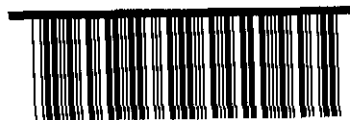


LUCKY JOE LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 31 OCTOBER 2002



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LUCKY JOE LIMITED

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LUCKY JOE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 OCTOBER 2002

The directors present their report and financial statements for the period ended 31 October 2002.

Principal activities and review of the business

The principal activity of the company continued to be that of fashion retailers.

The results for the period and the financial position at the period end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

The company has transferred the stock and trade of two shops on 1 August 2002 to Mr and Mrs Chapman following a reorganisation of the company's trade.

Results and dividends

The results for the period are set out on page 4.

An interim ordinary dividend was paid amounting to £145,000 . The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 August 2001:

T W Chapman

R E Chapman

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 October 2002	1 August 2001
T W Chapman	37,500	75
R E Chapman	12,500	25

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Ivan Sopher & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

LUCKY JOE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2002

Directors' responsibilities

Company law requires the directors 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, the directors are required to:

- select suitable accounting policies and then 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.

On behalf of the board



R E Chapman

Director

28 August 2003

LUCKY JOE LIMITED

INDEPENDENT AUDITORS' REPORT TO LUCKY JOE LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 17, together with the financial statements of the company for the period ended 31 October 2002 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 17 are properly prepared in accordance with that provision.



Ivan Sopher & Co

Chartered Accountants
Registered Auditor

.....

Chartered Accountants,
5 Elstree Gate,
Elstree Way,
Borehamwood,
Herts. WD6 1JD

LUCKY JOE LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 OCTOBER 2002

		15 Months ended 31 October 2002 £	Year ended 31 July 2001 £
	Notes		
Gross profit		4,580,217	3,330,534
Distribution costs		(256,118)	(269,716)
Administrative expenses		(4,020,435)	(2,757,341)
Operating profit	2	303,664	303,477
Other interest receivable and similar income		280	487
Interest payable and similar charges	3	(72,101)	(90,776)
Profit on ordinary activities before taxation		231,843	213,188
Tax on profit on ordinary activities	4	(56,154)	(41,193)
Profit on ordinary activities after taxation		175,689	171,995
Dividends	5	(145,000)	(220,000)
Retained profit/(loss) for the period	15	30,689	(48,005)

LUCKY JOE LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 OCTOBER 2002

	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	6 and 7		1,251,281		1,323,151
Current assets					
Stocks	8	1,917,802		1,630,620	
Debtors	9	775,888		604,915	
Cash at bank and in hand		6,274		5,260	
		<u>2,699,964</u>		<u>2,240,795</u>	
Creditors: amounts falling due within one year	10	<u>(3,051,534)</u>		<u>(2,516,543)</u>	
Net current liabilities			<u>(351,570)</u>		<u>(275,748)</u>
Total assets less current liabilities			899,711		1,047,403
Creditors: amounts falling due after more than one year	11		(140,284)		(342,280)
Provisions for liabilities and charges	12		<u>(66,572)</u>		<u>(42,957)</u>
			<u>692,855</u>		<u>662,166</u>
Capital and reserves					
Called up share capital	14		50,000		100
Revaluation reserve	15		221,583		221,583
Profit and loss account	15		<u>421,272</u>		<u>440,483</u>
Shareholders' funds - equity interests	16		<u>692,855</u>		<u>662,166</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 28 August 2003

T W Chapman
Director



LUCKY JOE LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 OCTOBER 2002

	15 Months ended 31 October 2002		Year ended 31 July 2001	
	£	£	£	£
Net cash inflow from operating activities		650,517		683,283
Returns on investments and servicing of finance				
Interest received	280		487	
Interest paid	(68,938)		(90,776)	
Net cash outflow for returns on investments and servicing of finance		(68,658)		(90,289)
Taxation		1,000		(121,393)
Capital expenditure				
Payments to acquire tangible assets	(245,231)		(480,969)	
Receipts from sales of tangible assets	120,111		65,000	
Net cash outflow for capital expenditure		(125,120)		(415,969)
Equity dividends paid		(145,000)		(220,000)
Net cash inflow/(outflow) before management of liquid resources and financing		312,739		(164,368)
Financing				
Other new short term loans	10,000		-	
Repayment of long term bank loan	(87,500)		(70,000)	
Repayment of other short term loans	-		(120,000)	
Capital element of finance lease contracts	(125,071)		(134,483)	
Net cash outflow from financing		(202,571)		(324,483)
Increase/(decrease) in cash in the period		110,168		(488,851)

LUCKY JOE LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 OCTOBER 2002

1	Reconciliation of operating profit to net cash inflow from operating activities	2002	2001
		£	£
	Operating profit	303,664	303,477
	Depreciation of tangible assets	195,792	132,470
	Loss on disposal of tangible assets	1,198	18,122
	Increase in stocks	(287,182)	(62,311)
	Increase in debtors	(170,973)	(211,810)
	Increase in creditors within one year	608,018	503,335
	Net cash inflow from operating activities	650,517	683,283

