

Registered number: 05660708

DIAMOND BUILD GROUP PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



DIAMOND BUILD GROUP PLC

COMPANY INFORMATION

Directors	J A Gray MCIOB MIOD S R Lakhani FCCA (resigned 31 March 2019) P Brooks
Company secretary	S R Lakhani FCCA (resigned 1 April 2019) S F James (appointed 1 April 2019)
Registered number	05660708
Registered office	52-68 Stamford Road Tottenham London N15 4PZ
Independent auditors	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditors New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ
Solicitors	Curwens Solicitors Crossfields House Gladbeck Way Enfield Middlesex EN2 7HT

DIAMOND BUILD GROUP PLC

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**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

Introduction

The Group's Directors present their Group Strategic Report for the year ending 31st December 2018.

Principal activities and business review

The focus this year has been to commence re-organising the business to form three subsidiary companies under the Diamond Build Group plc. These are: -

- Diamond Build plc
- Diamond Special Works Ltd
- Diamond Fire Safety Ltd

Each of these Companies will have their own specialised board of Directors and management structure for operational purposes. The services such as Accounts, ICT, transport, logistics etc will all be held at Group level. This restructuring is ongoing and will be finalised by the end of 2019.

At the beginning of 2018 we engaged the services of our Auditors to search for and select a new qualified accounts manager that will be able to control our accounts processes for the various Companies within the group. A new qualified accounts manager started with us at the beginning of April 2018. At the same time, we engaged the services of a specialist consultant accountant to help us through the transition period, take charge of and run our accounts department until the new computerised accounts package was working satisfactorily and our new accounts manager had completed his induction period.

Our existing accounts package was out of date and needed to be replaced and we used the services of the specialist consultant accountant to work with our new manager to research the market, select and help with the installation, implementation and training processes for the staff of the new system. We were able to transfer all the accounts processes to the new system by the 1st January 2019.

We continued to spend a considerable amount of management time on the development of our Head Office site in Stamford Road to provide 48 Flats/Duplex apartments and 7000 sq mtrs of commercial space with car parking and amenities. This should be ready to commence in September 2019, it is a two-year build and will provide us with a smart new office with up to date technology. It will also provide us with a construction contract for Diamond Build plc.

Consequently, our Group turnover this year has been depressed to circa £16.2 million whilst we have managed the above processes. We have however still shown a profit on this turnover despite our overhead figures being similar to 2017. The turnover and profitability expectations for 2019 is much greater at £24 million with a net margin on-cost of circa £600,000. Our trading in the first four months reflects this expectation.

The Company continues to target works in the Public sector and has won the following framework bids during the year: -

- Education and Skills Funding Agency (ESFA) – Lot 16 for London
- Hyde Fire Improvement Works

In accordance with previous years much of Diamond Fire Safety Ltd and Diamond Special Works turnover has been traded through Diamond Build plc but as time goes on these Companies will operate more independently. It is expected that Diamond Build plc's turnover will increase due to the new strategy of targeting larger contracts whilst Diamond Special Works Ltd is starting to re-establish itself in its original fields, there is a general increase in workload in this sector.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

During the year we have made various updates on our Information Communication Technology provisions

- We introduced a new layer of security to our existing security posture and combined with real time threat and root cause analysis throughout the company.
- We have migrated our phone system in to cloud based system and upgraded our desk handsets.
- Moreover, we doubled our Internet connectivity speed and introduced failover connection to maintain robust internet connectivity.
- New Accounting package has been introduced to our accounting department.
- Our network infrastructure has been upgraded with new network devices to improve network level security and speed.
- We initiate to introduce fixed line connection for larger projects, which produced a significant improvement to site network efficiency and reliability.

