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Registration number 30736

W Eaden Lilley & Co Limited
Directors' Report And Financial Statements
For The 52 Weeks Ended 31 January 2004

Chartered Accountants
Business Advisors

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Griffin Chapman
For the personal approach

W Eaden Lilley & Co Limited

Company information

Directors	W E Lilley P E Richards
Secretary	P E Richards
Company number	30736
Registered office	St Martin's House 63 West Stockwell Street Colchester Essex CO1 1HE
Auditors	Griffin Chapman St Martin's House 63 West Stockwell Street Colchester Essex CO1 1HE
Bankers	Barclays Bank Plc Cambridge

W Eaden Lilley & Co Limited

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W Eaden Lilley & Co Limited

Directors' report
for the 52 weeks ended 31 January 2004

The directors present their report and the financial statements for the 52 weeks ended 31 January 2004.

Principal activity and review of the business

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

Results and dividends

The results for the 52 weeks are set out on page 3.

The directors do not recommend payment of a final dividend.

Directors and their interests

The directors who served during the 52 weeks and their interests in the company are as stated below:

		Company		Holding Company	
		Ordinary shares		Ordinary shares	
		31/01/04	02/02/03 or date of appointment	31/01/04	02/02/03 or date of appointment
W E Lilley	- beneficial	-	-	1,800	1,800
	- non-beneficial	-	-	620	620
P E Richards		-	-	-	-

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

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial 52 weeks which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that 52 weeks. In preparing these the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Griffin Chapman be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on *26th November, 2004* and signed on its behalf by



P E Richards
Secretary

W Eaden Lilley & Co Limited

Independent auditors' report to the shareholders of W Eaden Lilley & Co Limited

We have audited the financial statements of W Eaden Lilley & Co Limited for the 52 weeks ended 31 January 2004 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

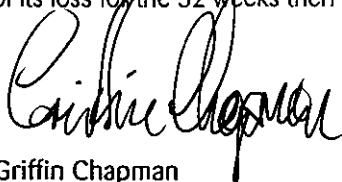
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 as at 31 January 2004 and of its loss for the 52 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.



Griffin Chapman
Chartered Accountants and
Registered auditors

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

29/11/2004

W Eaden Lilley & Co Limited

Profit and loss account
for the 52 weeks ended 31 January 2004

Continuing operations

		52 weeks ended 31/01/04	52 weeks ended 01/02/03
	Notes	£	£
Turnover	2	2,316,024	2,263,387
Cost of sales		(1,555,972)	(1,490,998)
Gross profit		<u>760,052</u>	<u>772,389</u>
Administrative expenses		(843,389)	(841,263)
Exceptional administrative expenses		-	(386)
Operating loss	3	<u>(83,337)</u>	<u>(69,260)</u>
Other interest receivable and similar income	4	1,880	3,404
Amount written off investments	5	(100)	-
Interest payable and similar charges	6	(5,712)	(4,335)
Loss on ordinary activities before taxation		<u>(87,269)</u>	<u>(70,191)</u>
Tax on loss on ordinary activities		-	-
Loss on ordinary activities after taxation		<u>(87,269)</u>	<u>(70,191)</u>
Loss for the 52 weeks		<u>(87,269)</u>	<u>(70,191)</u>
Retained profit brought forward		1,275,911	1,346,102
Retained profit carried forward		<u><u>1,188,642</u></u>	<u><u>1,275,911</u></u>

There are no recognised gains or losses other than the losses for the above two financial periods.

The notes on pages 6 to 18 form an integral part of these financial statements.

W Eaden Lilley & Co Limited

Balance Sheet
as at 31 January 2004

	Notes	31/01/04		01/02/03	
		£	£	£	£
Fixed assets					
Tangible assets	10		1,156,434		774,847
Investments	11		11,940		12,040
			<u>1,168,374</u>		<u>786,887</u>
Current assets					
Stocks	12	584,920		494,628	
Debtors	13	156,048		162,618	
Cash at bank and in hand		3,259		190,028	
		<u>744,227</u>		<u>847,274</u>	
Creditors: amounts falling due within one year	14	(623,959)		(258,250)	
Net current assets			120,268		589,024
Net assets			<u>1,288,642</u>		<u>1,375,911</u>
Capital and reserves					
Called up share capital	15		24,200		24,200
Other reserves	16		75,800		75,800
Profit and loss account	16		1,188,642		1,275,911
Equity shareholders' funds	17		<u>1,288,642</u>		<u>1,375,911</u>

The financial statements were approved by the Board on *26th November, 2004* and signed on its behalf by



W E Lilley
Director

The notes on pages 6 to 18 form an integral part of these financial statements.