2	Analysis of net debt	1 August 2001	Cash flow	Other non-cash changes	31 October 2002
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	5,260	1,014	-	6,274
	Bank overdrafts	(618,763)	109,154	-	(509,609)
		<u>(613,503)</u>	<u>110,168</u>	<u>-</u>	<u>(503,335)</u>
	Debt:				
	Finance leases	(156,073)	125,071	-	(31,002)
	Debts falling due within one year	(60,000)	(10,000)	-	(70,000)
	Debts falling due after one year	(210,000)	87,500	-	(122,500)
		<u>(426,073)</u>	<u>202,571</u>	<u>-</u>	<u>(223,502)</u>
	Net debt	(1,039,576)	312,739	-	(726,837)

3	Reconciliation of net cash flow to movement in net debt	2002	2001
		£	£
	Increase/(decrease) in cash in the period	110,168	(488,851)
	Cash outflow from decrease in debt and lease financing	202,571	164,483
	Movement in net debt in the period	312,739	(324,368)
	Opening net debt	(1,039,576)	(715,208)
	Closing net debt	(726,837)	(1,039,576)

LUCKY JOE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 31 OCTOBER 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of leasehold land and buildings.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Nil
Fixtures, fittings & equipment	15% reducing balance from the month of acquisition
Motor vehicles	25% reducing balance from the month of acquisition

Tangible fixed assets include investment properties valued by the directors on an existing use open market value basis. Leasehold land and buildings are revalued each year in accordance with FRS15.

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 a constant periodic rate of charge on the net obligation outstanding in each period.

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

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the period in accordance with FRS 17.

1.7 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment.

LUCKY JOE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2002

2	Operating profit	2002	2001
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	195,792	132,470
	Loss on disposal of tangible assets	1,198	18,122
	Operating lease rentals	568,114	406,574
	Auditors' remuneration	25,000	5,000
	and after crediting:		
3	Interest payable	2002	2001
		£	£
	On bank loans and overdrafts	49,445	74,576
	Hire purchase interest	19,493	16,200
	On overdue tax	3,163	-
		72,101	90,776

LUCKY JOE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2002

4	Taxation	2002 £	2001 £
	Domestic current year tax		
	U.K. corporation tax	32,539	23,698
	Adjustment for prior years	-	(8,900)
		<u>32,539</u>	<u>14,798</u>
	Current tax charge		
		32,539	14,798
	Deferred tax		
	Deferred tax charge/credit current year	23,615	26,395
		<u>56,154</u>	<u>41,193</u>
	Factors affecting the tax charge for the period		
	Profit on ordinary activities before taxation	231,843	213,188
		<u>231,843</u>	<u>213,188</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.53 % (2001 : 11.11 %)	45,279	23,685
		<u>45,279</u>	<u>23,685</u>
	Effects of:		
	Non deductible expenses	1,955	4,142
	Depreciation add back	38,238	14,717
	Capital allowances	(53,167)	(31,394)
	Chargeable disposals	234	2,013
	Other tax adjustments	-	1,635
		<u>(12,740)</u>	<u>(8,887)</u>
	Current tax charge	<u>32,539</u>	<u>14,798</u>
5	Dividends	2002 £	2001 £
	Ordinary interim paid	145,000	220,000
		<u>145,000</u>	<u>220,000</u>

LUCKY JOE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2002

6 Tangible fixed assets

	Land and buildings Leasehold	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 August 2001	507,500	1,173,562	188,908	1,869,970
Additions	-	230,736	14,495	245,231
Revaluation	(80,000)	-	-	(80,000)
Disposals	-	(90,000)	(190,366)	(280,366)
At 31 October 2002	427,500	1,314,298	13,037	1,754,835
Depreciation				
At 1 August 2001	-	513,853	32,966	546,819
On disposals	-	(90,000)	(69,057)	(159,057)
Charge for the period	-	153,191	42,601	195,792
At 31 October 2002	-	577,044	6,510	583,554
Net book value				
At 31 October 2002	427,500	737,254	6,527	1,171,281
At 31 July 2001	507,500	659,709	155,942	1,323,151

The leasehold properties were revalued at 31 July 2001, on an existing value basis by Taylor Forrest, Chartered Surveyors. In the directors opinion there has been no material change to the value of these leasehold properties at 31 October 2002.