Notable Contracts carried out during 2018: -

- Burstled Wood Primary School-New build two-storey extension and re-modelling- £3.7m
- Persied Upper School- Two storey construction and extension to a special needs school- £2.2m
- Kingsdale School- Re-cladding, refurbishment and re-modelling of existing gym block and adjacent classroom area and formation of a new fitness studio floor in the sports hall building.
- Cricket Green School- Demolition of an existing classroom block, construction of a new two-storey classroom block, extension and refurbishment of existing buildings- £4.65m
- 49-59 Old Street Islington- Refurbishments of an unoccupied 1950s commercial six-storey office building, including complete mechanical and electrical installation- £2.85m

DIAMOND BUILD GROUP PLC

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

A list of frameworks that we have secured and are on-going: -

- Major Works
 - o LPP – London Procurement Partnership (NHS framework)
 - o LCP (KDC) – New-build and refurbishment works in the Housing & Education sector across all value bands
 - o Crown Commercial Services- Lot 1.1 Building works up to £3m. Lot 2 Construction works £3m-£10m
 - o LHC Schools & Community Buildings (KDC) – Up to £2m new build, £2m - £5m new build & refurbishment
 - o New Build Islington, Lot 1 Value £1.2m
 - o Islington Construction Framework- Lot 1 up to £5m
- Diamond Special Works
 - o CNWL - Central & North West London NHS
- Diamond Fire Safety
 - o Network Homes Fire Door Installations
 - o Ealing Fire Safety Works
 - o Hyde Fire Improvement Works
 - o LHC Fire Doors

Details of our current accreditations

- o ISO 9001:2015 Quality Management
- o ISO 14001:2015 Environmental Management
- o BS OHSAS 18001 – 2007 Health and Safety Management
- o Health and Safety – CHAS
- o Investors In People – 2015 – Silver Classification
- o FIRAS CERTIFICATION SCHEME – for Penetration Sealing Systems, Fire Rated Timber Door Sets, Fire Door Maintenance, Composite Doors and Glazing.
- o Chartered Building Company – Chartered Institute of Building
- o Training Partnership with the Chartered Institute of Building
- o EXOR – Silver CF 8619
- o Construction Line- 7495
- o Apprenticeship – Recognition Award

Developments Since the end of the Year

We have signed a contract to lease the adjacent building to our present office in Stamford Road from Haringey Council for us to use as our temporary offices whilst we build our new office complex and housing development on our existing site on the corner of Stamford Road and Constable Crescent. We are now a good way through upgrading the leased premises to suit our needs and this new office accommodation will be ready for us move into by the end of June 2019.

We have been reorganising the management structure and Directorships of the various Diamond Build Group plc companies and this should be concluded by the end of May.

Our new Accounts Manager has now been promoted to be the Company Secretary for Diamond Build plc, Diamond Special Works Ltd, and Diamond Fire Safety Ltd. Whilst the Accountancy consultant that saw us through the changes to our accounts systems has taken the role of Company Secretary of Diamond Build Group plc.

DIAMOND BUILD GROUP PLC

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

We have taken on three new office-based trainees so far in 2019 to back up our management teams to cope with the expected workload increase.

Details of Orders Received since the end of the year: -

- Diamond Build
 - o Bishop's Stortford College, 1st tender- £3,991,895.00
 - o Bishop's Stortford College, 2nd tender- £3,797,245.00
 - o Hampstead School- £1,736,712.00

- Diamond Fire Safety

Have been awarded the whole of the fire improvement works for the London Borough of Ealing because of the failure of the contractor that was engaged to carry out works to the East of the Borough – This in effect will double the turnover of the fire upgrading works in the Ealing area and be worth £2 to £3 million per year.

