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LINCOLN LOGS LTD  
Form 10QSB  
September 15, 2003

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington D. C. 20549

FORM 10-QSB

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT  
OF 1934 For the quarterly period ended July 31, 2003

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission file number 0-12172

Lincoln Logs Ltd.  
(Exact name of small business issuer as specified in its charter)

New York 14-1589242  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

5 Riverside Drive, Chestertown, New York 12817  
(Address of principal executive offices)

(518) 494 - 5500  
(issuer's telephone number)

Neither name, address nor fiscal year has changed since last report  
(Former name, former address and former fiscal year, if changed since last  
report.)

Check whether the issuer (1) has filed all reports required to be filed by  
Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such  
shorter period that the registrant was required to file such reports), and  
(2) has been subject to such filing requirements for the past 90 days.  
Yes  No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant filed all documents and reports required to be  
filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of  
securities under a plan confirmed by a court. Yes  No

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of  
common equity, as of the latest practicable date:

Class	Outstanding at September 15, 2003
Common Stock, \$0.01 par value	8,452,559

Transitional Small Business Disclosure Format (Check one): Yes  No

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LINCOLN LOGS LTD. AND SUBSIDIARIES

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LINCOLN LOGS LTD. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
JULY 31, 2003 AND JANUARY 31, 2003

ASSETS

July 31, 2 0 0 3 (Unaudited)	January 31, 2 0 0 3 (Audited)
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CURRENT ASSETS:			
Cash and cash equivalents	\$ 689,698	\$1,885,931	
Trade accounts receivable, net of allowance for doubtful accounts of \$20,199	481,935	207,692	
Inventories (raw materials)	1,676,222	1,277,804	
Work in process	262,254		228,076
Prepaid expenses and other current assets	603,564	416,404	
Prepaid income taxes	11,592	---	
Mortgage and note receivable	2,592	2,592	
Due from related parties	39,526	10,141	
	-----	-----	
Total current assets	3,767,383	4,028,640	
	-----	-----	
PROPERTY, PLANT AND EQUIPMENT:			
Land	835,241	835,241	
Buildings and improvements	2,512,092	2,479,801	
Machinery and equipment	885,968	881,674	
Furniture and fixtures	1,775,363	1,683,446	
Transportation equipment	312,780	262,216	
	-----	-----	
	6,321,444	6,142,378	
Less: accumulated depreciation	(3,764,695)	(3,667,143)	
	-----	-----	
Total property, plant and equipment - net	2,556,749	2,475,235	
	-----	-----	
OTHER ASSETS:			
Mortgage receivable	61,232	63,304	
Assets held for resale	6,466	11,802	
Deposits and other assets	292,958	58,894	
Intangible assets, net of accumulated amortization of \$78,434 at July 31, 2003 and \$78,174 at January 31, 2003	3,899	4,159	
	-----	-----	
Total other assets	364,555	138,159	
	-----	-----	
TOTAL ASSETS	\$6,688,687	\$6,642,034	
	=====	=====	