
DELTACOAST LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
AUGUST 31st, 2005



REGISTERED IN SCOTLAND NO 199001

DELTACOAST 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 31st, 2005

The directors present their report and the financial statements for the year ended August 31st, 2005.

Principle Activities and review of business

The company's principle activity during the period ended August 31st, 2005 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 March 14th 2006 and signed on its behalf.



Director/ Secretary

DELTACOAST LIMITED
STATEMENT OF INCOME AND DEFICIT
For the year ended August 31st, 2005

	<u>Notes</u>	<u>Aug 2005</u>	<u>Aug 2004</u>
SALE		66,154	59,379
Cost of goods sold		<u>42,592</u>	<u>35,683</u>
Gross profits		23,562	23,696
Expenses		<u>16,596</u>	<u>15,781</u>
Profit for the year		<u>6,966</u>	<u>7,915</u>
Deficit beginning of the year		<u>(6,637)</u>	<u>(14,552)</u>
Profit for the year		<u>329</u>	<u>(6,637)</u>
Corporation tax		<u>66</u>	----
Profit (deficit) end of the year		<u>263</u>	<u>(6,637)</u>

There were no recognised gain or losses for the year ended 2005 other than those included in statement of income and deficit.

The notes on page 8 form parts of these financial statements.

DELTACOAST LIMITED

BALANCE SHEET

August 31st, 2005

	<u>Notes</u>	<u>Aug 2005</u>	<u>Aug 2004</u>
CURRENT ASSETS			
Inventory		<u>82,720</u>	<u>87,103</u>
Cash on hand and in banks		<u>4,832</u>	<u>11,773</u>
		87,552	98,876
CURRENT LIABILITIES			
Creditors – amount falling			
Within one year	1.3	<u>87,189</u>	<u>105,413</u>
Net Current Assets (liabilities)		<u>363</u>	<u>(6,537)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>363</u>	<u>(6,537)</u>
CAPITAL AND RESERVES			
Called up share capital	1.4	100	100
Retained earnings (deficit)		<u>263</u>	<u>(6,637)</u>
Shareholders Fund		<u>363</u>	<u>6,537</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 notices requiring an audit has been deposited under section 249 (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 give a true and fair view of the state of affairs of the company as at August 31 2005 and of its profits for the year then ended in accordance with the requirements of the Act relating to the financial statements so far as applicable to the company.

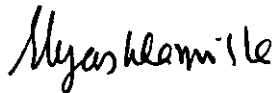
DELTACOAST LIMITED

BALANCE SHEET

August 31st, 2005

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 was appended by the bearer on March 14th 2006 and signed on its behalf.



Director/ Secretary

The notes on page 8 form part of these statements.

DELTACOAST LIMITED**STATEMENT OF INCOME AND RETAINED EARNINGS**August 31st 2005

	<u>Aug 2005</u>	<u>Aug 2004</u>
SALES	<u>66,154</u>	<u>59,379</u>
COST OF GOODS SOLD		
OPENING INVENTORY	87,103	86,715
PURCHASES	<u>38,210</u>	<u>36,071</u>
	125,313	122,786
CLOSING INVENTORY	<u>87,720</u>	<u>87,103</u>
COS OF GOODS SOLD	<u>42,593</u>	<u>35,683</u>
GROSS PROFITS	<u>23,561</u>	<u>23,696</u>
EXPENSES		
BANK CHARGES	359	421
HEAT, LIGHT AND POWER	603	481
INSURANCE	1,759	2,592
MISCELLANEOUS	575	144
RENT AND RATES	6000	5250
TELEPHONE AND FAX	494	716
SALARIES AND WAGES	4,500	3,500
ADVERTISEMENT	2,305	1,627
PROFESSIONAL FEES	-	<u>1,050</u>
	<u>16,595</u>	15,781
Profit for the year	6,966	7,915
(Deficit) beginning of the year	(6637)	(14,552)
(Deficit) end of the year	<u>329</u>	<u>(6,637)</u>
Profit Corporation takes	<u>66</u>	-
	263	(6,637)

DELTACOAST LIMITED
NOTES TO FINANCIAL STATEMENTS
August 31st, 2005

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 Reports and all of which are continuing.

1.2 Turnover

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

1.3 Creditors

Amounts falling due within one year

	<u>Aug 2005</u>	<u>Aug 2004</u>
Loan	23,715	25,589
Accredited charges	<u>63,474</u>	<u>79,824</u>
	<u>87,189</u>	<u>105,413</u>

1.4 Called up Share Capital

Authorized
100 ordinary shares @ £1 each

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