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
At 1 August 2001	368,389
Reclassification to investment properties	63,452
At 31 October 2002	304,937
Depreciation based on cost	
At 1 August 2001	95,949
Charge for the period	50,051
At 31 October 2002	146,000
Net book value	
At 31 October 2002	158,937
At 31 July 2001	272,440

LUCKY JOE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2002

6 Tangible fixed assets

(continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Net book values			
At 31 October 2002	32,669	6,527	39,196
At 31 July 2001	-	154,743	154,743
Depreciation charge for the period			
31 October 2002	10,161	42,601	52,762
31 July 2001	-	38,250	38,250

7 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 August 2001	-
Additions	80,000
At 31 October 2002	80,000

8 Stocks

	2002 £	2001 £
Finished goods and goods for resale	1,917,802	1,630,620

9 Debtors

	2002 £	2001 £
Trade debtors	172,912	162,713
Corporation tax	67,840	67,840
Other debtors	295,173	235,036
Prepayments and accrued income	239,963	139,326
	775,888	604,915

LUCKY JOE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2002

10 Creditors: amounts falling due within one year	2002 £	2001 £
Bank loans and overdrafts	579,609	678,763
Net obligations under hire purchase contracts	13,218	23,793
Trade creditors	1,743,788	1,361,319
Corporation tax	33,539	-
Other taxes and social security costs	428,583	371,879
Directors' current accounts	1,600	1,816
Other creditors	161,680	-
Accruals and deferred income	89,517	78,973
	<u>3,051,534</u>	<u>2,516,543</u>

Bank loans and overdraft are secured by a fixed charge over the company's properties and by a fixed and floating charge over the assets of the company and also personal guarantees from the directors for £550,000.

LUCKY JOE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2002

11 Creditors: amounts falling due after more than one year	2002 £	2001 £
Bank loans	122,500	210,000
Net obligations under hire purchase contracts	17,784	132,280
	<u>140,284</u>	<u>342,280</u>
Analysis of loans		
Wholly repayable within five years	192,500	270,000
	<u>192,500</u>	<u>270,000</u>
Included in current liabilities	(70,000)	(60,000)
	<u>122,500</u>	<u>210,000</u>
Loan maturity analysis		
In more than two years but not more than five years	192,500	270,000
	<u>192,500</u>	<u>270,000</u>
Bank loans and overdraft are secured by a fixed charge over the company's properties and by a fixed and floating charge over the assets of the company and also personal guarantees from the directors for £550,000.		
Net obligations under hire purchase contracts		
Repayable within one year	17,978	36,220
Repayable between one and five years	18,824	157,429
	<u>36,802</u>	<u>193,649</u>
Finance charges and interest allocated to future accounting periods	(5,800)	(37,576)
	<u>31,002</u>	<u>156,073</u>
Included in liabilities falling due within one year	(13,218)	(23,793)
	<u>17,784</u>	<u>132,280</u>

LUCKY JOE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2002

12 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 August 2001	42,957
Profit and loss account	23,615
	<u>66,572</u>
Balance at 31 October 2002	<u>66,572</u>

The deferred tax liability is made up as follows:

	2002 £	2001 £
Accelerated capital allowances	<u>66,572</u>	<u>42,957</u>

13 Pension costs

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2002 £	2001 £
Contributions payable by the company for the period	<u>21,300</u>	<u>17,040</u>

14 Share capital

	2002 £	2001 £
Authorised		
50,000 Ordinary shares of £ 1 each	<u>50,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
50,000 Ordinary shares of £ 1 each	<u>50,000</u>	<u>100</u>

During the period a bonus issue of 49,900 ordinary shares of £1 each were allotted to the shareholders.

LUCKY JOE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2002

15 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 August 2001	221,583	440,483
Retained profit for the period	-	30,689
Bonus issue of shares	-	(49,900)
Balance at 31 October 2002	<u>221,583</u>	<u>421,272</u>

16 Reconciliation of movements in shareholders' funds

	2002 £	2001 £
Profit for the financial period	175,689	171,995
Dividends	(145,000)	(220,000)
	<u>30,689</u>	<u>(48,005)</u>
Other recognised gains and losses	-	221,583
Net addition to shareholders' funds	30,689	173,578
Opening shareholders' funds	662,166	488,588
Closing shareholders' funds	<u>692,855</u>	<u>662,166</u>

17 Financial commitments

At 31 October 2002 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2002	2001	2002	2001
	£	£	£	£
Expiry date:				
Between two and five years	-	-	6,469	12,012
In over five years	443,050	443,050	-	-
	<u>443,050</u>	<u>443,050</u>	<u>6,469</u>	<u>12,012</u>

LUCKY JOE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2002

18 Directors' emoluments	2002 £	2001 £
Emoluments for qualifying services	158,759	135,400
Company pension contributions to money purchase schemes	21,300	17,040
	<u>180,059</u>	<u>152,440</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2001 - 2).

19 Employees

Number of employees

The average monthly number of employees (including directors) during the period was:

	2002 Number	2001 Number
Office and administration	23	23
Sales and marketing	93	88
	<u>116</u>	<u>111</u>

Employment costs

	£	£
Wages and salaries	1,985,743	1,336,226
Social security costs	164,261	108,884
Other pension costs	21,300	17,040
	<u>2,171,304</u>	<u>1,462,150</u>