

Registered number: 05660708

## DIAMOND BUILD (HOLDINGS) PLC

### DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

MONDAY



"L3B60UU"

LD6

30/06/2014

#174

COMPANIES HOUSE

---

**DIAMOND BUILD (HOLDINGS) PLC**

---

**COMPANY INFORMATION**

---

|                             |                                                                                                                         |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------|
| <b>DIRECTORS</b>            | J A Gray M C I O B<br>S R Lakhan F C C A                                                                                |
| <b>COMPANY SECRETARY</b>    | S R Lakhan F C C A                                                                                                      |
| <b>REGISTERED NUMBER</b>    | 05660708                                                                                                                |
| <b>REGISTERED OFFICE</b>    | 52-68 Stamford Road<br>Tottenham<br>London<br>N15 4PZ                                                                   |
| <b>TRADING ADDRESS</b>      | 52-68 Stamford Road<br>Tottenham<br>London<br>N15 4PZ                                                                   |
| <b>INDEPENDENT AUDITORS</b> | MHA MacIntyre Hudson<br>Chartered Accountants & Statutory Auditors<br>Euro House<br>1394 High Road<br>London<br>N20 9YZ |
| <b>SOLICITORS</b>           | Curwens Solicitors<br>Crossfields House<br>Gladbeck Way<br>Enfield<br>Middlesex<br>EN2 7HT                              |

---

**DIAMOND BUILD (HOLDINGS) PLC**

---

---

**CONTENTS**

---

|                                             | Page           |
|---------------------------------------------|----------------|
| <b>Group strategic report</b>               | <b>1 - 5</b>   |
| <b>Directors' report</b>                    | <b>6 - 7</b>   |
| <b>Independent auditors' report</b>         | <b>8 - 9</b>   |
| <b>Consolidated profit and loss account</b> | <b>10</b>      |
| <b>Consolidated balance sheet</b>           | <b>11</b>      |
| <b>Company balance sheet</b>                | <b>12</b>      |
| <b>Consolidated cash flow statement</b>     | <b>13</b>      |
| <b>Notes to the financial statements</b>    | <b>14 - 26</b> |

---

## **DIAMOND BUILD (HOLDINGS) PLC**

---

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013**

---

The Company's Directors present their Strategic Report for the year ended 31 December 2013

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was that of a holding company. The principal activity of the group during the year was that of school improvement and extension works, passive fire safety works, environmental works, repairs, alteration, improvement and extension works to existing buildings and housing estates for the local authorities, social landlords, police forces, the fire brigade etc aids and adaptations to buildings for the disabled and day to day maintenance.

The Board has reviewed its Business Plan and with the change of management we believe that we are now in a good position to move forward into positive territory. We have introduced a company-wide bonus scheme for Diamond Build Plc, the main trading subsidiary, based upon the company's profitability which is open to all staff and is having a positive impact with the emphasis of delivering profits.

The following notes relate to Diamond Build Plc (the company) only -

The year ended with a very similar turnover to the previous year and this was due to the fact that we are a specialist public works contractor and are subject to the restrictions on spending on public works. It is still a very competitive market and we have done well to maintain turnover at the same level as 2012.

The Managing Director, Mr Steve Boniface, was away from the office on extended leave from February 2013 and left the company in May 2013. Obviously this had a major impact on the company. John Gray, the majority shareholder, took over as Managing Director and immediately started to review all aspects of the business.

Specialist Information Communication Technology experts were brought in to overhaul our systems which had previously been in the hands of Jnr Tech Ltd - a company called Jnr Tech Ltd, run by the son of the ex-Managing Director. Jnr Tech Ltd summarily terminated their contract without notice in early February 2013. The ICT review took four months to complete, which was the start of the process of rebuilding our systems that had been identified by the specialist consultants as not fit for purpose. We now have an efficient economical system in place that performs to the required and expected standard at a fraction of the cost of the previous supplier and provides excellent value for money.

We maintained a workload in our traditional areas of Education, Health, Fire, Police and Local Authorities as well as Housing and Charitable Associations, ALMOs and Local School and Academies all within the M25 and Home Counties. Our largest contract during the year was the construction of a £3.2m school extension followed by some good size contracts involving passive fire safety works and a multitude of smaller works across the spectrum.

We maintained our qualifications / accreditations during the year and updated our systems according to need. Currently we hold the following -

Quality Management - ISO 9001 2008  
Health & Safety - BS OHSAS 18001 2007  
Health & Safety - CHAS  
Health & Safety - SAFE contractor  
The Environment - ISO14001 2004  
Investor in People - IIP 2007  
TRADA 'Q' MARK - Fire Door Registered Installer Scheme  
Construction Skills Certification Scheme - CSCS Platinum Award  
Chartered Building Company - Chartered Institute Building  
EXOR - Silver CF 8619  
Construction Line - 7495  
Apprenticeship - Recognition Award  
Training Partnership - Chartered Institute of Building

---

## DIAMOND BUILD (HOLDINGS) PLC

---

### GROUP STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

---

#### PRINCIPAL RISKS AND UNCERTAINTIES

##### CREDIT RISKS

Our workload is concentrated on the Public Sector and as such we have not had a bad debt in 37 years of trading. However, some clients in this sector can delay payment especially upon completion of works and we are putting systems in place to finalise the accounts as near the Practical Completion of projects as possible.

