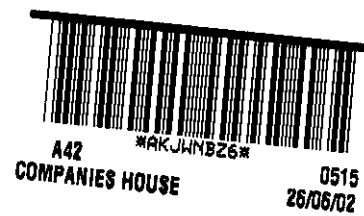


DIAMOND DRILLING AND CUTTING LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2001



DIAMOND DRILLING AND CUTTING LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31ST AUGUST 2001

	Notes	£	2001 £	2000 £
Fixed assets	2			
Tangible fixed assets			243,762	122,018
Current assets				
Debtors		180,321	130,903	
Cash at bank and in hand		15	160	
		<u>180,336</u>	<u>131,063</u>	
Creditors: amounts falling due within one year	3	<u>(243,668)</u>	<u>(126,756)</u>	
Net current liabilities/assets			<u>(63,332)</u>	<u>4,307</u>
Total assets less current liabilities			<u>180,430</u>	<u>126,325</u>
Creditors: amounts falling due after more than one year			<u>(39,248)</u>	<u>(23,041)</u>
			<u>141,182</u>	<u>103,284</u>
Capital and reserves				
Share capital	4		1	1
Profit and loss account			<u>141,181</u>	<u>103,283</u>
Shareholders' funds			<u>141,182</u>	<u>103,284</u>

For the financial year ended 31st August 2001, the company was entitled to exemption from audit under Section 249A(1) Companies Act 1985.

No notice has been deposited under Section 249B(2) Companies Act 1985.

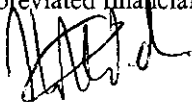
The director acknowledges his responsibility for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and

preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the company.

The abbreviated financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

These abbreviated financial statements were approved by the board on 22nd May 2002 and signed on its behalf by:



Mr Ken Ward
Director

DIAMOND DRILLING AND CUTTING LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2001

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 (effective March 2000).

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

Tangible fixed assets and depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Freehold properties	2% Straight line
Plant and machinery	25% Reducing balance
Motor vehicles	25% Reducing balance
Furniture and equipment	15% Reducing balance
Computer equipment	25% Reducing balance
Property improvements	20% Reducing balance

Contribution to pension funds

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Hire purchase and leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

DIAMOND DRILLING AND CUTTING LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2001

2 Fixed assets

	Tangible fixed assets £	Total £
Cost		
At 1st September 2000	184,166	184,166
Additions	217,585	217,585
Disposals	(38,606)	(38,606)
At 31st August 2001	363,145	363,145
Depreciation		
At 1st September 2000	62,148	62,148
Charge for the year	66,602	66,602
On disposals	(9,367)	(9,367)
At 31st August 2001	119,383	119,383
Net book value		
At 31st August 2001	243,762	243,762
<i>At 31st August 2000</i>	<i>122,018</i>	<i>122,018</i>

3 Secured creditors

£51,750 (2000: £21,696) of the creditors due within one year are secured. All (2000: All) of the creditors due after more than one year are secured.

4 Share capital

	2001 £	2000 £
Authorised		
100,000 Ordinary shares of £1.00 each	100,000	100,000
Allotted		
1 Allotted, called up and fully paid ordinary share of £1.00 each	1	1