
DELTACOAST LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
AUGUST 31, 2001



REGISTERED IN SCOTLAND NO 199021

DELATACOST LIMITED

Contents

	Page
Directors' Report	3
Statement of Income and Deficit	4
Balance Sheet	5
Notes to the Financial Statements	7

DELTACOAST LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED AUGUST 31, 2001

The directors present their report and the financial statements for the year ended August 31, 2001.

Principal Activities and review of business

The company's principal activity during the period ended August 31, 2001 was importing and retailing Persian and handmade carpets and rugs, nomadic furniture and artefacts.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on February 15, 2002 and signed on its behalf.

Sabeela Khamisa Humain

Director/Secretary

DELTACOAST LIMITED
STATEMENT OF INCOME AND DEFICIT
For the year ended August 31, 2001

	<u>Notes</u>	<u>Aug 2001</u>	<u>Aug 2000</u>
SALES	1	30,367	36,678
Cost of goods sold		18,524	21,641
Gross Profits		11,843	15,037
Expenses		<u>21,294</u>	<u>20,468</u>
Deficit for the year		<u>9,451</u>	<u>5,431</u>
Deficit beginning of the year		<u>5,431</u>	<u>-</u>
Deficit end of the year		<u>£14,882</u>	<u>£5,431</u>

Sales and deficit wholly from continuing operations

There were no recognised gain or losses for the year ended 2001 other than those included in the Statement of Income and Deficit.

The notes on pages 8 form part of these financial statements.

DELTACOAST LIMITED
BALANCE SHEET
August 31, 2001

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
CURRENT ASSETS			
Inventory		89,240	83,446
Cash on hand and in banks		<u>-</u>	<u>1,885</u>
		89,240	85,331
CURRENT LIABILITIES			
Creditors- amounts falling due within one year	1.3	<u>104,022</u>	<u>90,662</u>
Net Current Assets (liabilities)		<u>(14,782)</u>	<u>(5,331)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(£14,782)</u>	<u>(£5,331)</u>
CAPITAL AND RESERVES			
Called up share capital	1.4	100	100
Deficit		<u>(14,882)</u>	<u>5,431</u>
Shareholders Fund		<u>(£ 14,782)</u>	<u>(£5,331)</u>

The directors consider that the company is entitled to exemption from the requirement to have audit under the provisions of section 249A (1) of the Companies Act 1985 and no notice requiring an audit has been deposited under section 249b(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing financial statements which gave a true and fair view of the state of affairs of the company as at August 31, 2001 and of its profit/deficit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

DELTACOAST LIMITED
BALANCE SHEET
August 31, 2001

Their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affair of the company as at August 31 2001 and its profit/deficit in the year, then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company. The financial statements have been prepared in accordance with the special provision of part vii of the Company Act 1985 relating to small companies.

The financial statement were appended by the bearer on February 15, 2002 and signed on its behalf.

Sabihah Khamisah Hussain

Director/Secretary

The notes on pages 8 form part of these statements.

DELTACOAST LIMITED**BALANCE SHEET**

August 31, 2001

	<u>Aug 31, 2001</u>	<u>Aug 31, 2000</u>
SALES	<u>30,367</u>	<u>36,678</u>
COST OF GOODS SOLD		
OPENING INVENTORY	83,446	-
PURCHASES	<u>24,318</u>	<u>105,087</u>
	107,764	105,087
CLOSING INVENTORY	<u>89,240</u>	<u>83,446</u>
COST OF GOODS SOLD	<u>18,524</u>	<u>21,641</u>
GROSS PROFIT	<u>11,843</u>	<u>15,037</u>
EXPENSES		
ADVERTISEMENTS	1,350	1,125
BANK CHARGES	1,899	1,610
HEAT, LIGHT AND POWER	637	1225
INSURANCE	1,133	1040
MISCELLANEOUS	1,307	772
RENT AND RATES	11,850	14,250
TELEPHONE AND FAX	878	446
SALARIES AND WAGES	2,240	-
	<u>21,294</u>	<u>20,468</u>
Deficit for the year	£9,451	£5,431
Deficit brought forward	<u>5,431</u>	<u>-</u>
Deficit for end of the year	<u>14,882</u>	<u>5,431</u>

DELTACOAST LIMITED
NOTES TO FINANCIAL STATEMENTS
August 31, 2001

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and includes the result of the Company's operations which are described in the Director's Report and all of which are continuing.

The Company has taken advantage of the exemption in financial Reporting Standard No.1 from requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

The turnover is wholly attributed to the company's main activity.

1.3 Creditors

Amounts falling due within one year.

	<u>Aug2001</u>	<u>Aug2000</u>
Loan	24,548	24,914
Accredited charges	<u>79,474</u>	<u>65,748</u>
	<u>104,022</u>	<u>90,662</u>

1.4 Called up Share Capital

Authorised

100 ordinary shares @ £1- each

Allotted, Called up and fully paid		
100 ordinary shares @ £1- each	<u>100</u>	<u>100</u>