

LINENS N THINGS INC  
Form 11-K  
September 12, 2002

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

**FORM 11-K**

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**(Mark One)**

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
[NO FEE REQUIRED].

**For the Fiscal year ended December 31, 2001**

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934 [NO FEE REQUIRED].

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_.**

**Commission file number 1-12381**

**A. Full title of the plan and the address of the plan, if different from that of the issuer named below:**

**Linens n Things, Inc. Deferred Compensation Plan**

**B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:**

**Linens n Things, Inc.  
6 Brighton Road  
Clifton, NJ 07015**

---

**LINENS N THINGS, INC.  
DEFERRED COMPENSATION PLAN**

Required Information

	<u>Page No.</u>
A. Financial Statements	
Independent Auditors Report	3
Statements of Financial Condition as of December 31, 2001 and 2000	4-5
Statements of Income and Changes in Plan Equity, with Fund Information, for the Years Ended December 31, 2001, 2000 and 1999	6-21
Notes to Financial Statements	22-35
B. Exhibits	

**Independent Auditors Report****The Compensation Committee of the  
Board of Directors of  
Linens n Things, Inc.:**

We have audited the accompanying statements of financial condition of the Linens n Things, Inc. Deferred Compensation Plan (the Plan ) as of December 31, 2001 and 2000, and the related statements of income and changes in plan equity, with Fund Information for each of the years in the three-year period ended December 31, 2001. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of the Plan as of December 31, 2001 and 2000 and the income and changes in plan equity of the Plan for each of the years in the three-year period ended December 31, 2001 in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The Fund Information in the statements of income and changes in plan equity is presented for purposes of additional analysis rather than to present the income and changes in Plan equity for each fund. The Fund Information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

KPMG LLP

New York, New York  
August 1, 2002

**Linens n Things, Inc.  
Deferred Compensation Plan****Statements of Financial Condition**

<b>Assets:</b>	<b>December 31, 2001</b>	<b>December 31, 2000</b>
	<hr/>	<hr/>
Mutual Funds:		
Davis New York Venture Fund (cost \$438,688 in 2001 and \$1,293,315 in 2000)	\$ 439,824	\$ 1,432,711
Dreyfus Appreciation Fund (cost \$363,857 in 2001 and \$913,416 in 2000)	355,684	951,034
Mutual Beacon Fund (cost \$227,918 in 2001 and \$0 in 2000)	223,782	0
Alliance Premier Growth A Fund (cost \$277,955 in 2001 and \$991,422 in 2000)	211,554	882,278
American Century Income & Growth Fund (cost \$229,758 in 2001 and \$763,636 in 2000)	198,449	767,009
Prudential Short-Term Corporate Bond Fund (cost \$196,073 in 2001 and \$0 in 2000)	194,209	0
Franklin Small Cap Growth Fund (cost \$198,462 in 2001 and \$188,178 in 2000)	172,382	210,639

Edgar Filing: LINENS N THINGS INC - Form 11-K

	December 31, 2001	December 31, 2000
<b>Assets:</b>		
Oakmark Fund (cost \$107,652 in 2001 and \$0 in 2000)	121,161	0
Prudential Emerging Growth Fund (cost \$117,884 in 2001 and \$103,505 in 2000)	78,683	81,049
American Century Value Fund (cost \$48,291 in 2001 and \$37,394 in 2000)	64,830	48,028
Strong Government Securities Fund (cost \$59,494 in 2001 and \$54,651 in 2000)	62,676	55,896
Deutsche and Investment International Fund (cost \$66,780 in 2001 and \$47,315 in 2000)	50,300	44,808
Baron Asset Fund (cost \$19,097 in 2001 and \$398,496 in 2000)	48,815	463,476
Liberty Stein Roe Capital Opportunities Fund (cost \$40,804 in 2001 and \$28,573 in 2000)	43,264	26,402
Montgomery Short Duration Government Bond Fund (cost \$29,207 in 2001 and \$29,506 in 2000)	30,187	30,164
Franklin International Fund (cost \$32,112 in 2001 and \$21,906 in 2000)	29,776	23,151
Gabelli Growth Fund (cost \$34,635 in 2001 and \$28,334 in 2000)	26,653	28,201
Target US Government Money Market Fund (cost \$26,306 in 2001 and \$0 in 2000)	26,306	0
Prudential Equity Fund (cost \$30,821 in 2001 and \$30,893 in 2000)	24,340	27,866
Dreyfus Founders Passport Fund (cost \$41,506 in 2001 and \$26,830 in 2000)	23,624	18,829
Strong Schafer Value Fund (cost \$20,710 in 2001 and \$20,974 in 2000)	20,552	20,852
Rainier Small/Mid Cap Equity Fund (cost \$19,320 in 2001 and \$14,330 in 2000)	19,281	14,858
Gabelli Value Fund (cost \$18,840 in 2001 and \$0 in 2000)	19,099	0
Putnam International Growth Fund (cost \$18,536 in 2001 and \$36,006 in 2000)	17,243	39,696
Neuberger Berman Genesis Fund (cost \$11,768 in 2001 and \$8,310 in 2000)	14,771	10,011