##### COMPETITIVE RISKS

The market remains competitive but we have developed a specialist division dealing with passive fire improvements and we are having more success in this field. We have a freelance specialist bid writer helping us with our quality submissions now which is improving our chances of success in the public sector market.

##### CONTRACTUAL RISKS

The business is working under a number of contract forms which are all of a standard nature common to our industry. Our Contract teams are used to working with Building contracts and do not have a problem with compliance.

##### BOND RISKS

A number of companies that specialised in the provision of bonds have pulled out of the market for SME's and this could cause us a problem going forward but we are now exploring other methods of surety that would be acceptable to our public sector clients.

#### FINANCIAL KEY PERFORMANCE INDICATORS

Our key performance indicators for the group are

|               |        |                   |
|---------------|--------|-------------------|
| Turnover      | £9.99m | (2012 £10m)       |
| Gross Profit  | £1.65m | (2012 £1.32m)     |
| Overheads     | £1.45m | (2012 £1.94m)     |
| Net Profit    | £140k  | (2012 Loss £614k) |
| Debtors       | £2.63m | (2012 £2.56m)     |
| Cash          | £904k  | (2012 £400k)      |
| Net Worth     | £612k  | (2012 £531k)      |
|               |        |                   |
| Debtor Days   | 33     | (2012 27)         |
| Creditor days | 33     | (2012 34)         |

We closely monitor our payment record to our supply chain and we matched our terms each month in the reporting period, performing consistently to a high standard.

##### Debtors

Retentions due of £381k (2012 £300k) was held by our Local Authority clients.

Amounts recoverable on contracts of £896k (2012 £801k) was invoiced and all monies received after the year end.

All other Trade Debts outstanding at the year end of £0.8m were recovered.

##### Overheads

Reduction of our overheads was mainly achieved from reduced non-technical staff numbers and also huge savings achieved on the ICT and telephone costs after review of the relevant supplier contracts.

---

## **DIAMOND BUILD (HOLDINGS) PLC**

---

### **GROUP STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013**

---

#### **NON-FINANCIAL KEY PERFORMANCE INDICATORS**

##### **DEVELOPMENT AND PERFORMANCE**

##### **BUSINESS DEVELOPMENT**

The Company has reviewed its Marketing and Business Development strategy this year and brought in an additional temporary Business Development consultant to assist in this process for a limited time to augment the work of our existing Business Development Manager

We have renewed our Website and the new site has been configured on a 'Content Management System' which enables us to update it 'in house'

Further progress is being made by our passive fire prevention division which should account for over 25% of our turnover in 2014

Several Networking events were managed and attended throughout the year that supported our marketing strategy

##### **PURCHASING & FACILITY MANAGEMENT**

Our strategy to consolidate our staffing in this department was facilitated during the year by the Director responsible becoming more 'hands on', switching offices to be situated within the stores and yard complex, to ensure that supplies to our sites were maintained and efficient

Our supply chain management processes again enabled us to review our suppliers on a quarterly basis to ensure prices remained keen from all companies, new and existing, particularly on certain items such as fire prevention supplies

##### **CONTRACTS**

During the year the company carried out a multiplicity of different types of contracts from small works to multi-million pound projects, all of which were carried out successfully. The Company's diversification into Fire Safety works led to a number of operatives undergoing training as inspectors and installers under the BM TRADA Q-Mark & FIRAS Fire Door Registered Installer Schemes

##### **Client Satisfaction Questionnaires**

Our Client feedback has been very good again with consistently high averages returned in our questionnaires

##### **Considerate Contractor Site inspections**

We have maintained our high average score on site inspections and were a National Sites Award winner during 2013 successfully securing a Bronze award

##### **Safety, Health and the Environment (SHE Management System)**

We have maintained our record of having safe working conditions on our sites with no reportable (RIDDOR) accidents during the year

The Operational Director continues to provide a vital role in improving performance and has bolstered the department by continuing with in-house training as part of a robust educational programme throughout the workforce

##### **Surveying**

Our Chief Surveyor has made good progress during the year in clearing up a number of old final accounts which had been outstanding for many months - he has also introduced new financial controls on contracts to ensure that going forward we are more in control of our contracts

---

## DIAMOND BUILD (HOLDINGS) PLC

---

### GROUP STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

---

We have adopted a new strap-line for the future which emphasises our commitment going forward which is 'Building Quality on Time - with Health & Safety in Mind'

#### INFORMATION COMMUNICATION TECHNOLOGY

Following the investigation of our ICT system by our Consultants, various changes and improvements have been made -

- 1 All backups are now carried out 'in house', utilising the Tottenham office as reception
- 2 All servers and computers were overhauled, cleared of all viruses and had software programmes updated (which previously had been neglected) and they now run efficiently and at increased speeds
- 3 The phone system has been updated to serve the Southern Office
- 4 The mobile phones were renewed on a cheaper contract with BT and the phones enable staff to obtain e-mail messages and link with the internet
- 5 The photocopiers were renewed in both offices with more updated machines which cost 60% of the previous copy price
- 6 Half of the computers were renewed in the latter half of the year and all service contracts were reviewed
- 7 A new asset register was introduced to ensure that our equipment is properly recorded and signed for
- 8 For safety and commercial reasons all the telecommunication systems have been placed with British Telecom
- 9 All service agreements have been reviewed and renewed as required to ensure they give good value for money
- 10 A new permanent Consultant has now been engaged to maintain our systems on a day to day basis whilst still engaging the original consultants for advice and back up as required