- Special Works
 - o LB Haringey, FRA Works- £218,361.00
 - o LB Haringey, Single Storey Extension- £88,704.00
 - o Camden & Islington NHS Foundation Trust, Refurbishment- £108,950.00
 - o LB Haringey, Commercial Refurbishment/Rebuild- £344,314.00
 - o BEH MHT (NHS), Refurbishment- £135,841.00
 - o Homes of Haringey, Refurbishment- £61,169.00
 - o Homes of Haringey, Refurbishment- £103,268.00
 - o South Essex Homes (Ongoing Framework), Roofing- £365,691.00
 - o Additional 38 jobs all below £50,000.00 in value

Total value of the above = £1,604,092.04

Financial key performance indicators

- The Group's turnover was £16.2m (2017: £17.6m)
- Gross Profit Margin was 12.4% (2017: 11.3%)
- Overheads were increased by 4.9% to £1.97m (up from £1.87m in 2017)
- The net worth of the Group now stands at £1,430,589 (2017: £1,294,931)
- Debtor days was 28 days (2017: 33)
- Creditor days was 36 days (2017: 27)

This report was approved by the board and signed on its behalf.



J A Gray MCIOB MIOD
Director

Date: 14/06/2019

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their report and the financial statements for the year ended 31 December 2018.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Group's financial statements 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 to 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 and dividends

The profit for the year, after taxation, amounted to £135,658 (2017 - £266,236).

During the year, no dividends were paid.

Directors

The directors who served during the year were:

J A Gray MCIOB MIOD
S R Lakhani FCCA (resigned 31 March 2019)
P Brooks

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 the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the 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 GROUP PLC

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



J A Gray MCIOB MIOD
Director

Date: 14/06/2019

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DIAMOND BUILD GROUP PLC

Opinion

We have audited the financial statements of Diamond Build Group PLC (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2018, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

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

knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

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

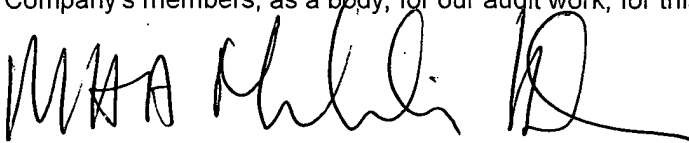
Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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.



Brendan Sharkey FCA (Senior statutory auditor)

for and on behalf of
MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Date:

18 June 2019.

DIAMOND BUILD GROUP PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Turnover	4	16,223,845	17,651,516
Cost of sales		(14,212,297)	(15,647,971)
Gross profit		2,011,548	2,003,545
Administrative expenses		(1,967,082)	(1,874,648)
Other operating income	5	131,390	208,157
Operating profit	6	175,856	337,054
Interest receivable and similar income	10	2,310	660
Interest payable and expenses	11	(252)	(1,103)
Profit before taxation		177,914	336,611
Tax on profit	12	(42,256)	(70,375)
Profit for the financial year		135,658	266,236
Profit for the year attributable to:			
Owners of the parent Company		135,658	266,236
		135,658	266,236

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 17 to 34 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	13	68,289	88,536
Investments	14	50	50
		<u>68,339</u>	<u>88,586</u>
Current assets			
Stocks	15	4,093	-
Debtors: amounts falling due within one year	16	3,844,600	2,657,192
Cash at bank and in hand	17	1,177,118	1,975,641
		<u>5,025,811</u>	<u>4,632,833</u>
Creditors: amounts falling due within one year	18	(3,068,325)	(2,685,946)
Net current assets		<u>1,957,486</u>	<u>1,946,887</u>
Total assets less current liabilities		<u>2,025,825</u>	<u>2,035,473</u>
Provisions for liabilities			
Other provisions	21	(595,236)	(740,542)
		<u>(595,236)</u>	<u>(740,542)</u>
Net assets		<u>1,430,589</u>	<u>1,294,931</u>
Capital and reserves			
Called up share capital	22	50,000	50,000
Other reserves	23	50,000	50,000
Profit and loss account	23	1,330,589	1,194,931
Equity attributable to owners of the parent Company		<u>1,430,589</u>	<u>1,294,931</u>

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


J A Gray MCI OB MIOD
Director

Date: 14/06/2019

The notes on pages 17 to 34 form part of these financial statements.

