12,040	
			810,164		892,333
CURRENT ASSETS					
Stocks	14	317,520		282,820	
Debtors	15	219,898		492,801	
Cash at bank and in hand		1,701,034		7,601,954	
		2,238,452		8,377,575	
CREDITORS: AMOUNTS FALLING					
DUE WITHIN ONE YEAR					
	16	303,399		365,211	
NET CURRENT					
ASSETS/(LIABILITIES)					
			1,935,053		8,012,364
TOTAL ASSETS LESS CURRENT					
LIABILITIES					
			2,745,217		8,904,697
CREDITORS: AMOUNTS FALLING					
DUE AFTER MORE THAN					
ONE YEAR					
	17		10,285		23,344
NET ASSETS					
			2,734,932		8,881,353
CAPITAL AND RESERVES					
Share capital	19		24,200		100,000
Profit and loss account	20		2,634,932		8,774,733
Capital redemption reserve	21		75,800		6,620
			2,734,932		8,881,353

Approved by the board of directors on *2nd October, 2001*



W E Lilley
Director

W EADEN LILLEY & CO LIMITED

CASH FLOW STATEMENT FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

	Note	27 TH JANUARY 2001		29 TH JANUARY 2000	
		£	£	£	£
Net cash outflow from operating activities	27		(119,228)		(652,303)
Returns on investment and servicing of finance					
Interest received		201,971		264,953	
Interest paid		(556)		(9,436)	
Interest element of finance lease rental payments		(7,706)		(8,795)	
			193,709		246,722
Taxation					
Corporation tax paid		-		2,237	
Advance corporation tax paid		-		-	
			-		(2,237)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(13,394)		(65,518)	
Sale of tangible fixed assets		1,100		11,495	
Purchase of own shares		(5,430,926)			
			(5,443,220)		(54,023)
Acquisitions and disposals					
Disposal of freehold property			-		9,616,882
			(5,368,739)		9,155,041
Equity dividend paid			(500,000)		(250,000)
			(5,868,739)		8,905,041
Financing					
Debt due beyond one year:					
bank loan repayments		-		(700,000)	
Capital element of finance lease rental repayments		(32,181)		(38,299)	
Net cash inflow from financing			(32,181)		(738,299)
Decrease/Increase in cash			(5,900,920)		8,166,742

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

1. ACCOUNTING POLICIES

a. Accounting convention

The financial statements have been prepared in accordance with the historical cost convention, as modified by the inclusion of certain freehold properties at revalued amounts.

b. Consolidation

The company and its subsidiary company comprise a medium sized group. The company has therefore taken advantage of the exemption conferred by section 248 of the Companies Act 1985 not to prepare group financial statements.

c. Turnover

Turnover consists of the retail value (excluding VAT) for goods and services supplied to third parties.

d. Depreciation of tangible assets

Depreciation is provided in equal amounts each year in order to write off tangible fixed assets over their estimated useful lives. Estimated useful lives are: -

Leasehold properties	- period of lease
Plant and fittings	- 5 – 25 years

Freehold properties are maintained to a high standard. Any permanent diminution in the value of freehold land and buildings is charged to the profit and loss account as applicable. As a result, the directors consider that the residual value of freehold property is at least equal to its net book value, and any depreciation required by the Companies Act 1985 and SSAP 12 would not be material.

Depreciation commences in the year following addition.

e. Amortisation

Amortisation is provided to write off the value of goodwill over 10 years.

f. Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is computed by deducting the gross profit margin from the selling value of stock.

g. Deferred taxation

Deferred taxation is only provided to give effect to timing differences to the extent that it is probable that a liability will crystallise. The directors consider that such a provision is not required as the crystallisation of any liability is not envisaged in the foreseeable future.

W EADEN LILLEY & CO LIMITED**NOTES TO THE ACCOUNTS**

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001**1. ACCOUNTING POLICIES (CONTINUED)****h. Leased assets**

Where assets are financed by a leasing agreement ('finance leases'), the assets are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital payments outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

i. Pension scheme

The company pension scheme prior to 6th April 1997 was a contracted out final salary scheme which was wound down in the year to 30th January 1999. Contributions were based on actuarial advice and charged against profits as incurred.

With effect from 6th April 1997, the company pension scheme is a money purchase scheme originally constituted as contracted out but with effect from 6th April 1999 contracted in. Contributions are charged against profits as they become payable in accordance with the rules of the scheme.

During the period ended 29th January 2000, a decision was made to wind down the pension scheme and this is being implemented.

