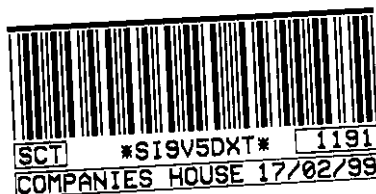


**CHARLES BLAIR (DIAMOND
PRODUCTS) LIMITED**
ABBREVIATED FINANCIAL STATEMENTS
30 NOVEMBER 1998

WILLIAMSON & DUNN
Chartered Accountants & Registered Auditors
3 West Craibstone Street
Aberdeen

AB11 6YW



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CHARLES BLAIR (DIAMOND PRODUCTS) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 1998

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CHARLES BLAIR (DIAMOND PRODUCTS) LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 3, together with the financial statements of the company for the year ended 30 November 1998 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 3 are properly prepared in accordance with those provisions.

Williamson & Dunn C.A.

WILLIAMSON & DUNN
Chartered Accountants & Registered Auditors
3 West Craibstone Street
Aberdeen

AB11 6YW

15.2.1999

CHARLES BLAIR (DIAMOND PRODUCTS) LIMITED

ABBREVIATED BALANCE SHEET

30 NOVEMBER 1998

	Note	1998	1997
		£	£
CURRENT ASSETS			
Stocks		89,250	80,714
Debtors		89,462	86,408
Cash at bank and in hand		80,092	53,909
		<u>258,804</u>	<u>221,031</u>
CREDITORS: Amounts falling due within one year		<u>(134,652)</u>	<u>(109,649)</u>
NET CURRENT ASSETS		<u>124,152</u>	<u>111,382</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>124,152</u>	<u>111,382</u>
CAPITAL AND RESERVES			
Called-up equity share capital	2	501	501
Profit and loss account		123,651	110,881
SHAREHOLDERS' FUNDS		<u>124,152</u>	<u>111,382</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

These financial statements were approved by the directors on the15.2.....1999, and are signed on their behalf by:


MR C BLAIR

The notes on page 3 form part of these financial statements.

CHARLES BLAIR (DIAMOND PRODUCTS) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 1998

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

2 SHARE CAPITAL

Authorised share capital:

	1998 £	1997 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	1998 £	1997 £
Ordinary share capital	<u>501</u>	<u>501</u>