NOVA COMMUNICATIONS LTD
Form 10QSB
December 12, 2002

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

FORM 10-QSB

/X/ Quarterly Report under Section 13 or 15(d) of the Securities Exchange Act of 1934 For the quarterly period ended September 30, 2002

/ / Transition Report under Section 13 or 15(d) of the Securities Exchange Act of 1934.
For transition period from _____________ to ________________.

Commission File Number: 2-98014-D

NOVA COMMUNICATIONS LTD.
(Exact name of small business issuer as specified in its charter)

Nevada	95-4756822
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

3830 Del Amo Blvd., Torrance, CA 90503
(Address of principal executive offices)

Issuer's telephone number including area code: (310) 642-0200

Check whether the Issuer (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Exchange Act during the past 12 months (or for such shorter period that the Registrant was required to file such reports;) and (2) has been subject to such filing requirements for the past 90 Days:
Yes / X / No / /

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date:

Common stock: $.001 par value 46,958,181 shares outstanding at September 30, 2002.

Documents incorporated by reference: Form S-8 filed February 12, 2002, March 26, 2002, April 1, 2002, April 1, 2002, April 1, 2002, April 8,2002, and April 15, 2002

Total sequentially numbered pages in this document: 24

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NOVA COMMUNICATIONS LTD.

PART I. FINANCIAL INFORMATION

Item 1 Financial Statements

NOVA COMMUNICATIONS LTD.

Consolidated Balance Sheets

	September 30 2002	Dece
ASSETS		
Current assets:		
Cash	$ 175,459	$
Accounts receivables, less allowance for uncollectible accounts of $31,580 in 2002 and $6,885 in 2001	66,326	
Notes receivable	33,628	
Inventories	-	
Prepaid expenses and deposits	44,096	
Available-for-sale investments	32,625	
Total current assets	352,134	
Equipment, net	270,574	
Other assets:		
Goodwill, less accumulated amortization of $7,786 in 2002 and $4,866 in 2001	19,464	
Deposits	3,063	
Total other assets	22,527	
	$ 645,235	$

NOVA COMMUNICATIONS LTD.

Consolidated Balance Sheets (continued)

	September 30 2002	Decem
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable	$ 663,234	$
Payable to related parties	22,158	
Accrued payroll and payroll related liabilities	273,474	
Customer deposits	21,894	
Income taxes payable	-	
Other accrued liabilities	-	
Long-term obligations, due within one year	119,746	
Net liabilities of discontinued operations	-	
Total current liabilities	1,100,506	
Long-term obligations	843,609	
Notes payable to related parties	625,000	
Commitments		
Stockholders' equity (deficit):		
Preferred stock; no par value; authorized 10,000,000 shares	-	
Common stock; $.001 par value; authorized 500,000,000 shares; outstanding 46,958,181,shares in 2002 and 31,428,458 shares in 2001	46,958	
Common stock to be issued	-	
Additional paid-in capital	13,797,842	
Retained deficit	(15,303,548)	
Unrealized holding loss from available-for-sale investments	(465,132)	
Total stockholders equity (deficit)	(1,923,880)	
	$ 645,235	$

Statements of Operations and Comprehensive Income (Loss)

	For The Nine Mo Ended Septembe 2002	
Revenues	$ 6,045,370	$
Cost of revenues	5,098,709	
Gross margin	946,661	
Operating expenses:		
Selling	287,661	
Operating	389,761	
General and administrative	334,238	
Consulting fees (paid by stock issuance)	573,169	
Total operating expenses	1,584,829	
Loss from operations	(638,168)	
Other income (expenses):		
Interest, net	(80,237)	
Total other income (expenses)	(80,237)	
Loss before provision (benefit) for income taxes	(718,405)	
Provision (benefit) for income taxes	-	
Net loss of continuing operations	(718,405)	
Net loss of discontinued operations	(775,336)	
Gain on sale of discontinued operations	5,522,708	
Net income (loss)	$ 4,028,967	$
Net income (loss) per common share	$ .0980	$
Unrealized holding gain (loss) on available-for-sale investments	-	
Comprehensive income (loss)	$ 4,028,967	$
Comprehensive income (loss) per common share	$ .0980	$

NOVA COMMUNICATIONS LTD.