DIAMOND BUILD GROUP PLC
REGISTERED NUMBER: 05660708

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Investments	14	50,053	50,053
		<u>50,053</u>	<u>50,053</u>
Current assets			
Debtors: amounts falling due within one year	16	405,600	405,600
		<u>405,600</u>	<u>405,600</u>
Creditors: amounts falling due within one year	18	(405,653)	(405,653)
		<u>(405,653)</u>	<u>(405,653)</u>
Net current liabilities		(53)	(53)
Total assets less current liabilities		<u>50,000</u>	<u>50,000</u>
Net assets		<u>50,000</u>	<u>50,000</u>
Capital and reserves			
Called up share capital	22	50,000	50,000
		<u>50,000</u>	<u>50,000</u>

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



J.A. Gray MCI0B M10D
 Director

Date: 14/06/2019

The notes on pages 17 to 34 form part of these financial statements.

DIAMOND BUILD GROUP PLC

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Other reserves £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 January 2017	50,000	50,000	928,695	1,028,695	1,028,695
Comprehensive income for the year					
Profit for the year	-	-	266,236	266,236	266,236
At 1 January 2018	50,000	50,000	1,194,931	1,294,931	1,294,931
Comprehensive income for the year					
Profit for the year	-	-	135,658	135,658	135,658
At 31 December 2018	50,000	50,000	1,330,589	1,430,589	1,430,589

The notes on pages 17 to 34 form part of these financial statements.

DIAMOND BUILD GROUP PLC

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Total equity
	£	£
At 1 January 2017	50,000	50,000
Total comprehensive income for the year	-	-
At 1 January 2018	50,000	50,000
Total comprehensive income for the year	-	-
At 31 December 2018	50,000	50,000

The notes on pages 17 to 34 form part of these financial statements.

DIAMOND BUILD GROUP PLC

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 £	2017 £
Cash flows from operating activities		
Profit for the financial year	135,658	266,236
Adjustments for:		
Depreciation of tangible assets	61,450	101,850
Loss on disposal of tangible assets	(1,667)	748
Interest paid	252	1,103
Interest received	(2,310)	(660)
Taxation charge	42,256	70,375
(Increase)/decrease in stocks	(4,093)	25,000
(Increase)/decrease in debtors	(1,780,745)	1,194,202
Decrease/(increase) in amounts owed by associates	561,907	(571,169)
Increase/(decrease) in creditors	50,821	(863,582)
Increase/(decrease) in amounts owed to associates	321,945	(66,040)
(Decrease) in provisions	(145,306)	(41,072)
Corporation tax (paid)	(1,213)	(2,843)
Net cash generated from operating activities	(761,045)	114,148
Cash flows from investing activities		
Purchase of tangible fixed assets	(41,203)	(38,931)
Sale of tangible fixed assets	1,667	(513)
Interest received	2,310	660
Net cash from investing activities	(37,226)	(38,784)
Cash flows from financing activities		
Interest paid	(252)	(1,103)
Net cash used in financing activities	(252)	(1,103)
Net (decrease)/increase in cash and cash equivalents	(798,523)	74,261

DIAMOND BUILD GROUP PLC

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
Cash and cash equivalents at beginning of year	1,975,641	1,901,380
Cash and cash equivalents at the end of year	1,177,118	1,975,641
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,177,118	1,975,641
	1,177,118	1,975,641

The notes on pages 17 to 34 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. General information

Diamond Build Group Plc is an unlisted public company limited by shares incorporated in England and Wales, registration number 05660708. The registered office and principal place of business are detailed on the Company Information page. The nature of the operations of the group and its principal activities are included in the Strategic Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain *critical accounting estimates*. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The company's functional and presentational currency is £ sterling and figures are rounded to £1.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Amounts recoverable on contracts are included in debtors.