**Linens n Things, Inc.  
Deferred Compensation Plan**

**Statements of Financial Condition**

	December 31, 2001	December 31, 2000
<b>Assets (continued):</b>		
Stein Roe Growth and Income Fund (cost \$20,640 in 2001 and \$15,174 in 2000)	13,539	17,925
PBHG Emerging Growth Fund (cost \$21,983 in 2001 and \$13,235 in 2000)	13,227	8,983
Third Avenue Value Fund (cost \$12,356 in 2001 and \$0 in 2000)	12,207	0
Lazard Equity Portfolio Fund (cost \$10,748 in 2001 and \$7,612 in 2000)	9,550	7,106
Strong International Bond Fund (cost \$8,810 in 2001 and \$2,320 in 2000)	8,810	2,321
Prudential Jennison Growth Fund (cost \$10,782 in 2001 and \$9,821 in 2000)	8,779	8,440
Gabelli Asset Fund (cost \$5,331 in 2001 and \$0 in 2000)	5,397	0
Invesco Select Income Fund (cost \$5,054 in 2001 and \$0 in 2000)	4,946	0
BlackRock International Bond Portfolio Fund (cost \$3,034 in 2001 and \$0 in 2000)	3,006	0
Janus Flexible Income Fund (cost \$3,227 in 2001 and \$881 in 2000)	2,965	625
Van Kampen Comstock Fund (cost \$2,962 in 2001 and \$1,250 in 2000)	2,869	1,556
Janus Growth and Income Fund (cost \$2,970 in 2001 and \$0 in 2000)	2,810	0
Strong Multi-Cap Value Fund (cost \$1,322 in 2001 and \$0 in 2000)	2,123	0
Putnam US Government Income Fund (cost \$1,974 in 2001 and \$0 in 2000)	1,984	0
Van Kampen Aggressive Growth Fund (cost \$1,999 in 2001 and \$0 in 2000)	1,768	0
Royce Pennsylvania Mutual Investors Fund (cost \$1,328 in 2001 and \$2,073 in 2000)	1,542	2,115
Lazard International Fixed Income Portfolio Fund (cost \$543 in 2001 and \$0 in 2000)	1,021	0
Prudential Money Market Assets Fund (cost \$851 in 2001 and \$851 in 2000)	851	851
Target Portfolio Trust (cost \$322 in 2001 and \$322 in 2000)	323	321
Janus Invest 20 Fund (cost \$0 in 2001 and \$792,208 in 2000)	0	624,894
Robertson Stephens Growth & Income Fund (cost \$0 in 2001 and \$1,229 in 2000)	0	827

Edgar Filing: LINENS N THINGS INC - Form 11-K

<b>Assets (continued):</b>	<b>December 31, 2001</b>	<b>December 31, 2000</b>
Total mutual funds (cost \$2,792,676 in 2001 and \$5,883,966 in 2000)	2,615,161	5,852,922
Command Money Market Fund (cost \$2,860,158 in 2001 and \$18,732 in 2000)	2,859,952	18,526
Linens n Things, Inc. Common Stock Fund (cost \$586,151 in 2001 and \$481,771 in 2000)	470,850	368,131
Common Stock Fund (cost \$322,808 in 2001 and \$359,604 in 2000)	195,515	126,363
Total Investments (cost \$6,561,793 in 2001 and \$6,744,073 in 2000)	6,141,478	6,365,942
Contributions receivable - participants	4,345	16,165
Total assets	\$ 6,145,823	\$ 6,382,107
Total plan equity	\$ 6,145,823	\$ 6,382,107

The accompanying notes are an integral part of these financial statements.

