

W EADEN LILLEY & CO LIMITED

FINANCIAL ACCOUNTS
FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

Company number 30736



GRIFFIN CHAPMAN
CHARTERED ACCOUNTANTS

Colchester



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WEADEN LILLEY & CO LIMITED

FINANCIAL ACCOUNTS

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

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W EADEN LILLEY & CO LIMITED**COMPANY INFORMATION**AT 2ND FEBRUARY 2002Incorporated on 31ST January 1890

Company number 30736

CHAIRMAN	W E Lilley
OTHER DIRECTORS	P E Richards
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 53 WEEKS ENDED 2ND FEBRUARY 2002

The directors submit to the members the one hundred and thirteenth annual report and audited accounts for the 53 weeks ended 2nd February 2002 .

Principal activity

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

Review of business

The company made a profit after exceptional items and tax for the period of £11,170.

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 £1,300,000 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: -

	Company Ordinary Shares		Holding Company Ordinary Shares	
	02.02.2002	27.01.2001	02.02.2002	27.01.2001
W E Lilley - beneficial	-	1,800	1,800	-
- non-beneficial	-	620	620	-
P E Richards (appointed 01.05.2001)	-	-	-	-

W EADEN LILLEY & CO LIMITED**REPORT OF THE DIRECTORS**

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

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 £352.

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.

By order of the board,



P E Richards

Company Secretary

27th November, 2002

WEADEN LILLEY & CO LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

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

27th November 2002

WEADEN LILLEY & CO LIMITED

AUDITORS' REPORT TO THE MEMBERS OF WEADEN LILLEY & CO LIMITED FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

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.

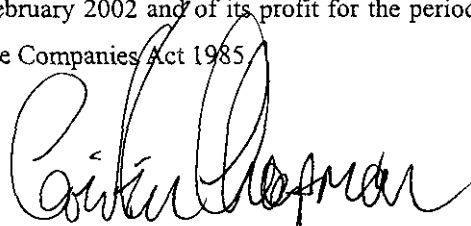
Basis of opinion

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 2nd February 2002 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

28/1/2002

W EADEN LILLEY & CO LIMITED

PROFIT AND LOSS ACCOUNT FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

		2 ND FEBRUARY 2002 £	27 TH JANUARY 2001 £
TURNOVER	2	2,242,826	2,013,946
Cost of sales		1,491,637	1,335,228
GROSS PROFIT		<u>751,189</u>	<u>678,718</u>
Administrative expenses		(741,725)	(803,329)
OPERATING PROFIT/(LOSS)	3	<u>9,464</u>	<u>(124,611)</u>
Other interest receivable and similar income	6	58,130	144,013
Interest payable	7	(5,349)	(8,262)
Exceptional item	8	(51,075)	(226,087)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>11,170</u>	<u>(214,947)</u>
Taxation	9	-	(548)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		<u>11,170</u>	<u>(215,495)</u>
Dividends	10	1,300,000	(500,000)
RETAINED LOSS FOR THE FINANCIAL PERIOD	20	<u>(1,288,830)</u>	<u>(715,495)</u>

Movements in reserves are shown in notes 20 to 22.

There were no acquisitions or disposals during the current and previous period.

There are no recognised gains or losses in 2002 or 2001 other than those reflected in the profit and loss above.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2002 £	2001 £
Reported profit/(loss) on ordinary activities after taxation	11,170	(215,495)
Realisation of property revaluation gains of previous years	-	-
Historical cost profit on ordinary activities after taxation	<u>11,170</u>	<u>(215,495)</u>
Historical cost loss for the period retained after taxation and dividends	<u>(1,288,830)</u>	<u>(715,495)</u>

WEADEN LILLEY & CO LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

	2002	2001
	£	£
Profit/(Loss) for the period	11,170	(214,947)
Professional and other costs on company purchase of own shares	-	(49,126)
Total gains/(losses) recognised since last report	<u>11,170</u>	<u>(264,073)</u>

W EADEN LILLEY & CO LIMITED

BALANCE SHEET AS AT 2ND FEBRUARY 2002

	Note	2 ND FEBRUARY 2002		27 TH JANUARY 2001	
		£	£	£	£
FIXED ASSETS					
Tangible assets	12	797,093		798,124	
Investments	13	12,040		12,040	
			809,133		810,164
CURRENT ASSETS					
Stocks	14	400,246		317,520	
Debtors	15	160,817		219,898	
Cash at bank and in hand		419,595		1,701,034	
		980,658		2,238,452	
CREDITORS: AMOUNTS FALLING					
DUE WITHIN ONE YEAR					
	16	343,689		303,399	
NET CURRENT					
ASSETS/(LIABILITIES)					
			636,969		1,935,053
TOTAL ASSETS LESS CURRENT					
LIABILITIES					
			1,446,102		2,745,217
CREDITORS: AMOUNTS FALLING					
DUE AFTER MORE THAN					
ONE YEAR					
	17		-		10,285
NET ASSETS					
			1,446,102		2,734,932
CAPITAL AND RESERVES					
Share capital	19		24,200		24,200
Profit and loss account	20		1,346,102		2,634,932
Capital redemption reserve	21		75,800		75,800
			1,446,102		2,734,932