#### HUMAN RESOURCES

A new staff incentive scheme has been introduced based upon the Company's profitability which gives the staff additional financial rewards for success that they create

As an Investor in People, a mid-term appraisal was carried out and suggested improvements were identified which are being implemented

To keep the staff appraised of the changes in the Company, two full staff meetings were held - one in the Southern office and the other in Head office in the latter half of 2013. A newsletter was published in the last quarter of 2013 to further connect with our staff

The company continued with our 'in house' training for Degree courses for management trainees, NVQ for apprentices and site management NVQ3 and NVQ4. Our entire on site workforce continue to be DBS (Disclosure Barring Service) in compliance with the requirements of a number of public sector clients. The company retains CSCS accreditation for the majority of our workforce

#### FUTURE DEVELOPMENTS

We are continuing our upgrading to our Information Communication Technology by replacing the remaining computers with new laptops and most of these have already been linked with existing monitors so that staff are able to work on two parallel screens simultaneously

We perceive that Education, Passive Fire Precautions, Health Service Alterations and Upgrading Facilities, together with Environmental Improvements are the current areas where we will be able to obtain this year's workload and we will be putting more emphasis on those areas in 2014

---

**DIAMOND BUILD (HOLDINGS) PLC**

---

**GROUP STRATEGIC REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2013**

---

Year 2014 forecast currently stands at -

|              |                        |
|--------------|------------------------|
| Turnover     | £12.8m                 |
| Gross Profit | £1.6m                  |
| Overhead     | £1.485m                |
| Net Profit   | £120k (1% of turnover) |

This report was approved by the board on 25th June 2014 and signed on its behalf



**S R Lakhani F C C A  
COMPANY SECRETARY**

---

## DIAMOND BUILD (HOLDINGS) PLC

---

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

---

The directors present their report and the financial statements for the year ended 31 December 2013.

#### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### RESULTS

The profit for the year, after taxation, amounted to £81,627 (2012 - loss £427,194)

#### DIRECTORS

The directors who served during the year were

J A Gray M C I O B  
S R Lakhani F C C A

#### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

---

**DIAMOND BUILD (HOLDINGS) PLC**

---

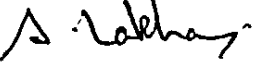
**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

---

**AUDITORS**

Under section 487(2) of the Companies Act 2006, MHA MacIntyre Hudson will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board on 25<sup>th</sup> June 2014 and signed on its behalf

  
**S R Lakhani F.C.C.A.**  
Secretary

---

## **DIAMOND BUILD (HOLDINGS) PLC**

---

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DIAMOND BUILD (HOLDINGS) PLC**

---

We have audited the financial statements of Diamond Build (Holdings) Plc for the year ended 31 December 2013, set out on pages 10 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2013 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

---

**DIAMOND BUILD (HOLDINGS) PLC**

---

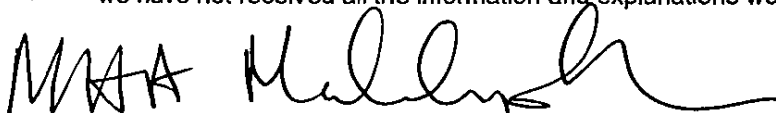
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DIAMOND BUILD (HOLDINGS) PLC**

---

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Brendan Sharkey FCA (Senior statutory auditor)

for and on behalf of  
**MHA MacIntyre Hudson**

Chartered Accountants  
Statutory Auditors

Euro House  
1394 High Road  
London  
N20 9YZ

Date

27<sup>th</sup> June 2014

**DIAMOND BUILD (HOLDINGS) PLC**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

|                                                             | Note | 2013<br>£          | 2012<br>£          |
|-------------------------------------------------------------|------|--------------------|--------------------|
| <b>TURNOVER</b>                                             | 1,2  | <b>9,993,008</b>   | <b>10,082,658</b>  |
| Cost of sales                                               |      | <b>(8,347,197)</b> | <b>(8,767,424)</b> |
| <b>GROSS PROFIT</b>                                         |      | <b>1,645,811</b>   | <b>1,315,234</b>   |
| Administrative expenses                                     |      | <b>(1,449,506)</b> | <b>(1,944,574)</b> |
| Exceptional administrative expenses                         |      | <b>(84,229)</b>    | <b>(51,314)</b>    |
| Total administrative expenses                               |      | <b>(1,533,735)</b> | <b>(1,995,888)</b> |
| Other operating income                                      | 3    | <b>46,368</b>      | <b>76,586</b>      |
| <b>OPERATING PROFIT/(LOSS)</b>                              | 4    | <b>158,444</b>     | <b>(604,068)</b>   |
| Interest receivable and similar income                      |      | <b>2,937</b>       | <b>5,726</b>       |
| Interest payable and similar charges                        | 7    | <b>(21,542)</b>    | <b>(15,606)</b>    |
| <b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |      | <b>139,839</b>     | <b>(613,948)</b>   |
| Tax on profit/(loss) on ordinary activities                 | 8    | <b>(58,212)</b>    | <b>186,754</b>     |
| <b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>                 | 18   | <b>81,627</b>      | <b>(427,194)</b>   |

