
DELTACOAST LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
AUGUST 31, 2002**



REGISTERED IN SCOTLAND NO 199021

DELATACOAST LIMITED

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DELTACOAST LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED AUGUST 31, 2002

The directors present their report and the financial statements for the year ended August 31, 2002.

Principal Activities and review of business

The company's principal activity during the period ended August 31, 2002 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, 2003 and signed on its behalf.



Director/Secretary

DELTACOAST LIMITED
STATEMENT OF INCOME AND DEFICIT
For the year ended August 31, 2002

	<u>Notes</u>	<u>Aug 2002</u>	<u>Aug 2001</u>
SALES	1	31,208	30,367
Cost of goods sold		17,200	18,524
Gross Profits		14,008	11,843
Expenses		<u>19,619</u>	<u>21,294</u>
Deficit for the year		<u>5,611</u>	<u>9,451</u>
Deficit beginning of the year		<u>14,882</u>	<u>5,431</u>
Deficit end of the year		<u>£20,493</u>	<u>£14,882</u>
Sales and deficit wholly from continuing operations.			

There were no recognised gain or losses for the year ended 2002 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, 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
CURRENT ASSETS			
Inventory		84,866	89,240
Cash on hand and in banks		<u>1,621</u>	<u>-</u>
		86,487	89,240
CURRENT LIABILITIES			
Creditors- amounts falling due within one year	1.3	<u>106,880</u>	<u>104,022</u>
Net Current Assets (liabilities)		<u>(20,393)</u>	<u>(14,782)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(£20,393)</u>	<u>(£14,782)</u>
CAPITAL AND RESERVES			
Called up share capital	1.4	100	
100			
Deficit		<u>(20,493)</u>	<u>14,882</u>
Shareholders Fund		<u>(£20,393)</u>	<u>(£14,782)</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, 2002 and of its profit/deficit for the year then ended in accordance with the requirements of section 226, and which other wise 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, 2002

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 2002 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 21, 2003 and signed on its behalf.



Director/Secretary

The notes on pages 8 form part of these statements.

DELTACOAST LIMITED
BALANCE SHEET
August 31, 2002

	<u>Aug 31, 2002</u>	<u>Aug 31, 2001</u>
SALES	<u>31,208</u>	<u>30,367</u>
COST OF GOODS SOLD		
OPENING INVENTORY	89,240	83,446
PURCHASES	<u>12,826</u>	<u>24,318</u>
	102,066	107,764
CLOSING INVENTORY	<u>89,866</u>	<u>89,240</u>
COST OF GOODS SOLD	<u>17,200</u>	<u>18,524</u>
GROSS PROFIT	<u>14,008</u>	<u>11,843</u>
EXPENSES		
ADVERTISEMENTS	--	1,350
BANK CHARGES	280	1,899
HEAT, LIGHT AND POWER	1,125	637
INSURANCE	1,150	1,133
MISCELLANEOUS	1,205	1,307
RENT AND RATES	12,150	11,850
TELEPHONE AND FAX	509	878
SALARIES AND WAGES	3,200	2,240
	<u>19,619</u>	<u>21,294</u>
Deficit for the year	<u>£5,611</u>	<u>£9,451</u>
Deficit brought forward	<u>14,882</u>	<u>5,431</u>
Deficit for end of the year	<u>20,493</u>	<u>14,882</u>

DELTACOAST LIMITED
NOTES TO FINANCIAL STATEMENTS
August 31, 2002

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>Aug2002</u>	<u>Aug2001</u>
Loan	20,550	24,548
Accredited charges	<u>86,330</u>	<u>79,474</u>
	<u>106,880</u>	<u>104,22</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>
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