Approved by the board of directors on *27th November 2002*



W E Lilley

Director

W EADEN LILLEY & CO LIMITED

CASH FLOW STATEMENT

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

	Note	2 ND FEBRUARY 2002		27 TH JANUARY 2001	
		£	£	£	£
Net cash Inflow/(outflow) from operating activities	28		32,202		(119,228)
Returns on investment and servicing of finance					
Interest received		63,763		201,971	
Interest paid		(180)		(556)	
Interest element of finance lease rental payments		(5,169)		(7,706)	
		58,414		193,709	
Taxation					
Corporation tax paid		-		-	
Advance corporation tax paid		-		-	
		-		-	
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(63,859)		(13,394)	
Sale of tangible fixed assets		5,720		1,100	
Purchase of own shares		-		(5,430,926)	
		(58,139)		(5,443,220)	
			32,477		(5,368,739)
Equity dividend paid			(1,300,000)		(500,000)
			(1,267,523)		(5,868,739)
Financing					
Debt due beyond one year:					
bank loan repayments		-		-	
Capital element of finance lease rental repayments		(13,916)		(32,181)	
Net cash inflow from financing		(13,916)		(32,181)	
Decrease/Increase in cash		(1,281,439)		(5,900,920)	

WEADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

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.

WEADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

1. ACCOUNTING POLICIES (CONTINUED)

g. Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more tax at a future date, at the average tax rates that are expected to apply when timing differences reverse, based on current tax rates and laws.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

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 53 WEEKS ENDED 2ND FEBRUARY 2002

	2 ND FEBRUARY 2002 £	27 TH JANUARY 2001 £
2. TURNOVER		
Total sales excluding VAT	2,950,472	2,677,316
Less: sales of leased departments excluding VAT	892,638	835,376
Sales of our own merchandise and services excluding VAT	<u>2,057,834</u>	<u>1,841,940</u>
Rental from leased departments based on their sales	184,992	172,006
	<u>2,242,826</u>	<u>2,013,946</u>
3. OPERATING PROFIT/(LOSS)		
This is stated after crediting:		
Profit on disposal of assets	-	-
and after charging:		
Loss on disposal of assets	2,116	16,510
Depreciation of owned assets	57,054	77,953
Depreciation of assets held under hire purchase agreement	-	-
Rental of leased equipment- plant and equipment	9,040	10,403
- leasehold properties	192,604	202,562
Auditors' remuneration	7,000	10,000

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

	2 ND FEBRUARY 2002 £	27 TH JANUARY 2001 £
4. DIRECTORS' REMUNERATION		
Emoluments	78,358	56,767
Company contributions to money purchase pension scheme	-	-
	<u>78,358</u>	<u>56,767</u>

At 2nd February 2002 there is one director to whom retirement benefits are accruing under a money purchase pension scheme (2001 one director).

5. STAFF COSTS

Staff costs during the period amounted to:

Wages and salaries	542,953	468,149
Social security	33,823	31,337
Other pension and employment costs	9,837	11,515
	<u>586,613</u>	<u>511,001</u>
The average number of employees during the period was as follows:	N ^o	N ^o
Sales staff	62	52
Administration	6	7
	<u>68</u>	<u>59</u>

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

5. STAFF COSTS (CONTINUED)

Defined benefit pension scheme

- (a) Prior to 6 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 6 April 1997 and past secure benefits were made paid up.
- (b) The most recent full actuarial valuation of the scheme's assets was at 1 April 2000.
- (c) The actuary of the scheme is independent of the company.
- (d) No contributions were made in respect of the year ended 2 February 2002 (2001 nil). A schedule of future annual contributions for the period 18 June 2001 to 18 June 2006 was agreed on 6 August 2001. In accordance with the schedule, a contribution of £10,000 was due by 31 March 2002. Thereafter the contributions increase by £10,000 per annum for the period of the schedule.
- (e) As the scheme is closed, under the projected unit method the current service cost will increase as the members approach retirement.
- (f) The main financial assumptions used by the actuary in determining the scheme liabilities as disclosed in this note were: -

	02.02.02
Inflation assumption	2.50%
Rate of salary increase	no assumption
Rate of increase for pensions in payment	3.00%
Rate of increase for deferred pensions	2.50%
Discount rate for scheme liabilities	5.50%

As the scheme is closed with no further benefits accruing, only holding liabilities for pensioners and members with preserved benefits salary growth assumptions are irrelevant.