Statements of Operations and Comprehensive Income (Loss)

	For The Three M Ended Septembe 2002	
Revenues	$ 1,872,947	$
Cost of revenues	1,517,807	
Gross margin	355,140	
Operating expenses:		
Selling	93,585	
Operating	138,613	
General and administrative	101,068	
Consulting fees (paid by stock issuance)	(14,230)	
Total operating expenses	319,036	
Income (loss) from operations	36,104	
Other income (expenses):		
Interest, net	(26,336)	
Total other income (expenses)	(26,336)	
Income (loss) before provision (benefit) for income taxes	9,768	
Provision (benefit) for income taxes	-	
Net income (loss) of continuing operations	9,768	
Net loss of discontinued operations	(171,845)	
Gain on sale of discontinued operations	5,522,708	
Net income (loss)	$ 5,360,631	$
Net income (loss) per common share	$ .1154	$
Unrealized holding gain (loss) on available-for-sale investments	-	
Comprehensive income (loss)	$ 5,360,631	$
Comprehensive income (loss) per common share	$ .1154	$

NOVA COMMUNICATIONS LTD.

Statements of Operations and Comprehensive Income (Loss)

1. Business and summary of significant accounting policies

BUSINESS: Nova Communications Ltd. (the "Company" or "Nova") was incorporated under the laws of the State of Utah on March 25, 1985. Effective June 28, 1999, the Company changed its name from First Colonial Ventures, Ltd. to Nova Communications Ltd. and changed its state of incorporation from Utah to Nevada. The Company invests in and provides managerial assistance to developing companies.

BASIS OF CONSOLIDATION: The consolidated financial statements include the accounts of Nova and its subsidiary Kadfield, Inc. All intercompany accounts and transactions have been eliminated.

As of September 30, 2002 and December 31, 2001, the Company owned 100% of Kadfield.

INTERIM REPORTING: The Company's year-end for accounting and tax purposes is December 31. In the opinion of management of the Company, the accompanying consolidated financial statements as of September 30, 2002 and for the nine months then ended contain all adjustments, consisting of only normal recurring adjustments, except as noted elsewhere in the notes to the consolidated financial statements, necessary to present fairly its financial position, results of its operations and cash flows. The consolidated results of operations for the nine months ended September 30, 2002 are not necessarily indicative of the results to be expected for the full year.

CASH AND CASH CONCENTRATIONS: For purposes of the statement of cash flows, the Company and its subsidiaries consider cash equivalents to be highly liquid instruments with original due dates within three months of the date purchased.

The Company and its subsidiaries place their cash in financial institutions and, at various times throughout the year, cash held in these accounts has exceeded Federal Deposit Insurance Corporation limits. Neither the Company nor its subsidiaries have experienced any losses as a result of these cash concentrations.

NOVA COMMUNICATIONS LTD.

Statements of Operations and Comprehensive Income (Loss)

1. Business and summary of significant accounting policies (continued)

INVESTMENTS: Investments are accounted for under the provisions of Statement of Financial Accounting Standards No. 115, "Accounting for Certain Investments in Debt and Equity Securities" ("SFAS 115"). SFAS 115 requires that all applicable investments be classified as trading securities, available-for-sale securities, or hold-to-maturity securities. The statement further requires that hold-to-maturity securities be reported at amortized cost and available-for-sale securities be reported at fair market value, with unrealized gains and losses excluded from earnings but reported in a separate component of shareholders' equity (net of the effects of income taxes) until they are disposed of or sold. At the time of disposal or sale, any gains or losses, calculated by the specific identification method, are recognized as a component of operating results.

EQUIPMENT: Equipment is carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the depreciable assets, which range from five to fifteen years.

Computer software obtained or developed for internal use is capitalized in accordance with Statement of Position 98-1, "Accounting for the Cost of Computer Software Developed for Internal Use". Amortization is computed using the straight-line method over seven years.

Equipment under capitalized lease obligations is carried at estimated fair market value determined at the inception of the lease. Amortization is computed using the straight-line method over the original term of the lease or the estimated useful lives of the assets, whichever is shorter.

GOODWILL: Goodwill represents the excess purchase price over the estimated fair value of the net assets of its subsidiaries. Amortization is computed using the straight-line method over seven years.