2.4 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

The Group operates a defined contribution pension plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	20% straight line
Computer equipment	-	33% straight line
Leasehold improvements	-	over the term of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of comprehensive income.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Joint ventures are entities over which there are contractual arrangements to jointly share the control over the economic activity of the entities with one or more parties. Investments in joint ventures are carried in the Balance Sheet at cost plus any post-acquisition changes in the share of the net assets of the entity, less any impairment in value.

2.11 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated balance sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Amounts recoverable on contracts

Amounts recoverable on contracts comprises work completed or measured parts thereof not yet invoiced to customers and is stated after making due allowance for irrecoverable amounts and provision for snagging costs. 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. Amounts recoverable on contracts are included in debtors.

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.19 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The directors consider that the critical accounting policies where judgements and estimations have been applied relate to the tangible asset lives amounts, recoverable on long term contracts and valuation of provisions. In respect of the life of tangible fixed assets, judgements are made on the useful economic life and residual values of plant and machinery. The directors have concluded that the asset values and residual values are appropriate. In respect of amounts recoverable on contracts, the directors consider the changes in economic conditions in respect of all estimates and have concluded that amounts recoverable on contracts are appropriately included. In respect of provisions, the directors have concluded that the provisions included are appropriate.

4. Turnover

All turnover arose within the United Kingdom.

5. Other operating income

	2018 £	2017 £
Other operating income	116,390	30,157
Management fees receivable	15,000	178,000
	<u>131,390</u>	<u>208,157</u>

6. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
(Profit)/loss on sale of tangible assets	(1,667)	748
Exchange differences	61,450	101,850
Other operating lease rentals	161,635	155,466
Defined contribution pension cost	<u>21,512</u>	<u>25,310</u>

DIAMOND BUILD GROUP PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. Auditors' remuneration

	2018 £	2017 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	15,000	15,000
Fees payable to the Group's auditor and its associates in respect of:		
All other services	30,720	16,900
	30,720	16,900

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Wages and salaries	2,430,630	2,385,417	-	-
Social security costs	257,058	275,195	-	-
Cost of defined contribution scheme	25,851	25,839	-	-
	2,713,539	2,686,451	-	-

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

	2018 No.	2017 No.
Production staff	26	28
Administrative staff	15	15
Management staff	8	8
	49	51

The directors are the Key Management Personnel of Diamond Build Group Plc. Their remuneration from the group is disclosed in note 9.

The Company has no employees other than the directors, who did not receive any remuneration (2017 - £NIL)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

9. Directors' remuneration

During the year retirement benefits were accruing to 2 directors (2017 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £109,919 (2017 - £120,217).

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2017 - £NIL).

10. Interest receivable

	2018 £	2017 £
Other interest receivable	2,310	660
	<u>2,310</u>	<u>660</u>

11. Interest payable and similar expenses

	2018 £	2017 £
Other loan interest payable	252	1,103
	<u>252</u>	<u>1,103</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

12. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	10,826	2,468
	<u>10,826</u>	<u>2,468</u>
Total current tax	<u>10,826</u>	<u>2,468</u>
Deferred tax		
Origination and reversal of timing differences	31,430	67,907
Total deferred tax	<u>31,430</u>	<u>67,907</u>
Taxation on profit on ordinary activities	<u>42,256</u>	<u>70,375</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	<u>177,914</u>	<u>336,611</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	33,804	64,798
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	14,360
Other differences leading to an increase (decrease) in the tax charge	8,452	(8,783)
Total tax charge for the year	<u>42,256</u>	<u>70,375</u>

Factors that may affect future tax charges

Based on current plans, the group expects to be able to continue to claim capital allowances in excess of depreciation in future years. The group has brought forward tax losses which continue to be available to reduce tax payments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