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account

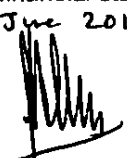
The notes on pages 14 to 26 form part of these financial statements

**DIAMOND BUILD (HOLDINGS) PLC**  
**REGISTERED NUMBER. 05660708**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2013**

|                                                                | Note | £                  | 2013<br>£             | 2012<br>£             |
|----------------------------------------------------------------|------|--------------------|-----------------------|-----------------------|
| <b>FIXED ASSETS</b>                                            |      |                    |                       |                       |
| Tangible assets                                                | 9    |                    | 67,589                | 115,166               |
| <b>CURRENT ASSETS</b>                                          |      |                    |                       |                       |
| Stocks                                                         | 11   | 54,870             |                       | 52,496                |
| Debtors                                                        | 12   | 2,629,476          |                       | 2,562,219             |
| Cash at bank and in hand                                       |      | 904,514            |                       | 400,282               |
|                                                                |      | <u>3,588,860</u>   |                       | <u>3,014,997</u>      |
| <b>CREDITORS: amounts falling due within one year</b>          | 13   | <u>(2,572,861)</u> |                       | <u>(2,217,938)</u>    |
| <b>NET CURRENT ASSETS</b>                                      |      |                    | <u>1,015,999</u>      | <u>797,059</u>        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      |                    | <u>1,083,588</u>      | <u>912,225</u>        |
| <b>CREDITORS: amounts falling due after more than one year</b> | 14   |                    | (202,385)             | (37,435)              |
| <b>PROVISIONS FOR LIABILITIES</b>                              |      |                    |                       |                       |
| Other provisions                                               | 16   |                    | <u>(268,822)</u>      | <u>(344,036)</u>      |
| <b>NET ASSETS</b>                                              |      |                    | <u><u>612,381</u></u> | <u><u>530,754</u></u> |
| <b>CAPITAL AND RESERVES</b>                                    |      |                    |                       |                       |
| Called up share capital                                        | 17   |                    | 50,000                | 50,000                |
| Other reserves                                                 | 18   |                    | 50,000                | 50,000                |
| Profit and loss account                                        | 18   |                    | <u>512,381</u>        | <u>430,754</u>        |
| <b>SHAREHOLDERS' FUNDS</b>                                     | 19   |                    | <u><u>612,381</u></u> | <u><u>530,754</u></u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
25 June 2014

  
**J A Gray M.C.I.O.B.**  
Director

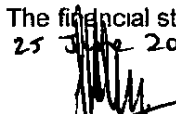
The notes on pages 14 to 26 form part of these financial statements

**DIAMOND BUILD (HOLDINGS) PLC**  
**REGISTERED NUMBER: 05660708**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2013**

|                                                       | Note | £         | 2013<br>£ | £         | 2012<br>£ |
|-------------------------------------------------------|------|-----------|-----------|-----------|-----------|
| <b>FIXED ASSETS</b>                                   |      |           |           |           |           |
| Investments                                           | 10   |           | 50,003    |           | 50,003    |
| <b>CURRENT ASSETS</b>                                 |      |           |           |           |           |
| Debtors                                               |      | 405,600   |           | 390,000   |           |
| <b>CREDITORS:</b> amounts falling due within one year | 13   | (405,603) |           | (390,003) |           |
| <b>NET CURRENT LIABILITIES</b>                        |      |           | (3)       |           | (3)       |
| <b>NET ASSETS</b>                                     |      |           | 50,000    |           | 50,000    |
| <b>CAPITAL AND RESERVES</b>                           |      |           |           |           |           |
| Called up share capital                               | 17   |           | 50,000    |           | 50,000    |
| <b>SHAREHOLDERS' FUNDS</b>                            | 19   |           | 50,000    |           | 50,000    |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
25 June 2014

  
**J A Gray M.C.I.O.B.**  
Director

The notes on pages 14 to 26 form part of these financial statements

**DIAMOND BUILD (HOLDINGS) PLC**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

|                                                 | Note | 2013<br>£      | 2012<br>£      |
|-------------------------------------------------|------|----------------|----------------|
| Net cash flow from operating activities         | 20   | 345,242        | 214,076        |
| Returns on investments and servicing of finance | 21   | (18,605)       | (9,880)        |
| Taxation                                        | 21   | 12,645         | 7,779          |
| Capital expenditure and financial investment    | 21   | -              | 229,826        |
| <b>CASH INFLOW BEFORE FINANCING</b>             |      | <b>339,282</b> | <b>441,801</b> |
| Financing                                       | 21   | 164,950        | (267,565)      |
| <b>INCREASE/(DECREASE) IN CASH IN THE YEAR</b>  |      | <b>504,232</b> | <b>174,236</b> |

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

|                                                        | 2013<br>£        | 2012<br>£       |
|--------------------------------------------------------|------------------|-----------------|
| Increase/(Decrease) in cash in the year                | 504,232          | 174,236         |
| Cash outflow from decrease in debt and lease financing | <u>(164,950)</u> | <u>267,565</u>  |
| <b>MOVEMENT IN NET DEBT IN THE YEAR</b>                | <b>339,282</b>   | <b>441,801</b>  |
| Net funds at 1 January 2013                            | <u>362,847</u>   | <u>(78,954)</u> |
| <b>NET FUNDS AT 31 DECEMBER 2013</b>                   | <b>702,129</b>   | <b>362,847</b>  |