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

	29 TH JANUARY 2001 £	30 TH JANUARY 2000 £
2. TURNOVER		
Total sales excluding VAT (2000 including VAT)	2,677,316	7,006,810
Less: sales of leased departments excluding VAT (2000 including VAT)	835,376	2,995,289
Sales of our own merchandise and services	<u>1,841,940</u>	<u>4,011,521</u>
Less: VAT	-	559,666
Sales of our own merchandise and services (excluding VAT)	<u>1,841,940</u>	<u>3,451,855</u>
Rental from leased departments based on their sales	172,006	594,208
	<u>2,013,946</u>	<u>4,046,063</u>
3. OPERATING (LOSS)/PROFIT		
This is stated after crediting:		
Profit on disposal of assets	-	2,098
and after charging:		
Loss on disposal of assets	16,510	-
Depreciation of owned assets	77,953	103,390
Depreciation of assets held under hire purchase agreement	-	11,488
Rental of leased equipment - plant and equipment	10,403	42,685
- leasehold properties	202,562	286,671
Auditors' remuneration	10,000	15,000

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

	27 TH JANUARY 2001 £	29 TH JANUARY 2000 £
4. DIRECTORS' REMUNERATION		
Emoluments	56,767	156,573
Company contributions to money purchase pension scheme	-	-
	<u>56,767</u>	<u>156,573</u>

At 27th January 2001 there is one director to whom retirement benefits are accruing under a money purchase pension scheme (2000 one director).

5. STAFF COSTS

Staff costs during the period amounted to:

Wages and salaries	479,055	1,383,323
Social security	20,431	56,770
Other pension and employment costs	11,515	138,793
	<u>511,001</u>	<u>1,578,886</u>
The average number of employees during the period was as follows:	N^o	N^o
Sales staff	52	91
Administration	7	22
	<u>59</u>	<u>113</u>

WEADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

5. STAFF COSTS (CONTINUED)

Pension scheme

Prior to 6th April 1997 the company operated a contracted out final salary scheme providing benefits for members based on their salary at leaving or on retirement. Members of the scheme ceased to accrue final salary benefits from 6th April 1997 and past secure benefits were made paid up. As an alternative all existing plan members were invited to join a new contracted out Money Purchase Section with effect from 6th April 1997. During the period ended 29th January 2000, a decision was made to wind down the pension scheme and this is being implemented.

The assets of the scheme are held separately from those of the company, being invested with an insurance company. Contributions to the scheme were charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations. The valuation at 1st April 1997 was used to determine contributions made during the 52 week period ended 27th January 2001. More recently, a valuation was prepared at 1st April 2000. The assumptions which have the most significant effect on the results of the April 2000 valuations are those relating to the rate of return on investments and price inflation. As the scheme is closed with no further benefits accruing, assumptions relating to future salary growth are irrelevant. It was assumed that investments would show a long term rate of return of 6% for an ongoing scheme and return up until retirement of 9% with 8% thereafter for a minimum funding requirement (MFR). Price inflation determines the amount at retirement of pensions subject to statutory revaluation growth assumed at 3% per annum for an ongoing scheme and 4% per annum for MFR. The difference between the assumed rate of investment return and assumed rate of increase in benefits, the key figure is 3%, both before and after retirement as pensions escalate at 3% per annum for an ongoing scheme and 5% both before and after retirement as pensions escalate at 3% per annum for MFR.

The actuarial valuation showed that the market value of the scheme's assets at 1st April 2000 was £3,683,008 and that the actuarial value of those assets represented 105% of the liabilities for benefits that had accrued to members on an MFR basis.

Actuarial guidance requires the valuation to show the financial position of the scheme on an ongoing basis. As the scheme is closed with no active members the issue is whether the scheme can meet its liabilities to pay current and deferred pensioners. In the opinion of the actuary at 1st April 2000, current and deferred pensioner benefits were 92.4% covered. The actuary advises to achieve 100% cover contributions equivalent to £41,000 per annum for 10 years will be required. In order to meet this, the company and Trustees of the scheme agreed, subsequent to the period end, a schedule of future contributions for the period 18th June 2001 to 18th June 2006 in accordance with Schedule 58 Pensions Act 1995 commencing at £10,000 due by 31st March 2002 and rising by £10,000 per annum. However, it is expected that the schedule will be overtaken by the wind up debt on the employer calculations before any significant amounts have been paid into the scheme.

The pension charge for the year was £11,515 (2000 £138,793), in addition there were scheme advisors' charges amounting to £43,839 (2000 £23,314).

	27 TH JANUARY 2001 £	29 TH JANUARY 2000 £
6. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME		
Interest receivable	144,013	329,103
	<hr/>	<hr/>
7. FINANCE COSTS		
Bank interest	556	9,436
Finance lease interest	7,706	8,795
	<hr/>	<hr/>
	8,262	18,231
	<hr/>	<hr/>

WEADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

8. EXCEPTIONAL ITEM

Represents a provision against amounts owed by a group undertaking – see note 26. In the previous year, the company disposed of its interest in freehold land and buildings at Market Street, Cambridge with a profit arising on the transaction.