- (g) The assets in the scheme and the expected rate of return were: -

	Value @ 02.02.02 £	Long term rate of return expected @ 02.02.02 %
Equities	1,228,220	7.00
Bonds	168,010	5.25
Cash	83,700	4.00
Annuities	2,594,550	5.50
Property	36,390	7.00
	<hr/> 4,110,870	
Present value of scheme liabilities	4,523,630	
Deficit in the scheme	<hr/> <hr/> £412,760	

Defined contribution pension scheme

- (a) Prior to 6 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 6 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 (defined contribution) section with effect from 6 April 1997. During the year ended 29 January 2000, a decision was made to wind down the pension scheme and this is being implemented. In January 2000 the scheme was closed for future service and those members still in employment with the company were offered membership of a group personal pension plan.
- (b) No contributions were made to the defined contribution scheme during the period (2001 - nil).
- (c) There were no outstanding or prepaid contributions at the balance sheet date (2001 - nil).

WEADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

	2 ND FEBRUARY 2002 £	27 TH JANUARY 2001 £
6. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME		
Interest receivable	58,130	144,013
	<hr/>	<hr/>
7. FINANCE COSTS		
Bank interest	30	556
Other interest	150	-
Finance lease interest	5,169	7,706
	<hr/>	<hr/>
	5,349	8,262
	<hr/>	<hr/>

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

8. EXCEPTIONAL ITEM

Represents a provision against amounts owed by a group undertaking - in both the period to 2nd February 2002 and the previous period - see note 27.

9. TAXATION

	2 ND FEBRUARY 2002 £	27 TH JANUARY 2001 £
Analysis of charge in period		
UK corporation tax	-	-
UK income tax	-	548
Total current tax charge	-	548
Tax on profit on ordinary activities	-	548
Factors affecting tax charge for period.		

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (20 percent). The differences are explained below

Profit/(loss) on ordinary activities before taxation	11,170	(214,947)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20%	2,234	(42,989)
Expenses not deductible for tax purposes	1,947	1,183
Capital allowances for period in excess of depreciation	72,330	102,377
Adjustment for losses	(76,511)	(60,023)
Current tax charge for period	-	548

10. DIVIDENDS

Final dividend

	1,300,000	500,000

11. INTANGIBLE FIXED ASSETS

Cost

Balance 28th January 2001 and 2nd February 2002

222,180

Amortisation

Balance 28th January 2001

222,180

Charge for period

-

Balance 2nd February 2002

222,180

Goodwill

£

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

11. INTANGIBLE FIXED ASSETS

Goodwill
£

Net book value

At 2nd February 2002

-

At 28th January 2001

-

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

12. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and fittings	Total
	£	£	£

Cost/valuation

Balance 28th January 2001

	873,410	608,772	1,482,182
--	---------	---------	-----------

Additions

	-	63,859	63,859
--	---	--------	--------

Disposals

	-	(65,839)	(65,839)
--	---	----------	----------

Balance 2nd February 2002

	873,410	606,792	1,480,202
--	---------	---------	-----------

Depreciation

Balance 28th January 2001

	243,140	440,918	684,058
--	---------	---------	---------

Charge for period

	17,889	39,165	57,054
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Eliminated on disposals

	-	(58,003)	(58,003)
--	---	----------	----------

Balance 2nd February 2002

	261,029	422,080	683,109
--	---------	---------	---------

Net book value

At 28th January 2001

	630,270	167,854	798,124
--	---------	---------	---------

At 2nd February 2002

	612,381	184,712	797,093
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Included in the total net book value of tangible fixed assets held at 2nd February 2002 was nil (27th January 2000 £ nil) in respect of assets held under finance leases.

The net book value of land and buildings at 2nd February 2002 comprised: -

	£
Long leasehold (depreciable)	494,463
Short leasehold (depreciable)	117,918
	612,381

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

	Investments other than loans £
13. FIXED ASSET INVESTMENTS	
Cost	
28th January 2001	100
and at	
2 nd February 2002	
Net book amount	
2 nd February 2002	100
28th January 2001	100

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 2nd February 2002 .

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 - £(206,556)

Aggregate amount of capital and reserves at 2nd February 2002 - £(278,872)

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.

