

DIAMOND BUILD GROUP PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

DIAMOND BUILD GROUP PLC

COMPANY INFORMATION

Directors	J A Gray MCIOB MIOD S R Lakhani FCCA (resigned 31 March 2019) P Brooks
	S R Lakhani FCCA (resigned 1 April 2019)
Company secretary	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 6th Floor 2 London Wall Place London EC2Y 5AU
Solicitors	Curwens Solicitors Crossfields House Gladbeck Way Enfield Middlesex EN2 7HT

CONTENTS

	Page
Group strategic report	1 - 5
Directors' report	6 - 7
Independent auditors' report	8 - 10
Consolidated statement of comprehensive income	11
Consolidated balance sheet	12 - 13
Company balance sheet	14
Consolidated statement of changes in equity	15
Company statement of changes in equity	16
Consolidated Statement of cash flows	17 - 18
Notes to the financial statements	19 - 37

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Introduction

The Group's Directors present their Group Strategic Report for the year ending 31st December 2019.

Principal activities and business review

During 2019 we have established three separate companies under the Diamond Build Group plc banner with their own specialist board of Directors experienced in their field of operations – these Companies are: -

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

Diamond Build Group plc will be providing the services such as accounts, ICT, transport, logistics, and business development strategy for these companies.

This year we have moved our offices into adjacent offices which we have leased from the local council to accommodate our Group during the period of the development of our Stamford Road Head Office.

The move together with having to pay rent and rates on two buildings for a good percentage of the year has had a negative effect on our profitability especially since we had to spend £170,000 on upgrading the newly leased building before we could move in together with the additional rent and rates in the sum of circa £70,000 for this year. The effect of the move on this year's figures is a negative £125,000 – we have still produced a profit, but the figures could have been much better without the cost of the move.

The commencement of our development has been delayed this year due to finalising the design and obtaining the loan agreement. Consequently, the works will not start on site until April 2020 and be ready for occupation early in 2022.

The disruption has affected our workload this year and although it has increased it has not met the levels expected finishing up at circa £19 million.

The Company continues to target works in the public sector, but we are now prepared to bid for selected works in the private sector. We have also enlarged our work area for major works, and we have taken the decision to carry out design and build contracts which has been brought about client demand. These decisions should improve our workload opportunities.

Our targets for the three Companies for 2020 are as follows: -

- Diamond Build plc £18,000,000
- Diamond Special Works Ltd £4,500,000
- Diamond Fire Safety Ltd £2,500,000

The target for the group is therefore £25,000,000 for 2020.

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 2019

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

- We have upgraded our infrastructure inhouse with new cabling and L3 switching, this increased our capacity to handle internal traffic, thus increase availability and less downtime.
- Also added new uninterrupted power supply units for servers to cope temporary power failures that can happen.
- Increased number of copiers throughout the office.
- We introduce baseline to internet connectivity for larger sites by installing broadband lines instead of 4G internet to increase availability at sites.
- Moreover, provisions projectors and portable screens at sites and remote conferencing via skype business to bring sites in to flexible and capable working environments.
- Adapted use of larger screens thought-out the company with minimum screen sizes of 27" and dual monitors to improve staff working environment.
- We improve staff computer performance by updating or upgrading their computers to maintain information processing inhouse.

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

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

- London Construction Programme (LCP – Haringey Council)
 - o Lot 1.1B Housing North £1m - £5m,
 - o Lot 1.1C Housing East £1m - £5m,
 - o Lot 2.1B Education North £1m - £5m,
 - o Lot 2.1D South £1m - £5m,
 - o Lot 3.1C East £1m - £5m,
 - o Lot 3.1D South £1m - £5m
- London Construction Programme (LCP - Haringey Council) Minor Works Framework, Dynamic Purchasing System
 - o We are on 22 out of the 27 work categories the most important being general Construction Multi Trade & Fire improvements works
- London Housing Consortium (LHC) – SCB2 – Schools and Community Buildings Framework, 2017 – 2021
 - o Lot 9 – London (Region I), Value Band 1 – New Build
 - o Lot 22 – East of England (Regions H1-HX), Value Band 2 – New Build and Refurbishment
- Islington New Build Housing Framework
 - o Lot 1 up to a contract value of £5m
- Education and Skills Funding Agency (ESFA) Framework
 - o London region up to a contract value of £6.5m
- National Health Service (NHS) London Procurement Partnership (LPP)
 - o National Framework Work Agreement for Medium Value Construction Works - 2017 – 2021
- Ealing Council - Fire Safety Works Framework 2016 -2022
- London Housing Consortium (LHC) –
 - o C7 – Entrance Door sets and Associated Products Framework, 2016 – 2020
- London Housing Consortium (LHC) –
 - o FS1-P – Passive Fire Protection Framework, 2019 – 2023
- Hyde Housing Group – Fire Safety Framework
- Network Homes –
 - o Fire Risk Assessment (FRA) Remedial Works Framework, 2017 – 2021
- Fusion 21 Fire Improvement Works framework
 - o Education and Skills Funding Agency (ESFA) – Lot 16 for London
 - o Hyde Fire Improvement Works