W Eaden Lilley & Co Limited

Cash flow statement
for the 52 weeks ended 31 January 2004

	Notes	52 weeks ended 31/01/04 £	52 weeks ended 01/02/03 £
Reconciliation of operating loss to net cash outflow from operating activities			
Operating loss		(83,337)	(69,260)
Depreciation		65,911	69,332
(Increase) in stocks		(90,292)	(94,382)
Decrease in debtors		6,570	(1,801)
Increase in creditors		66,458	(75,154)
Net cash outflow from operating activities		<u>(34,690)</u>	<u>(171,265)</u>
Cash flow statement			
Net cash outflow from operating activities		(34,690)	(171,265)
Returns on investments and servicing of finance	24	(3,832)	(931)
Capital expenditure	24	(447,498)	(57,371)
Decrease in cash in the 52 weeks		<u>(486,020)</u>	<u>(229,567)</u>
Reconciliation of net cash flow to movement in net debt (Note 25)			
Decrease in cash in the 52 weeks		(486,020)	(229,567)
Cash outflow from decrease in finance lease		-	10,285
Movement in net debt in the 52 weeks		<u>(486,020)</u>	<u>(219,282)</u>
Net funds at 2 February 2003		190,028	409,310
Net debt at 31 January 2004		<u>(295,992)</u>	<u>190,028</u>

W Eaden Lilley & Co Limited

Notes to the financial statements for the 52 weeks ended 31 January 2004

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

1.2. Turnover

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

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the 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 if identified as applicable by the annual impairment review. 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 FRS 15 would not be material.

Depreciation commences in the year following addition.

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6. Stock

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.

1.7. Pensions

The company pension scheme prior to 6th April 1997 was 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 financial statements
for the 52 weeks ended 31 January 2004

1.8. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.9. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

2. Turnover

The total turnover of the company for the 52 weeks has been derived from its principal activity wholly undertaken in the UK.

	52 weeks ended 31/01/04 £	52 weeks ended 01/02/03 £
Total sales excluding VAT	3,132,545	3,007,450
Less: Sales of leased departments excluding VAT	1,028,910	931,774
Sales of our own merchandise and services excluding VAT	2,103,635	2,075,676
Rental from leased departments based on their sales	212,389	187,711
	<u>2,316,024</u>	<u>2,263,387</u>

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

	52 weeks ended 31/01/04 £	52 weeks ended 01/02/03 £
3. Operating loss		
Operating loss is stated after charging:		
Depreciation and other amounts written off tangible assets	55,637	67,335
Loss on disposal of tangible fixed assets	10,274	1,997
Operating lease rentals		
- Plant and fittings	7,455	8,804
- Leasehold properties	228,917	207,512
Auditors' remuneration	7,000	7,000
Exceptional items		
- Exceptional administrative expenditure	-	386
	<u> </u>	<u> </u>
4. Interest receivable and similar income	52 weeks ended 31/01/04 £	52 weeks ended 01/02/03 £
Bank interest	1,880	3,404
	<u> </u>	<u> </u>
5. Amounts written off investments	52 weeks ended 31/01/04 £	52 weeks ended 01/02/03 £
Amounts written off investments - fixed assets	100	-
	<u> </u>	<u> </u>
6. Interest payable and similar charges	52 weeks ended 31/01/04 £	52 weeks ended 01/02/03 £
Bank interest	1,503	35
Other interest	563	-
Hire purchase interest	3,646	4,300
	<u> </u>	<u> </u>
	5,712	4,335
	<u> </u>	<u> </u>

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

7. Employees

	52 weeks ended 31/01/04 Number	52 weeks ended 01/02/03 Number
Number of employees		
The average monthly numbers of employees (including the directors) during the 52 weeks were:		
Sales staff	89	69
Administration	5	4
	<u>94</u>	<u>73</u>
Employment costs	31/01/04	01/02/03
	£	£
Wages and salaries	616,668	584,411
Social security costs	43,078	35,552
Other pension costs	7,325	7,601
	<u>667,071</u>	<u>627,564</u>

7.1. Directors' emoluments

	52 weeks ended 31/01/04 £	52 weeks ended 01/02/03 £
Remuneration and other emoluments	<u>93,667</u>	<u>96,898</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>2</u>	<u>2</u>

8. Pension costs

The company operates a defined contribution pension scheme (group personal pension plan) in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £7,325 (2003 - £7,601).

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

9. Intangible fixed assets

	Goodwill £	Total £
Cost		
At 2 February 2003	222,180	222,180
At 31 January 2004	<u>222,180</u>	<u>222,180</u>
Provision for diminution in value		
At 2 February 2003	222,180	222,180
Charge for 52 weeks	-	-
At 31 January 2004	<u>222,180</u>	<u>222,180</u>
Net book values		
At 31 January 2004	<u>-</u>	<u>-</u>
At 1 February 2003	<u>-</u>	<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.

