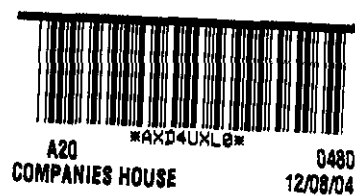


Company Registration No. 00736058 (England & Wales)

COSTCUTTER TRADING LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2004



COSTCUTTER TRADING LIMITED

Company Information

Directors	C J Graves J Graves N Ivel
Secretary	J Graves
Company No.	00736058
Registered Office	Harvest Mills Common Road Dunnington York YO19 5RY
Bankers	HSBC Bank Plc 7 Prospect Crescent Harrogate HG1 1RN
Solicitors	Pinsent Curtis 1 Park Row Leeds LS1 5AB

COSTCUTTER TRADING LIMITED

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COSTCUTTER TRADING LIMITED

Directors' Report
For the Year Ended 30 April 2004

The directors present their report and financial statements for the year ended 30 April 2004.

Principal activities

The company did not trade throughout the financial year.

Directors

The following directors have held office since 1 May 2003: -

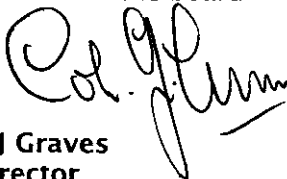
C J Graves
J Graves
N Ivel

Directors' Interests

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

	Ordinary shares of £1 each	
	30 April 2004	1 May 2003
C J Graves	1	1
J Graves	-	-
N Ivel		

By order of the board


C J Graves
Director

9/8/04

COSTCUTTER TRADING LIMITED

Balance Sheet
As at 30 April 2004

	Notes	2004 £	2003 £
Total assets less current liabilities		- =====	- =====
Capital and reserves			
Called up share capital 12,000	2	12,000	
Profit and loss account (12,000)	3	(12,000)	
Shareholders' funds		----- - =====	----- - =====
=====			

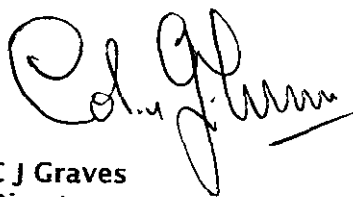
For the year ended 30 April 2004 the company was entitled to the exemption under section 249AA (1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249 (B) (2) of the Companies Act 1985.

The directors acknowledge their responsibility for: -

- (i) ensuring the company keeps accounting records which comply with section 221; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on 9/8/04


C J Graves
Director


J Graves
Director

COSTCUTTER TRADING LIMITED

Notes for the Financial Statements
For the Year Ended 30 April 2004

1. Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

2. Share capital	2004	2003
	£	£
Authorised		
15,000 Ordinary shares of £1 each	15,000	15,000
	=====	=====
Allotted, called up and fully paid		
12,000 Ordinary shares of £1 each	12,000	12,000
	=====	=====

3. Statement of movements on profit and loss account

	Profit and Loss account £
Balance at 1 May 2003	(12,000)

Balance at 30 April 2004	(12,000)
	=====

4. Control

The parent company is Costcutter Supermarkets Group Limited, a company registered in England and Wales.

Costcutter Supermarkets Group Limited prepares group financial statements and copies can be obtained from Harvest Mills, Common Road, Dunnington, York, YO1 5RY.

The Ultimate controlling parties are Mr C Graves and Mrs J Graves who each hold 25.5% of the issued ordinary share capital of the parent company, Costcutter Supermarkets Group Limited.

Mr C Graves and Mrs J Graves are also Directors of the company and the parent company, Costcutter Supermarkets Group Limited.

5. Related party transactions

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No. 8 from the requirement to make disclosures concerning related parties.