**Linens n Things, Inc.  
Deferred Compensation Plan**

**Statement of Income and Changes in Plan Equity,  
with Fund Information**

**Year ended December 31, 2001**

	<b>Command Money Market Fund</b>	<b>Linens n Things, Inc. Common Stock Fund</b>	<b>Davis New York Venture Fund</b>	<b>Dreyfus Appreciation Fund</b>	<b>Mutual Beacon Fund</b>	<b>Alliance Premier Growth A Fund</b>	<b>American Century Income &amp; Growth Fund</b>	<b>Common Stock Fund</b>	<b>Prudential Short-term Corporate Bond Fund</b>	<b>Franklin Small Cap Growth Fund</b>
Additions to plan equity attributed to:										
Investment income (loss):										
Dividend income	\$ 2,240	\$ --	\$ 1,014	\$ 6,255	\$ 3,831	\$ 72	\$ 4,786	\$ --	\$ 27,177	\$ 462
Net realized gain (loss)	--	--	22,055	(55,098)	(26,147)	(273,232)	(25,022)	24,265	(8,160)	9,043
Net unrealized appreciation (depreciation) in fair value of investments	--	(1,661)	(138,259)	(45,791)	(4,136)	42,743	(34,682)	105,948	(1,864)	(48,541)
Contributions	2,001	104,380	44,827	30,702	--	47,206	34,218	--	--	20,479
Transfers among funds	3,047,950	--	636	616	456,306	62,878	3,224	--	1,038,760	16,900
Total additions	3,052,191	102,719	(69,726)	(63,326)	429,854	(120,333)	(17,476)	130,213	1,055,913	(1,657)

Edgar Filing: LINENS N THINGS INC - Form 11-K

	Command Money Market Fund	Linens n Things, Inc. Common Stock Fund	Davis New York Venture Fund	Dreyfus Appreciation Fund	Mutual Beacon Fund	Alliance Premier Growth A Fund	American Century Income & Growth Fund	Common Stock Fund	Prudential Short-term Corporate Bond Fund	Franklin Small Cap Growth Fund
Deductions from plan equity attributed to:										
Distributions	(205,904)	--	--	--	--	--	--	--	--	--
Transfers among funds	(4,861)	--	(923,161)	(532,024)	(206,072)	(550,391)	(551,084)	(61,061)	(861,704)	(36,600)
<b>Total deductions</b>	<b>(210,765)</b>	<b>--</b>	<b>(923,161)</b>	<b>(532,024)</b>	<b>(206,072)</b>	<b>(550,391)</b>	<b>(551,084)</b>	<b>(61,061)</b>	<b>(861,704)</b>	<b>(36,600)</b>
Net increase (decrease) in plan equity	2,841,426	102,719	(992,887)	(595,350)	223,782	(670,724)	(568,560)	69,152	194,209	(38,257)
Plan equity at beginning of year	18,526	368,131	1,432,711	951,034	--	882,278	767,009	126,363	--	210,639
Plan equity at end of year	\$ 2,859,952	\$ 470,850	\$ 439,824	\$ 355,684	\$ 223,782	\$ 211,554	\$ 198,449	\$ 195,515	\$ 194,209	\$ 172,382

The accompanying notes are an integral part of these financial statements.

-2-

**Linens n Things, Inc.  
Deferred Compensation Plan**

**Statement of Income and Changes in Plan Equity,  
with Fund Information**

**Year ended December 31, 2001, continued**

	Oakmark Fund	Prudential Emerging Growth Fund	American Century Value Fund	Strong Government Securities Fund	Deutsche and Investment Internationa Fund	Baron Asse Fund	Montgomery Liberty Stein Roe Duration Capital Opportunities Fund	Short Government Bond Fund	Franklin International Fund	Gabelli Growth Fund
Additions to plan equity attributed to:										
Investment income (loss):										
Dividend income	\$ 3,667	\$ --	\$ 1,878	\$ 3,573	\$ 38	\$ --	\$ 326	\$ 1,881	\$ 651	\$ --
Net realized gain (loss)	48,564	--	625	10	(196)	(12,012)	--	(2)	(135)	--
Net unrealized appreciation (depreciation) in fair value										
of investments	13,509	(16,745)	5,905	1,937	(13,973)	(35,262)	4,630	323	(3,581)	(7,849)
Contributions	--	6,466	17,072	5,612	17,309	12,576	8,339	200	11,847	4,526

Edgar Filing: LINENS N THINGS INC - Form 11-K

	Oakmark Fund	Prudential Emerging Growth Fund	American Century Value Fund	Strong Government Securities Fund	Deutsche and Investment International Fund	Baron Assoc Fund	Montgomery Liberty Stein Roe Capital Opportunities Fund	Short Duration Government Bond Fund	Franklin International Fund	Gabelli Growth Fund
Transfers among funds	583,165	7,913	100	--	3,852	396	3,770	--	326	1,775
Total additions	648,905	(2,366)	25,580	11,132	7,030	(34,302)	17,065	2,402	9,108	(1,548)
Deductions from plan equity attributed to:										
Distributions	--	--	--	--	--	--	--	--	--	--
Transfers among funds	(527,744)	--	(8,778)	(4,352)	(1,538)	(380,359)	(203)	(2,379)	(2,483)	--
Total deductions	(527,744)									