The notes on pages 14 to 26 form part of these financial statements

---

## DIAMOND BUILD (HOLDINGS) PLC

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

---

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

##### 1.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

##### 1.3 Turnover

The turnover shown in the profit and loss account represents amounts receivable for goods and services provided and a valuation of amounts recoverable on contracts at the year end exclusive of Value Added Tax.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

|                               |   |                            |
|-------------------------------|---|----------------------------|
| Short-term leasehold property | - | over the term of the lease |
| Motor vehicles                | - | 20% straight line          |
| Fixtures and fittings         | - | 25% straight line          |
| Computer equipment            | - | 33 3% straight line        |

##### 1.5 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

##### 1.6 Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

##### 1.7 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

---

## DIAMOND BUILD (HOLDINGS) PLC

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

---

#### 1. ACCOUNTING POLICIES (continued)

##### 1.8 Stocks

Stocks are valued at the lower of cost and net realisable value

Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the cost of realisation. Provision is made where necessary for slow moving, obsolete and damaged stocks

The cost of raw materials and consumable stores, consists of the purchase price including transport and handling costs, less trade discount, calculated on a first in first out basis

##### 1.9 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on

##### 1.10 Long-term contracts

Amounts recoverable on contracts comprises work completed or measured parts thereof not yet invoiced to customers and is stated after making due allowances for irrecoverable amounts. Profit on contracting activities is taken as work progresses, unless a more conservative approach is necessary. The percentage margin on each individual contract is the lower of the margin earned to date and that forecast to completion, taking account of agreed claims

Full provision is made for all known or expected losses on individual contracts

##### 1.11 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

##### 1.12 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

##### 1.13 Fixed asset investments

Fixed asset investments are shown at cost less any provisions for permanent diminution in value

---

**DIAMOND BUILD (HOLDINGS) PLC**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

---

**2 TURNOVER**

The turnover and loss before tax are attributable to the one principal activity of the group

All turnover arose within the United Kingdom

**3. OTHER OPERATING INCOME**

|                        | 2013<br>£     | 2012<br>£     |
|------------------------|---------------|---------------|
| Other operating income | <u>46,368</u> | <u>76,586</u> |

**4 OPERATING PROFIT/(LOSS)**

The operating profit/(loss) is stated after charging

|                                             | 2013<br>£     | 2012<br>£     |
|---------------------------------------------|---------------|---------------|
| Depreciation of tangible fixed assets       |               |               |
| - owned by the group                        | 47,577        | 80,465        |
| Auditors' remuneration                      | 12,000        | 12,000        |
| Auditors' remuneration - for other services | 12,470        | 12,440        |
| Operating lease rentals.                    |               |               |
| - plant and equipment                       | 12,515        | -             |
| - land and buildings                        | 88,000        | 98,141        |
| Redundancy costs                            | <u>84,229</u> | <u>51,314</u> |

Redundancy costs of £84,229 (2012 £51,314) included above are considered to be exceptional in nature as disclosed in the profit and loss account

---

**DIAMOND BUILD (HOLDINGS) PLC**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

---

**5. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows

|                       | 2013<br>£      | 2012<br>£        |
|-----------------------|----------------|------------------|
| Wages and salaries    | 755,984        | 1,071,966        |
| Social security costs | 128,846        | 138,164          |
| Other pension costs   | 52,664         | 46,922           |
|                       | <u>937,494</u> | <u>1,257,052</u> |

The average monthly number of employees, including the directors, during the year was as follows

|                      | 2013<br>No. | 2012<br>No |
|----------------------|-------------|------------|
| Production staff     | 13          | 22         |
| Administrative staff | 12          | 21         |
| Management staff     | 25          | 29         |
|                      | <u>50</u>   | <u>72</u>  |

**6 DIRECTORS' REMUNERATION**

|                                                                       | 2013<br>£      | 2012<br>£      |
|-----------------------------------------------------------------------|----------------|----------------|
| Remuneration                                                          | <u>251,320</u> | <u>353,276</u> |
| Company pension contributions to defined contribution pension schemes | <u>19,978</u>  | <u>39,670</u>  |

During the year retirement benefits were accruing to 1 director (2012 - 1) in respect of defined contribution pension schemes

The highest paid director received remuneration of £80,652 (2012 - £76,334)

**7. INTEREST PAYABLE**

|                              | 2013<br>£     | 2012<br>£     |
|------------------------------|---------------|---------------|
| On bank loans and overdrafts | 16,385        | 2,030         |
| On other loans               | 5,157         | 13,576        |
|                              | <u>21,542</u> | <u>15,606</u> |

**DIAMOND BUILD (HOLDINGS) PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**8. TAXATION**

|                                                       | 2013<br>£       | 2012<br>£        |
|-------------------------------------------------------|-----------------|------------------|
| <b>Analysis of tax (credit)/charge in the year</b>    |                 |                  |
| <b>Current tax</b> (see note below)                   |                 |                  |
| UK corporation tax charge on profit/loss for the year | 2,765           | -                |
| Adjustments in respect of prior periods               | (20,424)        | -                |
| <b>Total current tax</b>                              | <u>(17,659)</u> | <u>-</u>         |
| <b>Deferred tax</b> (see note 15)                     |                 |                  |
| Origination and reversal of timing differences        | 75,871          | (186,754)        |
| <b>Tax on profit/loss on ordinary activities</b>      | <u>58,212</u>   | <u>(186,754)</u> |