10. Tangible fixed assets	Short leasehold property £	Long leasehold property £	Plant and machinery £	Total £
Cost				
At 2 February 2003	276,431	596,979	563,977	1,437,387
Additions	252,734	-	222,753	475,487
Disposals	-	-	(70,446)	(70,446)
At 31 January 2004	<u>529,165</u>	<u>596,979</u>	<u>716,284</u>	<u>1,842,428</u>
Depreciation				
At 2 February 2003	170,371	108,547	383,622	662,540
Charge for the 52 weeks	11,859	6,030	37,748	55,637
On disposals	-	-	(32,183)	(32,183)
At 31 January 2004	<u>182,230</u>	<u>114,577</u>	<u>389,187</u>	<u>685,994</u>
Net book values				
At 31 January 2004	<u>346,935</u>	<u>482,402</u>	<u>327,097</u>	<u>1,156,434</u>
At 1 February 2003	<u>106,060</u>	<u>488,432</u>	<u>180,355</u>	<u>774,847</u>

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

11. Fixed asset investments	Subsidiary undertakings shares £	Other unlisted investments £	Total £
Cost			
At 2 February 2003			
At 31 January 2004	100	11,940	12,040
Provisions for diminution in value:			
Movement	100	-	100
At 31 January 2004	100	-	100
Net book values			
At 31 January 2004	-	11,940	11,940
At 1 February 2003	100	11,940	12,040
12. Stocks		31/01/04 £	01/02/03 £
Other stock		35,958	39,425
Goods for resale		548,962	455,203
		<u>584,920</u>	<u>494,628</u>
13. Debtors		31/01/04 £	01/02/03 £
Trade debtors		40,597	53,971
Amounts owed by group undertakings		16,562	2,842
Other debtors		18,349	31,872
Prepayments and accrued income		80,540	73,933
		<u>156,048</u>	<u>162,618</u>

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

14.	Creditors: amounts falling due within one year	31/01/04 £	01/02/03 £
	Bank overdraft	299,251	-
	Trade creditors	217,870	121,469
	Other taxes and social security costs	12,580	84,383
	Other creditors	24,230	21,251
	Accruals and deferred income	70,028	31,147
		<u>623,959</u>	<u>258,250</u>
	The bank overdraft is secured by a charge on the long leasehold property (note 10).		
15.	Share capital	31/01/04 £	01/02/03 £
	Authorised 20,000 Ordinary shares of £10 each	<u>200,000</u>	<u>200,000</u>
	Allotted, called up and fully paid 2,420 Ordinary shares of £10 each	<u>24,200</u>	<u>24,200</u>
16.	Equity Reserves	Profit and loss account £	Capital redemption reserve £
	At 2 February 2003	1,275,911	75,800
	Loss for the 52 weeks	(87,269)	(87,269)
	At 31 January 2004	<u>1,188,642</u>	<u>75,800</u>
17.	Reconciliation of movements in shareholders' funds	31/01/04 £	01/02/03 £
	Loss for the 52 weeks	(87,269)	(70,191)
	Opening shareholders' funds	<u>1,375,911</u>	<u>1,446,102</u>
	Closing shareholders' funds	<u>1,288,642</u>	<u>1,375,911</u>

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

18. Pension cost note

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.

The actuary of the scheme is independent of the company.

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 £20,000 was due and paid by 31 March 2003. Thereafter the contributions increase by £10,000 per annum for the period of the schedule.

Actuarial valuation: details of the most recent actuarial valuation of the principal scheme, which was conducted as at 1 April 2003, using the projected unit method, are as follows:

18.1 Principal actuarial assumptions were

	W Eaden Lilley Pension		
	2004	2003	2002
	%	%	%
Rate of increase in salaries	-	-	-
Rate of increase in pensions in payment	3.00	3.00	3.00
Rate of increase in deferred pensions	2.50	2.50	2.50
Discount rate	5.25	4.75	5.50
Inflation assumption	2.75	2.25	2.50

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.

Financial Reporting Standard 17 - Retirement Benefits is not fully in force for the accounting period ended 31 January 2004. As part of the transitional introduction certain disclosures are required only in note form without the entries being incorporated in the primary financial statements. The information contained in this note is given on that basis and is not therefore reflected in the primary statements.