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

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

The main event that is affecting the business in 2020 is the Coronavirus (COVID-19) which will affect all businesses from March till August this year. The construction industry will be affected with delayed starts to construction projects together with a slow down on existing work until such time as the virus clears the UK – so we will just have to wait until such time as the economy gets back to some semblance of order. We are taking all necessary steps to ensure that our sites remain open by developing working practices to protect our workforce and any residents in works on / in occupied properties.

We have upgraded our ICT systems so that staff who can work from home have the facilities to do so by using their laptop computers to access our main computer system. All relevant office staff have been provided with a skype facility and have mobile phones to maintain communications whilst working remotely.

Details of orders received since the end of the year

- Diamond Build plc
 - o Portman Estate £2.3m
 - o Homefield Pre School £5.6m
 - o Harvest Estate £10.5m
 - o Stamford Road £16.0m
- Diamond Fire Safety
 - o Network homes £1.6m
- Diamond Special Works
 - o Fitz Millennium £432k
 - o Regents House lighting £95k
 - o Paprika Ward £150k

- o A range of small works £150k

Financial key performance indicators

- The Group's turnover was £18.7m (2018: £16.2m)
- Gross Profit Margin was 10.8% (2018: 12.4%)
- Overheads were decreased by 2% to £1.90m (down from £1.94m in 2018)
- The net worth of the Group now stands at £1,580,370 (2018: £1,430,589)
- Debtor days was 34 days (2018: 28)
- Creditor days was 30 days (2018: 36)

DIAMOND BUILD GROUP PLC

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

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

J A Gray MCIOB MIOD
Director

Date: 23 April 2020

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their report and the financial statements for the year ended 31 December 2019.

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 £149,781 (2018 - £135,658).

During the year, no dividends were paid.

Directors

The directors who served during the year were:

J A Gray MCI0B M10D
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.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

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 MCIQB MIOD

Director

Date: 23 April 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS 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 2019, 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 2019 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 MEMBERS 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 6, 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 MEMBERS 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 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 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

6th Floor
2 London Wall Place
London
EC2Y 5AU

Date: 7 May 2020

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Turnover	4	18,650,246	16,223,845
Cost of sales		(16,631,118)	(14,212,297)
Gross profit		2,019,128	2,011,548
Administrative expenses		(1,936,204)	(1,967,082)
Other operating income	5	107,416	131,390
Operating profit	6	190,340	175,856
Interest receivable and similar income	10	4,273	2,310
Interest payable and expenses	11	-	(252)
Profit before taxation		194,613	177,914
Tax on profit	12	(44,832)	(42,256)
Profit for the financial year		149,781	135,658
Profit for the year attributable to:			
Owners of the parent Company		149,781	135,658
		149,781	135,658

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 19 to 37 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	228,877	68,289
Investments	14	50	50
		<u>228,927</u>	<u>68,339</u>
Current assets			
Stocks	15	6,974	4,093
Debtors: amounts falling due within one year	16	4,538,023	3,844,600
Cash at bank and in hand	17	932,032	1,177,118
		<u>5,477,029</u>	<u>5,025,811</u>
Creditors: amounts falling due within one year	18	(2,778,778)	(3,068,325)
Net current assets		<u>2,698,251</u>	<u>1,957,486</u>
Total assets less current liabilities		<u>2,927,178</u>	<u>2,025,825</u>
Creditors: amounts falling due after more than one year		(592,500)	-
Provisions for liabilities			
Other provisions	22	(754,308)	(595,236)
		<u>(754,308)</u>	<u>(595,236)</u>
Net assets excluding pension asset		<u>1,580,370</u>	<u>1,430,589</u>
Net assets		<u>1,580,370</u>	<u>1,430,589</u>
Capital and reserves			
Called up share capital	23	50,000	50,000
Other reserves	24	50,000	50,000
Profit and loss account	24	1,480,370	1,330,589
Equity attributable to owners of the parent Company		<u>1,580,370</u>	<u>1,430,589</u>
		<u>1,580,370</u>	<u>1,430,589</u>

