

**Company Registration No. 02965789 (England and Wales)**

**PREMIER DIAMOND PRODUCTS LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2018**

**PAGES FOR FILING WITH REGISTRAR**

# **PREMIER DIAMOND PRODUCTS LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Statement of financial position	1 - 2
Statement of changes in equity	3
Notes to the financial statements	4 - 10

---

# PREMIER DIAMOND PRODUCTS LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2018

	Notes	2018 £	£	2017 £	£
<b>Non-current assets</b>					
Intangible assets	3		4,575		-
Property, plant and equipment	4		19,068		21,174
<b>Current assets</b>					
Inventories		463,464		365,537	
Trade and other receivables	5	462,455		437,092	
Cash and cash equivalents		19,020		23,595	
		944,939		826,224	
<b>Current liabilities</b>	6	(513,636)		(452,043)	
<b>Net current assets</b>			431,303		374,181
<b>Total assets less current liabilities</b>			454,946		395,355
<b>Provisions for liabilities</b>			(3,665)		(3,665)
<b>Net assets</b>			451,281		391,690
<b>Equity</b>					
Called up share capital	7		1,005		1,005
Retained earnings			450,276		390,685
<b>Total equity</b>			451,281		391,690

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 May 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

## **PREMIER DIAMOND PRODUCTS LIMITED**

### **STATEMENT OF FINANCIAL POSITION (CONTINUED)**

***AS AT 31 MAY 2018***

---

The financial statements were approved by the board of directors and authorised for issue on 5 September 2018 and are signed on its behalf by:

Mr T S Webb  
**Director**

Mr S D Webb  
**Director**

**Company Registration No. 02965789**

# PREMIER DIAMOND PRODUCTS LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MAY 2018

	Notes	Share capital £	Retained earnings £	Total £
<b>Balance at 1 June 2016</b>		1,005	339,107	340,112
<b>Year ended 31 May 2017:</b>				
Profit and total comprehensive income for the year		-	143,978	143,978
Dividends		-	(92,400)	(92,400)
<b>Balance at 31 May 2017</b>		1,005	390,685	391,690
<b>Year ended 31 May 2018:</b>				
Profit and total comprehensive income for the year		-	154,991	154,991
Dividends		-	(95,400)	(95,400)
<b>Balance at 31 May 2018</b>		1,005	450,276	451,281

# PREMIER DIAMOND PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

---

### 1 Accounting policies

#### Company information

Premier Diamond Products Limited is a private company limited by shares incorporated in England and Wales. The registered office is The French Quarter, 114 High Street, Southampton, Hampshire, SO14 2AA.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website costs	25% per annum on cost
---------------	-----------------------

#### 1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	Straight line over the life of the lease.
Plant and machinery	25% reducing balance and 10% straight line.
Fixtures, fittings & equipment	25% reducing balance

# PREMIER DIAMOND PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

---

### 1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# PREMIER DIAMOND PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

---

### 1 Accounting policies

(Continued)

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.



# PREMIER DIAMOND PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.13 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### **1.14 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 12 (2017 - 12).

# PREMIER DIAMOND PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

### 3 Intangible fixed assets

	Goodwill £	Website £	Total £
<b>Cost</b>			
At 1 June 2017	10,800	-	10,800
Additions	-	6,100	6,100
	<u>10,800</u>	<u>6,100</u>	<u>16,900</u>
At 31 May 2018	10,800	6,100	16,900
<b>Amortisation and impairment</b>			
At 1 June 2017	10,800	-	10,800
Amortisation charged for the year	-	1,525	1,525
	<u>10,800</u>	<u>1,525</u>	<u>12,325</u>
At 31 May 2018	10,800	1,525	12,325
<b>Carrying amount</b>			
At 31 May 2018	-	4,575	4,575
	<u>-</u>	<u>4,575</u>	<u>4,575</u>
At 31 May 2017	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

### 4 Property, plant and equipment

	Land and buildings £	Plant and machinery etc £	Total £
<b>Cost</b>			
At 1 June 2017	50,537	80,236	130,773
Additions	-	3,918	3,918
	<u>50,537</u>	<u>84,154</u>	<u>134,691</u>
At 31 May 2018	50,537	84,154	134,691
<b>Depreciation and impairment</b>			
At 1 June 2017	50,537	59,062	109,599
Depreciation charged in the year	-	6,024	6,024
	<u>50,537</u>	<u>65,086</u>	<u>115,623</u>
At 31 May 2018	50,537	65,086	115,623
<b>Carrying amount</b>			
At 31 May 2018	-	19,068	19,068
	<u>-</u>	<u>19,068</u>	<u>19,068</u>
At 31 May 2017	-	21,174	21,174
	<u>-</u>	<u>21,174</u>	<u>21,174</u>

# PREMIER DIAMOND PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

<b>5</b>	<b>Trade and other receivables</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>		
	Trade receivables	439,689	417,752
	Other receivables	495	1,778
	Prepayments and accrued income	22,271	17,562
		<u>462,455</u>	<u>437,092</u>

<b>6</b>	<b>Current liabilities</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	Trade payables	238,320	209,332
	Corporation tax	37,791	36,249
	Other taxation and social security	36,725	41,948
	Other payables	188,750	149,513
	Accruals and deferred income	12,050	15,001
		<u>513,636</u>	<u>452,043</u>

Included in "other payables" is an amount of £156,501 (2017: £121,831), which is secured by way of a debenture.

<b>7</b>	<b>Called up share capital</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	<b>Ordinary share capital</b>		
	<b>Issued and fully paid</b>		
	1,000 Ordinary "A" of £1 each	1,000	1,000
	3 Ordinary "B" of £1 each	3	3
	2 Ordinary "C" of £1 each	2	2
		<u>1,005</u>	<u>1,005</u>

## 8 Operating lease commitments

### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

<b>2018</b>	<b>2017</b>
<b>£</b>	<b>£</b>
111,936	126,403

## **PREMIER DIAMOND PRODUCTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MAY 2018***

---

**9 Directors' transactions**

Dividends totalling £95,400 (2017 - £92,400) were paid in the year in respect of shares held by the company's directors.

**10 Control**

The company is controlled by its directors.

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.