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LINCOLN LOGS LTD  
Form 10QSB  
June 14, 2005

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 April 30, 2005

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  
(State or other jurisdiction of  
incorporation or organization)

14-1589242  
(I.R.S. Employer  
Identification No.)

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

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

N/A

(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

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 June 11, 2005
Common Stock, \$0.01 par value	9,040,059

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 APRIL 30, 2005 AND JANUARY 31, 2005

#### ASSETS

	April 30, 2005 (Unaudited) -----	January 31, 2005 (Audited) -----	
CURRENT ASSETS:			
Cash and cash equivalents	\$1,257,825	\$ 857,686	
Trade accounts receivable	769,685	363,601	
Inventories (raw materials)	1,957,121	1,849,741	
Work in process	738,572	453,898	
Prepaid expenses and other current assets	903,836	719,203	

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Deferred tax asset		130,000	----
Income taxes receivable	26,654		29,686
Mortgage and note receivable	5,623		5,623
		-----	-----
Total current assets	5,789,316		4,279,438
		-----	-----
PROPERTY, PLANT AND EQUIPMENT:			
Land	1,012,346		1,012,346
Buildings and improvements	2,913,463		2,910,945
Machinery and equipment	2,043,768		2,042,566
Furniture and fixtures	2,211,903		2,203,910
Transportation equipment	539,437		540,366
		-----	-----
	8,720,917		8,710,133
Less: accumulated depreciation	(4,504,628)		(4,382,790)
		-----	-----
Total property, plant and equipment - net	4,216,289		4,327,343
		-----	-----
OTHER ASSETS:			
Mortgage receivable	69,830		70,938
Deposits and other assets	75,418		68,003
Goodwill	1,347,056		1,350,020
Intangible assets, net of accumulated amortization of \$335,490 at April 30, 2005 and \$282,767 at January 31, 2005	1,341,518		1,394,241
		-----	-----
Total other assets	2,833,822		2,883,202
		-----	-----
TOTAL ASSETS	\$12,839,427		\$11,489,983
	=====		=====