IMPAIRMENT OF LONG-LIVED ASSETS: The Company and its subsidiary assess the recoverability of long-lived assets by determining whether the depreciation and amortization of the asset's balance over its remaining life can be recovered through projected undiscounted future cash flows. The amount of impairment, if any, is measured based on fair value and charged to operations in the period in which the impairment is determined by management. During 2001, management determined that they would not be able to recover the excess purchase price over the estimated fair value of the net assets of its subsidiaries and charged to operations an expense of approximately $2,738,300 for the impairment of goodwill.

NOVA COMMUNICATIONS LTD.

Statements of Operations and Comprehensive Income (Loss)

1. Business and summary of significant accounting policies (continued)

REVENUE RECOGNITION: Revenue from Nova's managerial assistance services is recognized when services are rendered. Revenue from Kadfield, Inc.'s computer and electronic equipment sales is recognized when equipment is shipped to customers.

STOCK BASED COMPENSATION: The Company and its subsidiaries account for stock based compensation under Statement of Financial Accounting Standards No. 123 ("SFAS 123). SFAS 123 defines a fair value based method of accounting for stock based compensation. However, SFAS 123 allows an entity to continue to measure compensation cost related to stock and stock options issued to employees using the intrinsic method of accounting prescribed by Accounting Principles Board Opinion No. 25 ("APB 25"), "Accounting for Stock issued to Employees". Entities electing to remain with the accounting method of APB 25 must make pro forma disclosures of net income and earnings per share, as if the fair value method of accounting defined in SFAS 123 had been applied. The Company has elected to account for its stock based compensation to employees under APB 25. The Company reflects each stock based compensation certificate as of its issue date in weighted average number of common stock shares outstanding calculations.

ADVERTISING: The Company and its subsidiary expense the cost of advertising as incurred as selling expenses. Advertising expenses were $287,660 and $205,828 for the nine months ended Septmeber 30, 2002 and 2001 respectively.

REPORTING COMPREHENSIVE INCOME: The Company and its subsidiary report and display comprehensive income and its components as separate amounts in the consolidated financial statements. Comprehensive income includes all changes in equity during a period that result from recognized transactions and other economic events other than transactions with owners.

INCOME TAXES: Income taxes are provided on the liability method whereby deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases and reported amounts of assets and liabilities. Deferred tax assets and liabilities are computed using enacted tax rates expected to apply to taxable income in the years in which temporary differences are expected to

NOVA COMMUNICATIONS LTD.

Statements of Operations and Comprehensive Income (Loss)

1. Business and summary of significant accounting policies (continued)

be recovered or settled. The effect on deferred tax assets and liabilities from a change in tax rates is recognized in income in the period that includes the enactment date. The Company and its subsidiary provide a valuation allowance for certain deferred tax assets, if it is more likely than not that the Company or its subsidiary will not realize tax assets through future operations.

SEGMENT REPORTING: The Company and its subsidiary report information about operating segments and related disclosures about product and services, geographic areas and major customers in annual and interim consolidated financial statements under Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information". Operating segments are defined as components of an enterprise for which separate financial information is available that is evaluated regularly by Management in deciding how to allocate resources and in assessing performance.

NET LOSS PER COMMON SHARE: Net loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding during the period. The weighted average number of common stock shares outstanding was 46,958,181 for the nine months ended September 30, 2002 (21,734,672 for 2001). Preferred stock is not considered to be a common stock equivalent. Common stock to be issued is not considered to be a common stock equivalent as the effect on net loss per common share is anti-dilutive.

CONCENTRATION RISK: Kadfield Inc. grants nominal credit to customers throughout the United States. Because the majority of Kadfield's revenue is generated through credit card sales the granting of credit to selected customers is not considered a significant risk.

SIGNIFICANT RISKS AND UNCERTAINTIES: The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Management of the Company has made certain estimates and assumptions regarding the collectability of notes receivable, net realizable value of inventories and estimated fair value of investments. Such estimates and assumptions primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

2. Operations

The Company, through June 30, 2002, had experienced recurring losses from operations and as of September 30, 2002 had a working capital deficit of $748,372 ($5,093,835 at December 31, 2001) and a net capital deficiency of $1,923,880 ($6,670,695 at December 31, 2001).