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 20% (2012 - 24.5%). The differences are explained below

|                                                                                                                   | 2013<br>£       | 2012<br>£ |
|-------------------------------------------------------------------------------------------------------------------|-----------------|-----------|
| Profit/loss on ordinary activities before tax                                                                     | 139,839         | (613,948) |
| Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 24.5%) | -               | -         |
| <b>Effects of:</b>                                                                                                |                 |           |
| Transfer pricing adjustments                                                                                      | (17,659)        | -         |
| <b>Current tax (credit)/charge for the year</b> (see note above)                                                  | <u>(17,659)</u> | <u>-</u>  |

**DIAMOND BUILD (HOLDINGS) PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**9. TANGIBLE FIXED ASSETS**

| Group                 | Short-term<br>leasehold<br>property<br>£ | Motor<br>vehicles<br>£ | Total<br>£     |
|-----------------------|------------------------------------------|------------------------|----------------|
| <b>Cost</b>           |                                          |                        |                |
| At 1 January 2013     | 28,310                                   | 402,199                | 430,509        |
| Disposals             | -                                        | (107,999)              | (107,999)      |
| At 31 December 2013   | <u>28,310</u>                            | <u>294,200</u>         | <u>322,510</u> |
| <b>Depreciation</b>   |                                          |                        |                |
| At 1 January 2013     | 18,493                                   | 296,850                | 315,343        |
| Charge for the year   | 3,145                                    | 44,432                 | 47,577         |
| On disposals          | -                                        | (107,999)              | (107,999)      |
| At 31 December 2013   | <u>21,638</u>                            | <u>233,283</u>         | <u>254,921</u> |
| <b>Net book value</b> |                                          |                        |                |
| At 31 December 2013   | <u>6,672</u>                             | <u>60,917</u>          | <u>67,589</u>  |
| At 31 December 2012   | <u>9,817</u>                             | <u>105,349</u>         | <u>115,166</u> |

**10. FIXED ASSET INVESTMENTS**

**Company - Subsidiary undertakings**

The following were subsidiary undertakings of the company

| Name                                                              | Class of shares | Holding |
|-------------------------------------------------------------------|-----------------|---------|
| Diamond Build Plc - Building Contractors                          | Ordinary Shares | 100 %   |
| Diamond Fire Safety Limited - Fire Protection 'turnkey' Solutions | Ordinary Shares | 100 %   |
| P J Diamond (Building Contractors) Limited - Dormant              | Ordinary Shares | 100 %   |

All the above companies are incorporated in England & Wales and have year ends of 31 December 2013

**DIAMOND BUILD (HOLDINGS) PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**10 FIXED ASSET INVESTMENTS (continued)**

| <b>Company</b>                         | <b>Investments<br/>in<br/>subsidiary<br/>companies<br/>£</b> |
|----------------------------------------|--------------------------------------------------------------|
| <b>Cost or valuation</b>               |                                                              |
| At 1 January 2013 and 31 December 2013 | <u>50,003</u>                                                |
| <b>Net book value</b>                  |                                                              |
| At 31 December 2013                    | <u>50,003</u>                                                |
| At 31 December 2012                    | <u>50,003</u>                                                |

Enter text here - user input

**11. STOCKS**

|               | <u><b>Group</b></u> | <u><b>Company</b></u> |
|---------------|---------------------|-----------------------|
|               | <b>2013</b>         | <b>2012</b>           |
|               | <b>£</b>            | <b>£</b>              |
| Raw materials | <u>54,870</u>       | <u>52,496</u>         |

There was no material difference between the replacement cost of stocks and the amounts stated above

**12. DEBTORS**

|                                            | <u><b>Group</b></u> | <u><b>Company</b></u> |
|--------------------------------------------|---------------------|-----------------------|
|                                            | <b>2013</b>         | <b>2012</b>           |
|                                            | <b>£</b>            | <b>£</b>              |
| Trade debtors                              | 1,194,462           | 1,082,941             |
| Amounts owed by group undertakings         | -                   | -                     |
| Other debtors                              | 93,115              | 99,433                |
| Prepayments and accrued income             | 54,266              | 111,427               |
| Amounts recoverable on long term contracts | 896,393             | 801,307               |
| Deferred tax asset (see note 15)           | 391,240             | 467,111               |
|                                            | <u>2,629,476</u>    | <u>2,562,219</u>      |

Included in debtors is £391,240 (2012 £467,111) due in more than one year

**DIAMOND BUILD (HOLDINGS) PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**13. CREDITORS:**  
**Amounts falling due within one year**

|                                    | <u>Group</u>     |                  | <u>Company</u> |                |
|------------------------------------|------------------|------------------|----------------|----------------|
|                                    | 2013             | 2012             | 2013           | 2012           |
|                                    | £                | £                | £              | £              |
| Trade creditors                    | 729,196          | 832,266          | -              | -              |
| Amounts owed to group undertakings | -                | -                | 405,603        | 390,003        |
| Corporation tax                    | 2,765            | 7,779            | -              | -              |
| Other taxation and social security | 345,358          | 359,271          | -              | -              |
| Other creditors                    | 1,682            | 12,039           | -              | -              |
| Accruals and deferred income       | 1,493,860        | 1,006,583        | -              | -              |
|                                    | <u>2,572,861</u> | <u>2,217,938</u> | <u>405,603</u> | <u>390,003</u> |