	2 ND FEBRUARY 2002 £	27 TH JANUARY 2001 £
AIS Property Limited - 11,940 - £1 5% secured debenture stock at cost	11,940	11,940
14. STOCKS		
	2 ND FEBRUARY 2002 £	27 TH JANUARY 2001 £
Goods for sale	367,260	285,397
Other stock	32,986	32,123
	<u>400,246</u>	<u>317,520</u>

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

	2 ND FEBRUARY 2002 £	27 TH JANUARY 2001 £
15. DEBTORS: DUE WITHIN ONE YEAR		
Trade debtors	64,752	91,826
Prepayment and accrued income	64,549	64,019
Other debtors and deferred expenses	29,049	63,776
Amount owed by group undertakings	2,467	277
	160,817	219,898
 16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade creditors	178,811	150,444
Other taxation and social security	78,164	67,041
Other creditors	28,074	5,755
Accruals and deferred income	48,355	66,243
Obligations under finance leases and hire purchase contracts - see note 17	10,285	13,916
	343,689	303,399
 17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Obligations under finance leases and hire purchase contracts	-	10,285
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	-	-
	-	-
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	10,285	13,916
In the second to fifth years	-	10,285
	10,285	24,201

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

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. No provisions for the schedule of future contributions (see note 5 staff costs) have been made in the accounts to 2nd February 2002.

19. CALLED UP SHARE CAPITAL	2002		2001	
	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 2001	2,420	24,200	10,000	100,000
Purchased during the year	-	-	(7,580)	(75,800)
	<u>2,420</u>	<u>24,200</u>	<u>2,420</u>	<u>24,200</u>
			2 ND	27 TH
			FEBRUARY	JANUARY
			2002	2001
			£	£
20. PROFIT AND LOSS ACCOUNT				
Balance brought forward			2,634,932	8,774,733
Retained loss for the period			(1,288,830)	(715,495)
Capital redemption reserve written off			-	6,620
			<u>1,346,102</u>	<u>8,065,858</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>1,346,102</u>	<u>2,634,932</u>

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

21. CAPITAL REDEMPTION RESERVE	2002
	£
At 28 th January 2001 and 2 nd February 2002	75,800

	2 ND JANUARY 2002 £	27 TH JANUARY 2000 £
22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
Profit/(loss) for the period	11,170	(215,495)
Dividends	(1,300,000)	(500,000)
Purchase of own shares	-	(5,355,126)
Transfer to capital redemption reserve on purchase of own shares	-	(75,800)
Net subtraction to shareholders funds	(1,288,830)	(6,146,421)
Opening shareholder's funds	2,734,932	8,881,353
Closing shareholder's funds	1,446,102	2,734,932

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 £204,000 (£210,215:2001) and between two and five years of £816,000 (£816,000:2001)

24. CONTROL RELATIONSHIPS

Controlling Party

The company is under the control of Mr W E Lilley who owns beneficially 75% of the issued share capital of the ultimate parent undertaking.

25. ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking at the balance sheet date was W. Eaden Lilley Holdings Limited, a company incorporated in England.

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

26. 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.

27. 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 2nd February 2002 was £277,162 Interest charged by the company amounted to £4,779.

The company also operates a current account with W Eaden Lilley Holdings Limited and the balance receivable at 2nd February 2002 was £2,467.

	2 ND FEBRUARY 2002 £	27 TH JANUARY 2001 £
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28. RECONCILIATION OF OPERATING PROFIT TO OPERATING

CASH FLOWS

Operating profit/(loss)	9,464	(124,611)
Depreciation charges	39,165	60,064
Amortisation	17,889	17,889
Loss on sale of tangible fixed assets	2,116	16,510
Increase in stock	(82,726)	(34,700)
Decrease in debtors	52,900	214,945
Provision against amount owed by group undertaking	(51,075)	(226,087)
Increase/(decrease) in creditors	44,469	(43,238)
Net cash inflow/(outflow) from operating activities	32,202	(119,228)

W EADEN LILLEY & CO LIMITED

NOTES TO THE ACCOUNTS

(CONTINUED)

FOR THE 53 WEEKS ENDED 2ND FEBRUARY 2002

29. ANALYSIS OF CHANGES IN NET DEBT

	At start of period £	Cash flows £	At end of period £
Cash in hand and at bank	1,701,034	(1,281,439)	419,595
Overdrafts	-	-	-
		<u>1,281,439</u>	
Debt due within one year	-	-	
Debt due after one year	-	-	
Finance leases	(24,201)	(13,916)	(10,285)
		<u>13,916</u>	
Total	<u>1,676,833</u>	<u>1,267,523</u>	<u>409,310</u>
		2 ND	27 TH
		FEBRUARY	JANUARY
		2002	2000
		£	£

30. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN

NET DEBT

Decrease in cash for the 53 weeks	(1,281,439)	(5,900,920)
Cash outflow from decrease in debt and lease financing	13,916	32,181
Change in net debt resulting from cash flows	<u>(1,267,523)</u>	<u>(5,868,739)</u>
New finance leases	-	-
Movement in net debt in the 53 weeks	<u>(1,267,523)</u>	<u>(5,868,739)</u>
Net debt at start of period	1,676,833	7,545,572
Net debt at 2 nd February 2002	<u>409,310</u>	<u>1,676,833</u>