2. Operations (continued)

On July 1, 2002 Nova sold, for $1.00, its entire interest in Communications 2000, Inc. This resulted in an increase in earnings of $5,522,708 during the quarter and an improvement of $5,386,536 in net equity as of September 30,2002. All operations, except for the loss from discontinued operations, including all of the assets and liabilities of Communications 2000, Inc., have been deleted from the reports for the year ended December 31, 2001, the six months ended June 30, 2002 and the nine months ended September 30, 2002.

Nova has made an offer to acquire a data storage facility company currently operating in Chapter 11. Nova believes that it will be able to provide managerial assistance to this company in order for them to achieve profitable operations. There can be no assurances that Nova's offer for this company will be accepted.

The Company and its principal subsidiary, continue to suffer from a working capital shortage. Their efforts to raise additional working capital continue. The Company believes the above actions, events and other factors will allow them to continue operations and ultimately achieve profitability. Until then, the Company is dependent upon its ability to obtain additional capital and debt financing. Kadfield Inc., through September 30, 2002 is cash flow positive, but lacks the necessary working capital to achieve its business plan.

3. Business combination

Effective October 1, 2000, Nova acquired Communications 2000, Inc., dba TEC-networks, in a business combination accounted for as a purchase. TEC-networks engaged in the sale, installation and service of business communications systems, including computer networking and voice, data and voice-over-the-Internet communications. TEC-networks began its business during 1995 in Torrance, CA (Los Angeles area) and holds a national distributorship agreement with Nortel Networks, in addition to maintaining supplier relationships with several other major equipment manufacturers and wholesalers. Prior to the business combination, the principal stockholder of TEC-networks was a stockholder of Nova and Nova was providing management services to TEC-networks. The general state of the economy, and the telecom sector specifically, led to the belief that obtaining the necessary capital to support Communications 2000, Inc.'s business plan would not happen timely and therefore the decision was made to dispose of the entity, as described above.

3. Business combination (continued)

Also effective October 1, 2000, Communications 2000 acquired Kadfield, Inc. of Redondo Beach, CA. On December 31, 2001, Kadfield, Inc. was acquired from Communications 2000, Ind and became a wholly owned subsidiary of Nova Communications. Ltd. Kadfield, Inc. engages in the retail sale of computer and electronic equipment by direct sale and via the Internet under the trade name of "BuyMicro". Its customers are located nationwide.

4. Investments

All of the Company's investments are considered by Management to be available-for-sale investments. The following is a summary of investment securities:

	June 30 2002	
Corporate securities:		
Amortized cost	$ 497,757	$
Gross unrealized losses	(465,132)	
Estimated fair value	$ 32,625	$

The Company's available-for-sale investments consist of the following Corporate Securities:

GULF COAST HOTELS, INC. ("GULF COAST"): The Company is a minority partner in Gulf Coast that was formed to purchase the rights to approximately 1.4 acres in Biloxi, Mississippi and to develop a high-rise condominium hotel on that site. Gulf Coast has been unable to raise the approximately $1,000,000 necessary to complete the down payment. The seller has provided extensions to Gulf Coast, however the agreement is in default. Management of Nova has determined that its investment in Gulf Coast had no value based upon the uncertainty of the outcome of Gulf Coast's default.

LEGAL CLUB: The Company owns 337,500 shares of common stock of Legal Club, a publicly traded, nationwide membership organization providing access to attorney services at discounted rates. The value of the Company's investment in Legal Club was determined based upon the closing bid price of their common stock on December 31, 2001.

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NOVA COMMUNICATIONS LTD.

Statements of Operations and Comprehensive Income (Loss)

5. Equipment

Equipment consisted of the following:

	September 30 2002	
Office furniture, equipment and computer software net of accumulated depreciation	$ 270,574	$

NOVA COMMUNICATIONS LTD.

Statements of Operations and Comprehensive Income (Loss)

6. Long-term obligations

Long-term obligations consisted of the following:

	September 30 2002	
Note payable and accrued interest payable to PFK Development Group, secured by 337,500 shares of Legal Club stock, borrowings bear interest at 10% per annum, borrowings and accrued interest are due December 2003.	$ 718,927	$
Capitalized lease obligations	244,428	
	963,355	
Less principal due within one year	(119,746)	
Long-term obligations	$ 843,609	$

NOVA COMMUNICATIONS LTD.