DIAMOND BUILD GROUP PLC
REGISTERED NUMBER: 05660708

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

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

J A Gray MCIOB MIOD
Director

Date: 23 April 2020

The notes on pages 19 to 37 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
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	23	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 MCIOB MIOD
Director

Date: 23 April 2020

The notes on pages 19 to 37 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Other reserves	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
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 1 January 2019	50,000	50,000	1,330,589	1,430,589	1,430,589
Comprehensive income for the year					
Profit for the year	-	-	149,781	149,781	149,781
At 31 December 2019	<u>50,000</u>	<u>50,000</u>	<u>1,480,370</u>	<u>1,580,370</u>	<u>1,580,370</u>

The notes on pages 19 to 37 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Total equity £
At 1 January 2018	50,000	50,000
Total comprehensive income for the year	-	-
At 1 January 2019	50,000	50,000
Total comprehensive income for the year	-	-
At 31 December 2019	50,000	50,000

The notes on pages 19 to 37 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	149,781	135,658
Adjustments for:		
Depreciation of tangible assets	83,743	61,450
Loss on disposal of tangible assets	-	(1,667)
Interest paid	-	252
Interest received	(4,273)	(2,310)
Taxation charge	44,832	42,256
(Increase) in stocks	(2,881)	(4,093)
Decrease/(increase) in debtors	336,301	(1,780,745)
(Increase)/decrease in amounts owed by associates	(274,687)	561,907
(Decrease)/increase in creditors	(166,849)	50,821
(Decrease)/increase in amounts owed to associates	(318,272)	321,945
Increase/(decrease) in provisions	159,072	(145,306)
Corporation tax (paid)	(11,795)	(1,213)
Net cash generated from operating activities	(5,028)	(761,045)
Cash flows from investing activities		
Purchase of tangible fixed assets	(244,331)	(41,203)
Sale of tangible fixed assets	-	1,667
Interest received	4,273	2,310
Net cash from investing activities	(240,058)	(37,226)
Cash flows from financing activities		
Interest paid	-	(252)
Net cash used in financing activities	-	(252)
Net (decrease) in cash and cash equivalents	(245,086)	(798,523)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
Cash and cash equivalents at beginning of year	1,177,118	1,975,641
Cash and cash equivalents at the end of year	<u>932,032</u>	<u>1,177,118</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	932,032	1,177,118
	<u>932,032</u>	<u>1,177,118</u>

The notes on pages 19 to 37 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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 functional and presentational currency is £ Sterling, and the figures are rounded to the nearest £1.

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 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 2019**

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 2019**

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

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.

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
Office equipment	-	20% straight line
Computer equipment	-	20% - 33% straight line
Leasehold improvements	-	over the term of the lease of three years

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)**2.19 Financial instruments (continued)**

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.

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

The directors consider that the critical accounting policies where judgments and estimations have been applied relate to the tangible asset lives, amounts recoverable on contracts and valuation of provisions. In respect of the life of tangible fixed assets, judgments 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

	2019 £	2018 £
Other operating income	89,416	116,390
Management fees receivable	18,000	15,000
	<u>107,416</u>	<u>131,390</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Operating profit

The operating profit is stated after charging:

	2019	2018
	£	£
(Profit)/loss on sale of tangible assets	-	(1,667)
Depreciation of tangible fixed assets	83,743	61,450
Other operating lease rentals	113,012	161,635
Defined contribution pension cost	31,331	25,851

The company has taken exemption under section 408 of Companies Act 2006 and has not included the parent entity Profit and Loss account in the group accounts. The profit for the year in the parent entity is £Nil.

7. Auditors' remuneration

	2019	2018
	£	£
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	28,240	30,720
	28,240	30,720

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. Employees

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

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Wages and salaries	2,483,461	2,430,630	-	-
Social security costs	249,809	257,058	-	-
Cost of defined contribution scheme	31,331	25,851	-	-
	<u>2,764,601</u>	<u>2,713,539</u>	<u>-</u>	<u>-</u>

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

	2019 No.	2018 No.
Production staff	27	26
Administrative staff	17	15
Management staff	6	8
	<u>50</u>	<u>49</u>

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL). The directors are the key management personnel of Diamond Build Group Plc.