13. Tangible fixed assets

Group

	Motor vehicles £	Computer equipment £	Leasehold improvements £	Total £
Cost or valuation				
At 1 January 2018	32,791	95,255	123,614	251,660
Additions	-	32,203	9,000	41,203
At 31 December 2018	32,791	127,458	132,614	292,863
Depreciation				
At 1 January 2018	32,788	37,625	92,711	163,124
Charge for the year on owned assets	-	30,547	30,903	61,450
At 31 December 2018	32,788	68,172	123,614	224,574
Net book value				
At 31 December 2018	3	59,286	9,000	68,289
At 31 December 2017	3	57,630	30,903	88,536

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

14. Fixed asset investments

Group

	Investment in joint ventures £
Cost or valuation	
At 1 January 2018	50
At 31 December 2018	50
Net book value	
At 31 December 2018	50
At 31 December 2017	50

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Diamond Build Plc	Ordinary	100 %	Construction
Diamond Fire Safety Limited	Ordinary	100 %	Construction
Diamond Special Works Limited	Ordinary	100 %	Dormant

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

14. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £	Investment in joint ventures £	Total £
Cost or valuation			
At 1 January 2018	50,003	50	50,053
At 31 December 2018	50,003	50	50,053
Net book value			
At 31 December 2018	50,003	50	50,053
At 31 December 2017	50,003	50	50,053

In the opinion of the directors, the value of the company's investments in subsidiaries is not less than the amount at which they are stated in the financial statements.

The company has a joint venture in Kind Diamond Build Consortium Limited. The amount reflected in the joint venture is the group interest at cost less impairment.

15. Stocks

	Group 2018 £	Group 2017 £
Raw materials and consumables	4,093	-
	4,093	-

The difference between purchase price or production cost of stocks and their replacement cost is not material.

The amount of stock recognised as an expense in cost of sales in the year was £2,836,950 (2017: £3,133,300).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**
16. Debtors

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Trade debtors	1,210,718	1,452,309	-	-
Amounts owed by group undertakings	-	-	405,600	405,600
Amounts owed by joint ventures and associated undertakings	311,672	873,579	-	-
Other debtors	90,825	12,416	-	-
Prepayments and accrued income	128,273	81,785	-	-
Amounts recoverable on long term contracts	1,912,473	15,034	-	-
Deferred taxation	190,639	222,069	-	-
	3,844,600	2,657,192	405,600	405,600

Included in group debtors is £190,639 (2017: £222,069) of deferred taxation due in more than one year.

17. Cash and cash equivalents

	Group 2018 £	Group 2017 £
Cash at bank and in hand	1,177,118	1,975,641
	1,177,118	1,975,641

18. Creditors: Amounts falling due within one year

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Trade creditors	1,399,825	1,141,411	-	-
Amounts owed to group undertakings	-	-	405,603	405,603
Amounts owed to associates	321,945	-	-	-
Corporation tax	12,081	2,468	-	-
Other taxation and social security	79,737	177,390	-	-
Other creditors	42,336	12,906	50	50
Accruals and deferred income	1,212,401	1,351,771	-	-
	3,068,325	2,685,946	405,653	405,653

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

19. Financial instruments

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Financial assets				
Financial assets measured at fair value through profit or loss	1,177,118	1,975,641	-	-
Financial assets that are debt instruments measured at amortised cost	1,561,201	2,338,304	405,600	405,600
	<u>2,738,319</u>	<u>4,313,945</u>	<u>405,600</u>	<u>405,600</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(2,974,391)	(2,506,088)	(405,653)	(405,653)

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, amounts owed by associated company, amounts recoverable on contracts and certain other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, amounts owed to related entities, accruals and certain other creditors.

20. Deferred taxation

Group

	2018 £
At beginning of year	222,069
Charged to profit or loss	(31,430)
At end of year	<u>190,639</u>

The company has no deferred tax.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

20. Deferred taxation (continued)

At end of year

The deferred tax asset is made up as follows:

	Group 2018 £	Group 2017 £
Depreciation in excess of capital allowances	2,157	2,157
Tax losses carried forward	188,482	219,912
	<u>190,639</u>	<u>222,069</u>

21. Provisions

Group

	Subcontractor provision £
At 1 January 2018	740,542
Charged to profit or loss	(145,306)
At 31 December 2018	<u>595,236</u>

22. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
50,000 (2017 - 50,000) Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

23. Reserves

Capital redemption reserve

The capital redemption reserve is a non-distributable reserve and represents amounts retained on redemption of preference shares.