Statements of Operations and Comprehensive Income (Loss)

7. Notes payable to related parties

Notes payable to related parties consisted of the following:

	September 30 2002	
Note payable to Palaut Management, Inc. in exchange for management consulting services, unsecured and non-interest bearing, due June 2003. Palaut Management, Inc. is controlled by close family members of a stockholder of Nova.	$ 625,000	$

8. Income taxes

The components of the provision for income taxes are as follows:

	September30 2002	
State of California	$ -	$
Currently provision (benefit)	$ -	$

NOVA COMMUNICATIONS LTD.

Statements of Operations and Comprehensive Income (Loss)

9. Other related party transactions

The Company has entered into an agreement with a company for management consulting services. The management company is controlled by close family members of a stockholder of Nova. The agreement expires in June 2003 with renewal provisions. Under the terms of the agreement, the Company is obligated to pay the management company $205,000 per year.

NOVA COMMUNICATIONS LTD.

Notes to Financial Statements

Item 2 Management's Discussion And Analysis Of Financial Condition And Results Of Operations

Management's discussion and analysis should be read in conjunction with the financial statements and the notes thereto.

RESULTS OF OPERATIONS

These results include the operations of the Company and its consolidated subsidiary for the nine months ended September 30, 2002 and September 30, 2001.

Net income, comprehensive income, net income per common share and comprehensive income per common share:

Net income and comprehensive loss for the nine months ended September 30, 2002 was $4,028,967, an increase of $6,699,071 compared with a loss of $(2,724,4797) for the same nine months of 2001. As a result, net income per share and comprehensive loss per share for the nine months ended September 30, 2002 was $.098, a loss decrease of $.23 per share compared with a loss of $(.1311) for the same nine months of 2001.

Net income and comprehensive loss for the three months ended September 30, 2002 was $5,360,631, a loss decrease of $6,539,263 compared with a loss of $(1,178,632) for the same three months of 2001. As a result, net loss per share and comprehensive loss per share for the three months ended September 30, 2002 was $.1154, a loss decrease of $.17 per share compared with a loss of $(.0542) for the same three months of 2001.

Revenues

Net revenues for the nine months ended September 30, 2002 were $6,045,370, an increase of $3,918,770 compared with $2,2126,600 for the same nine months of 2001. Sales of computer and electronic equipment for the nine months ended September 30, 2002 were $6,193,540,, an increase of $3,969,006 compared with $2,224,534 for the same nine months of 2001.

Net revenues for the three months ended September 30, 2002 were $1,872,947, an increase of $827,787 compared with $1,045,160 for the same three months of 2001. Sales of computer and electronic equipment for the three months ended September 30, 2002 were $1,945,318 an increase of $879,023 compared with $1,066,295 for the same three months of 2001. .

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NOVA COMMUNICATIONS LTD.

Notes to Financial Statements

Cost of revenues and gross margin

Cost of revenues for the nine months ended September 30, 2002 was $5,098,709, or 84.34% of net revenues. Gross margin for the nine months ended September 30, 2002 was $946,661, an increase of $745,286 compared with $201,375 for the same nine months of 2001.

Cost of revenues for the three months ended September 30, 2002 was $1,517,807, or 90.53% of net revenues. Gross margin for the three months ended September 30, 2002 was $355,140 an increase of $222,148 compared with $66,992 for the same three months of 2001.

Operating expenses

Operating expenses for the nine months ended September 30, 2002 were $1,584,829, an increase of $67108,837 compared with $905,992 for the same nine months of 2001. In 2002, operating expenses included $587,399 in consulting fees compared with $-0- in 2001. These fees were incurred for professional services in connection with promoting the Company's businesses and its efforts to raise working capital. Shares of common stock in the Company were exchanged for these services, and their value was determined using the market bid price quotation on the date of the respective issues. Without this item, other operating expenses for the nine months increased $105,668 from 2001 to 2002, primarily as a result of increased advertising costs.

Operating expenses for the three months ended September 30, 2002 were $319,036, a decrease of $138,915 compared with $480,121 for the same three months of 2001.