	29 TH JANUARY 2001 £	30 TH JANUARY 2000 £
9. TAXATION		
Under-provision in earlier years	-	2,236
Income tax	548	-
	<u>548</u>	<u>2,236</u>

10. DIVIDENDS

Final dividend	500,000	-
	<u>500,000</u>	<u>-</u>

11. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
Balance 30 th January 2000 and 27 th January 2001	222,180
Amortisation	
Balance 30 th January 2001	222,180
Charge for period	-
Balance 27 th January 2001	<u>222,180</u>
Net book value	
At 27 th January 2001	-
At 30 th January 2000	<u>-</u>

The goodwill was the excess of consideration over separate value of assets acquired on the purchase of 'Douglas of Shelford' in August 1988.

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

12. TANGIBLE FIXED ASSETS	Land and buildings £	Plant and fittings £	Total £
Cost/valuation			
Balance 30 th January 2000	873,410	742,240	1,615,650
Additions	-	13,394	13,394
Disposals	-	(146,862)	(146,862)
Balance 27 th January 2001	873,410	608,772	1,482,182
Depreciation			
Balance 30 January 2000	225,251	510,106	735,357
Charge for period	17,889	60,064	77,953
Eliminated on disposals	-	(129,252)	(129,252)
Balance 27 th January 2001	243,140	440,918	684,058
Net book value			
At 30 th January 2000	648,159	232,134	880,293
At 27 th January 2001	630,270	167,854	798,124

Included in the total net book value of tangible fixed assets held at 27th January 2001 was Nil (29th January 2000 £26,685) in respect of assets held under finance leases.

The net book value of land and buildings at 27th January 2001 comprised: -

	£
Long leasehold (depreciable)	500,493
Short leasehold (depreciable)	129,777
	630,270

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

	Investments other than loans £
13. FIXED ASSET INVESTMENTS	
Cost	
30th January 2000	100
and at	
27 th January 2001	_____
Net book amount	
27 th January 2001	100
30 th January 2000	_____

The investment is a wholly owned subsidiary company which was incorporated in Great Britain and registered in England and Wales and has the accounting date 27th January.

Name of subsidiary - W Eaden Lilley & Co (Food & Catering) Ltd

Nature of business - Food and catering retailers

Shares held - 100 Ordinary £1 shares

% of total shares issued - 100%

Loss for the year - (£71,440)

Aggregate amount of capital and reserves at 27th January 2001 - (£69,140)

In the opinion of the directors, the aggregate value of assets of the company consisting of shares in the company's subsidiary undertaking is not less than the aggregate of the amounts at which those assets are included in the company's balance sheet.

	27 TH JANUARY 2001 £	29 TH JANUARY 2000 £
AIS Property Limited - 11,940 - £1 5% secured debenture stock at cost	11,940	11,940
	_____	_____
14. STOCKS		
	27 TH JANUARY 2001 £	29 TH JANUARY 2000 £
Goods for sale	285,397	249,782
Other stock	32,123	33,038
	_____	_____
	317,520	282,820
	_____	_____

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

15. DEBTORS

Due within one year:	Trade debtors	91,826	142,789
	Prepayments and accrued income	64,019	75,956
	Other debtors and deferred expenses	63,776	177,419
	Amount owed by group undertakings	277	96,637
		<u>219,898</u>	<u>492,801</u>

	27 TH	29 TH
	JANUARY	JANUARY
	2001	2000
	£	£

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	150,444	99,640
Other taxation and social security	67,041	49,754
Other creditors	5,755	119,492
Accruals and deferred income	66,243	63,287
Obligations under finance leases and hire purchase contracts - see note 17	13,916	33,038
	<u>303,399</u>	<u>365,211</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Obligations under finance leases and hire purchase contracts	10,285	23,344
--	--------	--------

Maturity of debt included in notes 16 and 17

In one year or less, or on demand	-	-
Between one and two years	-	-
Between two and five years	-	-
In five years or more	-	-
	<u>-</u>	<u>-</u>

Obligations under finance leases and hire purchase contracts

These are repayable over varying periods by monthly instalments as follows: -

In the next year - see note 16	13,916	33,038
In the second to fifth years	10,285	23,344
	<u>24,201</u>	<u>56,382</u>

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

18. PROVISION FOR LIABILITIES AND CHARGES

Deferred taxation is only provided to give effect to timing differences to the extent that it is probable that a liability will crystallise.

The company pension scheme is being wound down (see note 5 staff costs). No provisions for the schedule of future contributions (required to achieve 100% funding on an ongoing basis as per note 5) have been made in the accounts to 27th January 2001.