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

18.2 The principal liabilities in the scheme were:

W Eaden Lilley Pension Scheme

	Long-term rate of return expected		Long-term rate of return expected		Long-term rate of return expected	
	at	Value at	at	Value at	at	Value at
	31/01/04	01/02/03	01/02/03	2/2/02	2/2/02	
	%	£	%	£	%	£
Equities	7.00	1,056,278	7.00	840,643	7.00	1,228,220
Bonds	5.25	157,616	4.75	164,875	5.25	168,010
Property	7.00	31,777	7.00	29,286	7.00	36,390
Cash	3.75	25,421	4.00	49,896	4.00	83,700
Annuities	5.25	2,023,412	4.75	2,742,830	5.50	2,594,550
Total market value of assets		3,294,504		3,827,530		4,110,870
Present value of scheme liabilities		(4,237,455)		(5,000,006)		(4,523,630)
Deficit in the scheme		(942,951)		(1,172,476)		(412,760)
Net pension assets/(liabilities)		(942,951)		(1,172,476)		(412,760)

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

18.3 Analysis of the amount charged to operating loss

	W Eaden Lilley Pension	
	52 weeks ended 31/01/04	52 weeks ended 01/02/03
	£	£
Current service cost	-	-
Past service cost	-	-
Total operating charge	-	-

18.4 Analysis of the amount charged to other finance income

	W Eaden Lilley Pension Scheme	
	52 weeks ended 31/01/04	52 weeks ended 01/02/03
	£	£
Expected return on pension scheme assets	196,835	238,945
Interest on pension scheme liabilities	(233,760)	(248,800)
Net outgoing	(36,925)	(9,855)

18.5 Analysis of amount recognised in Statement of total recognised gains and losses

	W Eaden Lilley Pension Scheme	
	52 weeks ended 31/01/04 2004	52 weeks ended 01/02/03 2003
	£	£
Actual return less expected return on pension scheme assets	221,773	(413,117)
Experience gains/(losses) arising on the scheme liabilities	(26,667)	(15,791)
Changes in assumptions underlying the present value of the scheme liabilities	48,344	(330,953)
Actuarial gain/(loss) recognised in STRGL	243,450	(759,861)

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

18.6 Movements in deficit during the period

	W Eaden Lilley Pension	
	52 weeks ended 31/01/04	52 weeks ended 01/02/03
	£	£
Scheme deficit at beginning of the period	(1,172,476)	(412,760)
Movement in period:		
Contributions	23,000	10,000
Other finance income (net outgoing)	(36,925)	(9,855)
Actuarial gain/(loss)	243,450	(759,861)
Scheme deficit at end of the period	<u>(942,951)</u>	<u>(1,172,476)</u>

18.7 History of experience gains and losses

	W Eaden Lilley Pension	
	52 weeks ended 31/01/04	52 weeks ended 31/01/03
Difference between the expected and actual return on scheme assets:		
amount (£)	221,773	(413,117)
percentage of scheme assets	6.73%	(10.79)%
Experience gains and losses on scheme liabilities:		
amount (£)	(26,667)	(15,791)
percentage of the present value of the scheme liabilities	(0.63)%	(0.32)%
Total amount recognised in Statement of total recognised gains and losses:		
amount (£)	243,450	(759,861)
percentage of the present value of the scheme liabilities	5.75%	(15.20)%

18.8 Defined contribution pension scheme

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.

No contributions were made to the defined contribution scheme during the period (2003 - nil).

There were no outstanding or prepaid contributions at the balance sheet date (2003 - nil).

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

19. Financial commitments

At 31 January 2004 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	31/01/04	01/02/03	31/01/04	01/02/03
	£	£	£	£
Expiry date:				
Within one year	21,400	21,400	-	-
Between one and five years	183,800	180,600	7,072	8,804
	<u>205,200</u>	<u>202,000</u>	<u>7,072</u>	<u>8,804</u>

20. Contingent liabilities

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 18 - pension costs) have been made in the accounts to 31 January 2004.

21. Related party transactions

The company operates a current account with W Eaden Lilley Holdings Limited and the balance receivable at 31 January 2004 was £16,562.

On 20th November 2003 the company opened a new retail departmental store in St Ives, Cambridgeshire. The freehold premises from which the store operates are owned by the company's ultimate parent undertaking W Eaden Lilley Holdings Limited. Initially the premises are being occupied rent free whilst the business establishes itself and lease terms are negotiated.

22. 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.

23. Controlling interest

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.

W Eaden Lilley & Co Limited

Notes to the financial statements
for the 52 weeks ended 31 January 2004

24. Gross cash flows

	31/01/04	01/02/03
	£	£
Returns on investments and servicing of finance		
Interest received	1,880	3,404
Interest paid	(2,066)	(35)
Interest element of finance lease rental payments	(3,646)	(4,300)
	<u>(3,832)</u>	<u>(931)</u>
Capital expenditure		
Payments to acquire tangible assets	(475,487)	(49,127)
Receipts from sales of tangible assets	27,989	2,041
Finance lease rental payments	-	(10,285)
	<u>(447,498)</u>	<u>(57,371)</u>

25. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	190,028	(186,769)	3,259
Overdrafts	-	(299,251)	(299,251)
	<u>190,028</u>	<u>(486,020)</u>	<u>(295,992)</u>
Net funds	<u>190,028</u>	<u>(486,020)</u>	<u>(295,992)</u>