Company No. 2679430

AUDITORS' REPORT TO DEYCOM LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4 , together with the financial statements of Deycom Limited for the year ended 30 September 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 246 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 in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider 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 sections 246 (5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Freeman Lawrence & Partners Ltd
Chartered Accountants & Registered Auditor
Spectrum Studios
2 Manor Gardens
London N7 6ER

Date: 2 JULY 2003

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ABBREVIATED BALANCE SHEET AS AT 30 SEPTEMBER 2002

Note		2002		2001	
	Fixed assets				
2	Tangible fixed assets		19504		20995
	Current assets				
1	Stock	21673		16038	
	Trade debtors	371413		314604	
4	Other debtors	72009		69718	
	Cash at bank & in hand	5821		7633	
		470916		407993	
	Creditors - Amounts falling due within one year:				
	Trade creditors	257856		166631	
	Taxation & social security	14014		32829	
	Corporation tax	12318		29721	
	Sundry creditors & accruals	15219		61116	
	Directors current account	9494		4925	
		308901		295222	
	Net current assets		162015		112771
	Total assets less current liabilities		181519		133766
	Provision for liabilities and charges				
	Deferred taxation		2168		-
	Net assets		179351		133766
	Capital & reserves				
3	Called up share capital		1000		1000
	Profits & loss account		178351		132766
	Shareholders funds		179351		133766

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies were approved by the board on 4TH 2003 and signed on its behalf.

.....Director
Mr H Dempsey

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2002

1 **Accounting policies**

a) **Basis of preparation of financial statements** The financial statements are prepared in £ UK under the historical cost convention and in accordance with Financial Reporting Standard for Smaller Entities (effective June 2002).

b) **Turnover** Turnover comprises the invoiced value of goods supplied by the company, net of value added tax and trade discounts.

c) **Depreciation** Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures & Equipment	-	25% p.a. on Reducing Rate Basis
Motor Vehicles	-	25% p.a. on Reducing Rate Basis

d) **Operating leases** Rents applicable to operating leases where substantially all of the benefits and risks of ownership remain with the Lessor are charged to Profit & Loss Account as incurred.

e) **Stock** Stocks are valued at the lower cost and net realisable value after making due allowance for obsolete and slow moving stocks.

f) **Deferred taxation** The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

g) **Pensions** The company operates a defined contributions pension scheme for the director and employees. The pension charge represents the amounts payable by the company to the fund in respect of the year.

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2002

2 **Fixed assets**

	Fixtures & Equipment	Motor Vehicle	Total
Cost			
At 1.10.2001	62986	10300	73286
Additions	4959	-	4959
At 30.9.2002	67945	10300	78245
Depreciation			
At 1.10.2000	43047	9244	52291
Charge for the year	6200	250	6450
At 30.9.2001	49247	9494	58741
Net book value			
At 30.9.2002	18698	806	19504
At 30.9.2001	19939	1056	20995

		2002	2001
3	**Called up share capital**		
	Ordinary shares of £1 each -		
	Authorised	50000	50000
	Allotted, issued & fully paid	1000	1000

4 **Related parties**

The company occupies premises owned by Mr H and L Dempsey who are brothers and hold all the companies issued shares. Mr H Dempsey is the sole director of the company. Mr L Dempsey was a director until he resigned 31 May 2000. The rent for the property was £15000 (2001 - £15000).

Other debtors include £54068 (2001 - £54068) unsecured loan to Mr L Dempsey. The maximum amount outstanding during the year was £54068. No interest has been charged on the loan.