19. CALLED UP SHARE CAPITAL

	2001		2000	
	Number of shares	£	Number of shares	£
Authorised				
Equity shares				
Ordinary shares of £10 each	20,000	200,000	20,000	200,000
Allotted, called up and fully paid				
Equity shares				
Ordinary shares of £10 each				
At 30 January 2000	10,000	100,000	10,000	100,000
Purchased during the year	(7,580)	(75,800)	-	-
	<u>2,420</u>	<u>24,200</u>	<u>10,000</u>	<u>100,000</u>

	27 TH JANUARY 2001	30 TH JANUARY 2000
	£	£

20. PROFIT AND LOSS ACCOUNT

Balance brought forward	8,774,733	3,213,817
Realisation of property revaluation gains of previous years	-	1,743,678
Retained loss/profit for the period	(715,495)	3,817,238
Capital redemption reserve written off	6,620	-
	<u>8,065,858</u>	<u>8,774,733</u>
Transfer to Capital Redemption reserve	(75,800)	
Premium paid on purchase of own shares	(5,306,000)	
Professional and other costs	(49,126)	
Balance carried forward	<u>2,634,932</u>	<u>8,774,733</u>

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

21. CAPITAL REDEMPTION RESERVE	2001
	£
At 30 th January 2000	6,620
Unsecured loan stock capital redemption reserve written back	(6,620)
Purchase of own shares	75,800
At 27 th January 2001	<u>75,800</u>

	27 TH JANUARY 2001 £	29 TH JANUARY 2000 £
22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
(Loss)/Profit for the period	(215,495)	3,817,238
Dividends	(500,000)	
Purchase of own shares	(5,355,126)	
Transfer to capital redemption reserve on purchase of own shares	(75,800)	
Net subtraction/addition to shareholders funds	<u>(6,146,421)</u>	<u>3,817,238</u>
Opening shareholder's funds	8,881,353	5,064,115
Closing shareholder's funds	<u>2,734,932</u>	<u>8,881,353</u>

23. CAPITAL COMMITMENTS AND OPERATING LEASING

OBLIGATIONS

Capital commitments

Contracted but not provided for

-	-
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Operating lease obligations

Based on agreements in existence at the period end, the company anticipates payments to be made in the coming year of £210,215 (£211,270 2000) and between two and five years of £816,000 (£820,241 2000).

24. CONTROL RELATIONSHIPS

Controlling Party

The company is under the control of Mr W E Lilley who owns 87% of the issued share capital.

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

25. ASSOCIATED INDEPENDENT STORES LIMITED

The company is a member of Associated Independent Stores Limited which is limited by guarantee. The maximum sum this company could be called upon to pay is £5,000.

26. TRANSACTIONS WITH OTHER GROUP COMPANIES

During the period the company provided management services to W Eaden Lilley & Co (Food & Catering) Limited amounting to £24,000.

The company operates a current account with its subsidiary W Eaden Lilley & Co (Food & Catering) Limited and the balance receivable at 27th January 2001 was £226,087. Interest charged by the company amounted to £11,373.

The company also operates a current account with W Eaden Lilley Holdings Limited and the balance receivable at 27th January 2001 was £277.

	27 TH JANUARY 2001 £	29 TH JANUARY 2000 £
27. RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOWS		
Operating loss	(124,611)	(1,067,743)
Depreciation charges	60,064	96,989
Amortisation	17,889	17,889
Loss/(profit) on sale of tangible fixed assets	16,510	(2,098)
(Increase)/decrease in stock	(34,700)	739,431
(Increase)/decrease in debtors	214,945	104,136
Provision against amount owed by group undertaking	(226,087)	-
Decrease in creditors	(43,238)	(540,907)
Net cash outflow from operating activities	<u>(119,228)</u>	<u>(652,303)</u>

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 52 WEEKS ENDED 27TH JANUARY 2001

28. ANALYSIS OF CHANGES IN NET DEBT

	At start of period £	Cash flows £	At end of period £
Cash in hand and at bank	7,601,954	(5,900,920)	1,701,034
Overdrafts	-	-	-
		<u>5,900,920</u>	
Debt due within one year	-	-	-
Debt due after one year	-	-	-
Finance leases	(56,382)	(32,181)	24,201
		<u>32,181</u>	
Total	<u>7,545,572</u>	<u>5,868,739</u>	<u>1,676,833</u>
		27 TH	29 TH
		JANUARY	JANUARY
		2001	2000
		£	£

29. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN

NET DEBT

(Decrease)/increase in cash for the 52 weeks	(5,900,920)	8,166,742
Cash outflow from decrease in debt and lease financing	32,181	738,299
Change in net debt resulting from cash flows	<u>(5,868,739)</u>	<u>8,905,041</u>
New finance leases	-	-
Movement in net debt in the 52 weeks	<u>(5,868,739)</u>	<u>8,905,041</u>
Net debt at start of period	7,545,572	(1,359,469)
Net debt at 27 th January 2001	<u>1,676,833</u>	<u>7,545,572</u>