Profit and loss account

The profit and loss account is represented by retained earnings. Changes in reserves are set out in the Statement of Changes in Equity.

24. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £21,512 (2017: £25,310). Contributions totalling £Nil (2017: £Nil) were payable to the fund at the year end and are included in creditors.

25. Commitments under operating leases

At 31 December 2018 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2018 £	Group 2017 £
Not later than 1 year	72,216	90,544
Later than 1 year and not later than 5 years	-	75,744
	72,216	166,288

In January 2019, the Group entered into a new 3 year operating lease for £65,000 per annum.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

26. Related party transactions

The company has taken advantage of the exemption contained in Financial Reporting Standard 102 section 33 and has not disclosed transactions or balances with entities which form part of the group.

During the year, the following transactions were made with entities in which the directors of Diamond Build Group Plc have an interest:

Diamond Build Plc paid rent of £25,248 (2017: £75,745) to the Diamond Build Plc Executive Pension Scheme. J A Gray, a director, is also a trustee and a beneficiary of the scheme. At the year end, £Nil was outstanding (2017: £Nil).

Diamond Build Plc carried out consultancy works totalling £769,645 (2017: £355,009) on the property under the control of Kimbrook Property Developments Limited. At the year end, £321,131 (2017: £538,365) was due from Kimbrook Property Developments Limited in respect of this transaction and is included in amounts owed by related undertakings. This balance is unsecured, interest free and repayable on demand.

Diamond Build Plc paid rent of £50,497 (2017: £Nil) to Kimbrook Property Developments Limited. At the year end, £Nil (2017: £Nil) was outstanding in respect of rental payments.

Diamond Build Plc provided services totalling £14,995 (2017: £29,797) to Diamond Facilities Support Limited. At the year end, £1,711 (2017: £19,921) was due from Diamond Facilities Support Limited. This balance is unsecured, interest free and repayable on demand.

Diamond Build Plc received services totalling £84,375 (2017: £66,596) from and provided services totalling £8,404 (2017: £19,629) to Diamond Leasing Limited. At the year end £26,015 (2017: £59,722 due from) was due to Diamond Leasing Limited. This balance is unsecured, interest free and repayable on demand.

Diamond Build Plc received a management fee of £18,000 (2017: £178,000) during the year from Diamond Leasing Limited. No balances were outstanding in relation to the management fee (2017: £Nil).

Diamond Build Plc provided short term loans totalling £Nil (2017: £Nil) to Diamond Leasing Limited. At the year end, £150,000 (2017: £150,000) was due from Diamond Leasing Limited. The loan is unsecured, interest free and repayable on demand.

Diamond Build Plc provided services totalling £258 (2017: £Nil) to and received services totalling £18,362 (2017: £Nil) from Diamond Education Service Limited. At the year end, £Nil (2017: £Nil) was due to Diamond Education Service Limited.

At the year end a loan of £145,016 (2017: £59,185) was due from Diamond Education Service Limited to Diamond Build Plc. This balance is unsecured, interest free and repayable on demand.

Diamond Build Plc provided services totalling £2,151,896 (2017: £5,879,592) and received services totalling £5,193 (2017: £Nil) to Kind Diamond Build Consortium Limited, a company in which Diamond Build Group Plc has an interest. At the year end, £40,960 (2017: £46,336) was due to Diamond Build Plc. This amount is unsecured, interest free and payable on demand.

27. Controlling party

Throughout the current and previous year, the Company was under the control of J A Gray MCIOB MIOD who was beneficially interested in 100% of the issued share capital of Diamond Build Group Plc.