Barclays Bank PLC has a fixed charge over monies owed to it

**14. CREDITORS:**  
**Amounts falling due after more than one year**

|                          | <u>Group</u>   |               | <u>Company</u> |          |
|--------------------------|----------------|---------------|----------------|----------|
|                          | 2013           | 2012          | 2013           | 2012     |
|                          | £              | £             | £              | £        |
| Other creditors          | 202,385        | -             | -              | -        |
| Directors' loan accounts | -              | 37,435        | -              | -        |
|                          | <u>202,385</u> | <u>37,435</u> | <u>-</u>       | <u>-</u> |

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

|                          | <u>Group</u>   |               | <u>Company</u> |          |
|--------------------------|----------------|---------------|----------------|----------|
|                          | 2013           | 2012          | 2013           | 2012     |
|                          | £              | £             | £              | £        |
| Other creditors          | 202,385        | -             | -              | -        |
| Directors' loan accounts | -              | 37,435        | -              | -        |
| Total                    | <u>202,385</u> | <u>37,435</u> | <u>-</u>       | <u>-</u> |

Mrs Janet Gray, the wife of the director J A Gray M C I O B, has provided a loan of £200,000 under debenture to the company. The debenture has a second equitable charge over the assets of Diamond Build Plc securing all monies due from the company.

**DIAMOND BUILD (HOLDINGS) PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**15. DEFERRED TAXATION**

|                                             | <b>Group</b>   |                | <b>Company</b> |             |
|---------------------------------------------|----------------|----------------|----------------|-------------|
|                                             | <b>2013</b>    | <b>2012</b>    | <b>2013</b>    | <b>2012</b> |
|                                             | <b>£</b>       | <b>£</b>       | <b>£</b>       | <b>£</b>    |
| At beginning of year                        | 467,111        | 280,357        | -              | -           |
| (Charge for)/released during the year (P&L) | (75,871)       | 186,754        | -              | -           |
| At end of year                              | <u>391,240</u> | <u>467,111</u> | <u>-</u>       | <u>-</u>    |

The deferred taxation balance is made up as follows

|                          | <b>Group</b>   |                | <b>Company</b> |             |
|--------------------------|----------------|----------------|----------------|-------------|
|                          | <b>2013</b>    | <b>2012</b>    | <b>2013</b>    | <b>2012</b> |
|                          | <b>£</b>       | <b>£</b>       | <b>£</b>       | <b>£</b>    |
| Tax losses available     | 384,095        | 493,812        | -              | -           |
| Other timing differences | 7,145          | (26,701)       | -              | -           |
|                          | <u>391,240</u> | <u>467,111</u> | <u>-</u>       | <u>-</u>    |

**16. PROVISIONS**

| <b>Group</b>        | <b>£</b>       |
|---------------------|----------------|
| At 1 January 2013   | 344,036        |
| Movement in year    | (75,214)       |
| At 31 December 2013 | <u>268,822</u> |

The group has made a provision in the accounts in respect to losses on long-term contracts

The Company has no provisions

**17. SHARE CAPITAL**

|                                          | <b>2013</b>   | <b>2012</b>   |
|------------------------------------------|---------------|---------------|
|                                          | <b>£</b>      | <b>£</b>      |
| Allotted, called up and fully paid       |               |               |
| 50,000 Ordinary Shares shares of £1 each | <u>50,000</u> | <u>50,000</u> |

**DIAMOND BUILD (HOLDINGS) PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**18. RESERVES**

| <b>Group</b>                  | <b>Capital<br/>redemption<br/>reserve<br/>£</b> | <b>Profit and<br/>loss account<br/>£</b> |
|-------------------------------|-------------------------------------------------|------------------------------------------|
| At 1 January 2013             | 50,000                                          | 430,754                                  |
| Profit for the financial year |                                                 | 81,627                                   |
|                               | <u>50,000</u>                                   | <u>512,381</u>                           |
| At 31 December 2013           | <u>50,000</u>                                   | <u>512,381</u>                           |

**19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

| <b>Group</b>                                               | <b>2013<br/>£</b> | <b>2012<br/>£</b> |
|------------------------------------------------------------|-------------------|-------------------|
| Opening shareholders' funds                                | 530,754           | 957,948           |
| Profit/(loss) for the financial year                       | 81,627            | (427,194)         |
| Closing shareholders' funds                                | <u>612,381</u>    | <u>530,754</u>    |
|                                                            | <u>2013<br/>£</u> | <u>2012<br/>£</u> |
| <b>Company</b>                                             |                   |                   |
| Shareholders' funds at 1 January 2013 and 31 December 2013 | <u>50,000</u>     | <u>50,000</u>     |

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account

The profit for the year dealt with in the accounts of the company was £NIL (2012 - £NIL)