9. Directors' remuneration

During the year retirement benefits were accruing to 2 directors (2018 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £112,939 (2018 - £109,919).

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2018 - £NIL).

10. Interest receivable

	2019 £	2018 £
Other interest receivable	4,273	2,310
	<u>4,273</u>	<u>2,310</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

11. Interest payable and similar expenses

	2019 £	2018 £
Other loan interest payable	-	252
	<u>-</u>	<u>252</u>

12. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	9,869	10,826
	<u>9,869</u>	<u>10,826</u>
Total current tax	<u>9,869</u>	<u>10,826</u>
Deferred tax		
Origination and reversal of timing differences	34,963	31,430
Total deferred tax	<u>34,963</u>	<u>31,430</u>
Taxation on profit on ordinary activities	<u>44,832</u>	<u>42,256</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>194,613</u>	<u>177,914</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	36,976	33,804
Effects of:		
Other differences leading to an increase (decrease) in the tax charge	7,856	8,452
Total tax charge for the year	<u>44,832</u>	<u>42,256</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 2019**
13. Tangible fixed assets**Group**

	Motor vehicles	Office equipment	Computer equipment and software	Leasehold improvements	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2019	32,791	-	127,458	132,614	292,863
Additions	-	2,714	51,980	189,637	244,331
At 31 December 2019	32,791	2,714	179,438	322,251	537,194
Depreciation					
At 1 January 2019	32,788	-	68,172	123,614	224,574
Charge for the year on owned assets	-	587	38,729	44,427	83,743
At 31 December 2019	32,788	587	106,901	168,041	308,317
Net book value					
At 31 December 2019	<u>3</u>	<u>2,127</u>	<u>72,537</u>	<u>154,210</u>	<u>228,877</u>
At 31 December 2018	<u>3</u>	<u>-</u>	<u>59,286</u>	<u>9,000</u>	<u>68,289</u>

14. Fixed asset investments**Group**

	Investment in joint ventures
	£
Cost or valuation	
At 1 January 2019	50
At 31 December 2019	<u>50</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**
Company

	Investments in subsidiary companies £	Investment in joint ventures £	Total £
Cost or valuation			
At 1 January 2019	50,003	50	50,053
At 31 December 2019	<u>50,003</u>	<u>50</u>	<u>50,053</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company each with a registered office address as that of the parent company:

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

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 an interest in a joint venture in Kind Diamond Build Consortium Limited. The amount reflected in the joint venture is the group interest at cost less impairment. The share of profit of the joint venture in the year is £Nil (2018: £Nil).

15. Stocks

	Group 2019 £	Group 2018 £
Raw materials and consumables	6,974	4,093
	<u>6,974</u>	<u>4,093</u>

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 £2,825,778 (2018: £2,836,950).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

16. Debtors

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade debtors	1,759,024	1,210,718	-	-
Amounts owed by group undertakings	-	-	405,600	405,600
Amounts owed by joint ventures and related entities	1,376,359	311,672	-	-
Other debtors	56,026	90,825	-	-
Prepayments and accrued income	108,776	128,273	-	-
Amounts recoverable on contracts	1,082,162	1,912,473	-	-
Deferred taxation	155,676	190,639	-	-
	<u>4,538,023</u>	<u>3,844,600</u>	<u>405,600</u>	<u>405,600</u>

Included in group debtors is £155,676 (2018: £190,639) of deferred taxation due in more than one year.

17. Cash and cash equivalents

	Group 2019 £	Group 2018 £
Cash at bank and in hand	932,032	1,177,118
	<u>932,032</u>	<u>1,177,118</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

18. Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade creditors	1,380,563	1,399,825	-	-
Amounts owed to group undertakings	-	-	405,603	405,603
Amounts owed to related undertakings	201,173	321,945	-	-
Corporation tax	10,155	12,081	-	-
Other taxation and social security	213,008	79,737	-	-
Other creditors	56,700	42,336	50	50
Accruals and deferred income	917,179	1,212,401	-	-
	<u>2,778,778</u>	<u>3,068,325</u>	<u>405,653</u>	<u>405,653</u>

Included in group amounts owed to related undertakings is £197,500 (2018: £Nil) which is secured on company assets.