The company has included in net loss of discontinued operations the amount of $150,000 which represents a potential liability of unpaid payroll taxes, for a previously discontinued operation, which the company has agreed to indemnify its previous president against if he is so assessed by the Internal Revenue Service.

Other income (expenses)

Net interest expense for the nine months ended September 30, 2002 was $80,237, a decrease of $13,371 compared with $93,608 for the same nine months of 2001.

Net interest expense for the three months ended September 30, 2002 was $26,336, an increase of $12,517 compared with $13,819 for the same three months of 2001.

OPERATING STRATEGIES AND COST REDUCTIONS

The Company and its subsidiary have been hampered in their operations during 2002 and 2001 by a shortage of working capital. Despite engaging the services of several investment bankers and professional fundraisers, only $92,000 has been raised from the

sale of shares during 2002 to outside parties ($31,383 during 2001). The Company's growth and strategic operating plans for TEC-networks were predicated upon raising $2,000,000 to $4,000,000 in working capital during the first half of 2001. Without adequate working capital, TEC-networks was unable able to expand its sales presence as planned. It was also not able to sponsor levels of advertising programs necessary to create a significant number of leads for its existing sales force.

Decisions were made in late 2001 to close the Tampa, FL and Concord, CA offices of TEC-networks, as cost reduction measures. The Tampa, FL location was closed on February 15, 2002, and the Concord, CA office was closed on February 28, 2002. Lease agreements on these locations were simultaneously cancelled. Compensation agreements with remaining sales agents were converted to a modest base salary with performance-based incentives. Although these changes were invoked TEC-networks was unable to generate sufficient revenue to make it a viable operation and it was sold on July 1, 2002.

Kadfield, Inc., operating as BuyMicro, was successful in increasing its lines of credit with its suppliers during 2001. It also has focused a portion of its business in large systems that are financed under capital lease arrangements for its customers. Its operations have been profitable since the fourth quarter of 2001.

The Company and its principal subsidiary, Kadfield, Inc , continue to suffer from a working capital shortage. The effort to raise additional working capital continues. Although Kadfield, Inc. is operating profitably, additional capital is required to enable it to attain its business plan. New product lines are being added to its business plan and an active effort is underway to acquire additional lines and or other business that will be synergistic with Kadfield's plan. The Company believes the above actions, events and other factors will allow them to continue operations and ultimately achieve profitability. Until then, the Company is dependent upon its ability to obtain additional capital and debt financing.

SUBSEQUENT EVENTS

On July 22, 2002 the Board of Directors met and approved the sale of the Company's 46.68% interest in Communications 2000, Inc., which transaction was effective on July 1, 2002. The financial statements for the six-month period ended June 30, 2002 include the accounts of Communications 2000, Inc. If these accounts were not included, the Company's total revenues for the six-month period would have been reduced by $776,865. The Company's revenues from continuing operations for the six-month period would have been $4,172,423. The Company's total "Segment Loss from Operations" for the six-month period would have been reduced by $575,469. The Company's "Segment Loss from Continuing Operations" for the six-month period would have been $657,849. (See Footnote 12, "Segment Information", on page 17.)

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PART II. OTHER INFORMATION

Item 5 Other Information
None

Item 6 Exhibits And Reports On Form 8-K

(a) Exhibits

Exhibit Number of Document	Description

3(3)(i)(1)	First Colonial Ventures, Ltd. Articles of Incorporation - March 25, 1985 (Incorporated by reference)
3(3)(i)(2)	First Colonial Ventures, Ltd. Amendment to Articles of Incorporation - August 12, 1985 (Incorporated by reference)
3(3)(i)(3)	First Colonial Ventures, Ltd. Amendment to Articles of Incorporation -September 3, 1985 (Incorporated by reference)
3(3)(i)(4)	First Colonial Ventures, Ltd. Amendment to Articles of Incorporation -February 3, 1992 (Incorporated by reference)
3(3)(ii)(1)	Bylaws (Incorporated by reference)
99.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(b)	No reports on Form 8-K where filed during the period covered by this report.

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In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the Company in the capacities and on the dates indicated:

November 30, 2002

/s/ KENNETH D. OWEN

Kenneth D. Owen President and Director

November 30, 2002

/s/ LESLIE I. HANDLER

Leslie I. Handler	Assistant Secretary and Director