**20. NET CASH FLOW FROM OPERATING ACTIVITIES**

|                                                  | <b>2013<br/>£</b> | <b>2012<br/>£</b> |
|--------------------------------------------------|-------------------|-------------------|
| Operating profit/(loss)                          | 158,444           | (604,068)         |
| Depreciation of tangible fixed assets            | 47,577            | 80,465            |
| Loss on disposal of tangible fixed assets        | -                 | 4,688             |
| (Increase)/decrease in stocks                    | (2,374)           | 7,568             |
| (Increase)/decrease in debtors                   | (143,128)         | 476,117           |
| Increase in creditors                            | 359,937           | 195,385           |
| (Decrease)/increase in provisions                | (75,214)          | 53,921            |
| <b>Net cash inflow from operating activities</b> | <u>354,242</u>    | <u>214,076</u>    |

**DIAMOND BUILD (HOLDINGS) PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**21 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

|                                                                              | 2013<br>£       | 2012<br>£        |
|------------------------------------------------------------------------------|-----------------|------------------|
| <b>Returns on investments and servicing of finance</b>                       |                 |                  |
| Interest received                                                            | 2,937           | 5,726            |
| Interest paid                                                                | (21,542)        | (15,606)         |
| <b>Net cash outflow from returns on investments and servicing of finance</b> | <u>(18,605)</u> | <u>(9,880)</u>   |
|                                                                              | 2013            | 2012             |
| <b>Taxation</b>                                                              |                 |                  |
| Corporation tax repaid/(paid)                                                | <u>12,645</u>   | <u>7,779</u>     |
|                                                                              | 2013<br>£       | 2012<br>£        |
| <b>Capital expenditure and financial investment</b>                          |                 |                  |
| Purchase of tangible fixed assets                                            | -               | (37,786)         |
| Sale of tangible fixed assets                                                | -               | 267,612          |
| <b>Net cash inflow from capital expenditure</b>                              | <u>-</u>        | <u>229,826</u>   |
|                                                                              | 2013            | 2012             |
| <b>Financing</b>                                                             |                 |                  |
| Receipt/(repayment) of other loans                                           | <u>164,950</u>  | <u>(267,565)</u> |

**22. ANALYSIS OF CHANGES IN NET FUNDS**

|                                            | 1 January<br>2013<br>£ | Cash flow<br>£ | 31 December<br>2013<br>£ |
|--------------------------------------------|------------------------|----------------|--------------------------|
| Cash at bank and in hand                   | 400,282                | 504,232        | 904,514                  |
| <b>Debt:</b>                               |                        |                |                          |
| Debts due within one year                  | -                      | (202,385)      | (202,385)                |
| Debts falling due after more than one year | <u>(37,435)</u>        | <u>37,435</u>  | -                        |
| <b>Net funds</b>                           | <u>362,847</u>         | <u>339,282</u> | <u>702,129</u>           |

---

**DIAMOND BUILD (HOLDINGS) PLC**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

---

**23. DERIVATIVES**

The group has no derivatives

**24. OPERATING LEASE COMMITMENTS**

At 31 December 2013 the group had annual commitments under non-cancellable operating leases as follows

|                         | 2013<br>£     | 2012<br>£     |
|-------------------------|---------------|---------------|
| <b>Group</b>            |               |               |
| <b>Expiry date:</b>     |               |               |
| Within 1 year           | -             | 14,400        |
| After more than 5 years | <b>91,500</b> | <b>91,500</b> |

**25. RELATED PARTY TRANSACTIONS**

Diamond Build Plc

During the year, the company paid rent of £63,500 (2012 £67,000) to the Diamond Build Plc Executive Pension Scheme. Mr J A Gray, a director, is also a trustee and a beneficiary of the scheme.

During the year, the company provided services totalling £46,248 (2012 £42,738) to Diamond Facilities Support Limited, a company in which Mr J Gray has an interest.

During the year, purchases of £11,914 (2012 £600) were made from Diamond Leasing Limited. At the year end, £23,000 (2012 £12,259 debtor) was owed from that company. John Gray, a director, has an interest in Diamond Leasing Limited. The transactions were on commercial terms.

**26. CONTINGENCIES**

Performance bonds to a value of £279,321 (2012 £421,575) existed at 31 December 2013. Liability would only arise if the company failed to complete the relevant contracts. The likelihood of this is considered by the directors to be remote and accordingly, no accounting provision has been made.

**27. TRANSACTIONS WITH DIRECTORS**

Diamond Build Plc

Included in creditors due after more than one year are directors' loans of £nil (2012 £37,435) from Mr J A Gray, a company director, and his wife Mrs J T Gray. Interest of 4% above the base rate accrues on the loans and is payable monthly and in arrears. During the year, interest of £528 (2012 £8,478) was paid.

During the year, Mrs J Gray, the wife of the director J A Gray M C I O B, provided a loan of £250,000, under debenture to the company. As at the year end, £200,000 (2012 £nil) was due to her. Interest of 8% accrues on the loan and is payable monthly in arrears. During the year, interest of £15,858 (2012 £nil) was paid.

At the year end, P Hoskins a director, owed the company £1,488 (2012 £nil).

---

**DIAMOND BUILD (HOLDINGS) PLC**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

---

**28. CONTROLLING PARTY**

Throughout the current and previous year, the company was under the control of J A Gray M C I O B who was beneficially interested in 100% of the issued share capital of the parent company, Diamond Build (Holdings) Plc