19. Creditors: Amounts falling due after more than one year

	Group 2019 £	Group 2018 £
Amounts owed to related undertakings	592,500	-
	<u>592,500</u>	<u>-</u>

Included in group amounts owed to related undertakings is £592,500 (2018: £Nil) which is secured on company assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

20. Financial instruments

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Financial assets				
Financial assets measured at fair value through profit or loss	932,032	1,177,118	-	-
Financial assets that are debt instruments measured at amortised cost	3,189,230	1,561,201	405,600	405,600
	<u>4,121,262</u>	<u>2,738,319</u>	<u>405,600</u>	<u>405,600</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(2,553,806)</u>	<u>(2,974,391)</u>	<u>(405,653)</u>	<u>(405,653)</u>
Financial assets measured at amortised cost comprise trade debtors, amounts owed by group amounts owed by related entities, amounts recoverable on contracts and certain other debtors.				undertakings,
Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group amounts owed to related entities, accruals and certain other creditors.				undertakings,

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

21. Deferred taxation**Group**

2019
£

At beginning of year	190,639
Charged to profit or loss	(34,963)
At end of year	<u>155,676</u>

The company has no deferred tax.

The deferred tax asset is made up as follows:

	Group 2019 £	Group 2018 £
Depreciation in excess of capital allowances	4,783	2,157
Tax losses carried forward	150,893	188,482
	<u>155,676</u>	<u>190,639</u>

22. Provisions**Group**

**Subcontractor
provision
£**

At 1 January 2019	595,236
Charged to profit or loss	159,072
At 31 December 2019	<u>754,308</u>

Provisions are included at 31 December 2019 in respect of obligations under contracts with subcontractors where the company considers it is probable that payments will be made and amounts can be reliably estimated, and the timing of any obligation is not known.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

23. Share capital

	2019	2018
	£	£
Allotted, called up and fully paid		
50,000 (2018 - 50,000) Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

24. 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.

25. 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 £23,992 (2018: £21,512). Contributions totalling £Nil (2018: £Nil) were payable to the fund at the year end and are included in creditors.

26. Commitments under operating leases

At 31 December 2019 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Group	Group
	2019	2018
	£	£
Not later than 1 year	70,541	77,712
Later than 1 year and not later than 5 years	67,708	-
	<u>138,249</u>	<u>77,712</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

27. 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 carried out consultancy works totalling £262,201 (2018: £769,645) for Kimbrook Property Developments Limited. At the year end, £1,675,157 (2018: £321,131) was due from Kimbrook Property Developments Limited. This balance is unsecured, interest free and repayable on demand.

Diamond Build Plc paid rent of £18,936 (2018: £50,497) to Kimbrook Property Developments Limited. At the year end, £Nil (2018: £Nil) was outstanding in respect of rental payments.

Diamond Build Plc provided services totalling £16,227 (2018: £14,995) to Diamond Facilities Support Limited. At the year end, £21,173 (2018: £1,711) was due from Diamond Facilities Support Limited. This balance is unsecured, interest free and repayable on demand.

Diamond Build Plc received services totalling £25,521 (2018: £84,375) from Diamond Leasing Limited. At the year end £5,345 (2018: £26,015) 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 (2018: £18,000) during the year from Diamond Leasing Limited. No balances were outstanding in relation to the management fee (2018: £Nil).

At the year end, £150,000 (2018: £150,000) was due from Diamond Leasing Limited to Diamond Build Plc. This loan is unsecured, interest free and repayable on demand.

Diamond Build Plc provided services totalling £707 (2018: £258) to and received services totalling £8,050 (2018: £18,362) from Diamond Education Service Limited. At the year end, £Nil (2018: £Nil) was due to Diamond Education Service Limited.

Following an additional loan in the year of £34,160, £179,176 (2018: £145,016) 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 £2,071,834 (2018: £2,151,896) and received services totalling £14,846 (2018: £5,193) from Kind Diamond Build Consortium Limited, a company in which Diamond Build Group Plc has an interest. At the year end, £172,937 (2018: £40,960) was due to Diamond Build Plc. This amount is unsecured, interest free and payable on demand.

During the year, Diamond Build Plc received a loan totalling £790,000 (2018: £Nil) from the Diamond Build Plc Executive Pension Scheme. J A Gray, a director, is also a trustee and beneficiary of the scheme. This balance is secured and interest bearing.

J A Gray and P Brooks are both guarantors in respect to the operating lease.

28. Controlling party

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

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.