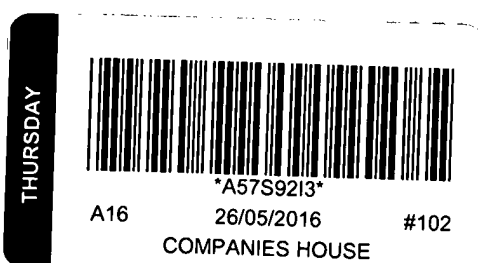


**Diamond Fuel Supplies Limited**  
**Report of the Directors and Financial Statements**  
**For the Year Ended**  
**31 August 2015**

**DSA Prospect Audit Limited**  
**Chartered Certified Accountants**  
**The Old Chapel**  
**Union Way**  
**Witney**  
**Oxon**  
**OX28 6HD**

**Company Registration Number: 01476154**



**Diamond Fuel Supplies Limited**  
**Report of the Directors and Financial Statements**  
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**Diamond Fuel Supplies Limited**  
**Company Information**

**Directors**

J P Bagnall  
D C Bagnall  
P R Bagnall  
J R E Bagnall

**Auditors**

DSA Prospect Audit Limited  
The Old Chapel  
Union Way  
Witney  
Oxon  
OX28 6HD

**Registered office**

The Freight Terminal  
Bicester Road  
Enstone  
Chipping Norton  
OX7 4NP

**Registered number**

01476154

**Diamond Fuel Supplies Limited**  
**Strategic Report**  
**For the Year Ended 31 August 2015**

The directors present their strategic report for the year ended 31 August 2015.

**Principal activities**

The company's principal activity during the year continued to be the sale of fuel products.

**Results**

The profit for the year, after taxation, is £30,274 (2014: £144,848).

**Business review**

The key financial and other performance indicators during the year were as follows:

	2015 £	2014 £	Change
Turnover	5,277,600	7,979,814	-34%
Operating profit	87,466	220,085	-60%
Profit after tax	30,274	144,848	-79%
Equity shareholders' funds	1,934,651	1,904,377	2%
Current assets as % of current liabilities	140%	148%	-5%
Number of employees at the year end	-	3	

Given an acknowledged and expected difficult trading period, the directors are pleased with the results of the company and consider it to be in a strong position from which to build in the coming years.

The application of strategic planning in terms of purchasing and solidification of the company's supply terms has ensured that gross margins are at levels expected by the directors in an otherwise challenging year.

Imports have remained strong although the source of these imports is changing to reflect the more preferential terms from East European countries.

**Principal risk and uncertainties**

As with many businesses, the company is exposed to macroeconomic factors of an uncertain nature such as changes in inflation, corporate and consumer spending patterns and levels of disposable income.

This report was approved by the board on 24/05/16 and signed by its order.



Mr Jonathan Bagnall  
Director

**Diamond Fuel Supplies Limited**  
**Directors' Report**  
**For the Year Ended 31 August 2015**

The directors present their report and audited financial statements for the year ended 31 August 2015.

**Dividends**

No dividends were paid in the period (2014: £nil).

**Financial risk management**

**Price Risk:** the company is somewhat exposed to commodity price risk given its role as both a supplier and consumer in the global resource market. The directors have vast experience and take an active role in monitoring relevant global resource prices and strategically plan purchases and therefore set sales prices taking into account expected and observed fluctuations. The company also takes advantage of forward pricing agreements such that purchase prices are set and anticipated in advance of their transaction.

**Credit Risk:** where credit is offered the company employs an external credit checking agency to perform thorough due diligence to minimise the threat of credit risk.

**Interest Rate Risk:** the company takes advantage of a number of financing arrangements as a result of a healthy and constructive working relationship with its bank. Interest terms are agreed in advance on a contractual basis and care is taken to ensure that those agreements limit the company's exposure to acknowledged interest rate risk as far as possible.

**Market Risk:** the company operates in a competitive and dynamic industry in which demand is high and margins are gradually reducing due to the emergence of 'discounter' consumers. The company considers itself well-placed in understanding its market and its performance obligations to both develop and succeed within it.

**Directors**

The following persons served as directors during the year:

J P Bagnall  
D C Bagnall  
P R Bagnall  
J R E Bagnall

**Disclosure of information to auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Diamond Fuel Supplies Limited**  
**Directors' Report**  
**For the Year Ended 31 August 2015**

**Auditor**

In accordance with Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and DSA Prospect Audit Ltd will therefore continue in office.

This report was approved by the board on 24/05/16 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'Jonathan Bagnall', written over a horizontal line.

Mr Jonathan Bagnall  
Director

## **Diamond Fuel Supplies Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the directors' report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Diamond Fuel Supplies Limited**  
**Independent auditors' report**  
**to the shareholder of Diamond Fuel Supplies Limited**

We have audited the financial statements of Diamond Fuel Supplies Limited for the period ended 31 August 2015 which comprise:

- the balance sheet as at 31 August 2015,
- the profit and loss account for the period then ended,
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation comprises applicable law and UK accounting standards (UK Generally Accepted Accounting Practice).

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.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit opinion**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2015 and of its 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.



**Diamond Fuel Supplies Limited**  
**Independent auditors' report**  
**to the shareholder of Diamond Fuel Supplies Limited**

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or



Mr Alec Charles Pridsam FCCA  
(Senior Statutory Auditor)  
for and on behalf of  
DSA Prospect Audit Limited  
Accountants and Statutory Auditors  
**24-5-2016**

The Old Chapel  
Witney  
Oxon  
OX28 6HD

**Diamond Fuel Supplies Limited**  
**Profit and Loss Account**  
**for the year ended 31 August 2015**

	Notes	2015 £	2014 £
<b>Turnover</b>	2	5,277,600	7,979,814
Cost of sales		(5,027,423)	(7,539,505)
<b>Gross profit</b>		<u>250,177</u>	<u>440,309</u>
Administrative expenses		(162,711)	(220,224)
<b>Operating profit</b>	3	<u>87,466</u>	<u>220,085</u>
Interest receivable		3,021	28
Interest payable	6	(52,649)	(40,864)
<b>Profit on ordinary activities before taxation</b>		<u>37,838</u>	<u>179,249</u>
Tax on profit on ordinary activities	7	(7,564)	(34,401)
<b>Profit for the financial year</b>		<u><u>30,274</u></u>	<u><u>144,848</u></u>

All the activities of the company are from continuing operations.

**Diamond Fuel Supplies Limited**  
**Statement of total recognised gains and losses**  
**for the year ended 31 August 2015**

	<b>2015</b> <b>£</b>	<b>2014</b> <b>£</b>
Profit for the financial year	30,274	144,848
Total recognised gains and losses related to the year	<u>30,274</u>	<u>144,848</u>

**Diamond Fuel Supplies Limited**  
**Balance Sheet**  
**as at 31 August 2015**

	Notes	2015 £	2014 £
Debtors	8	6,730,025	5,822,118
Cash at bank and in hand		<u>19,344</u>	<u>11,757</u>
		6,749,369	5,833,875
<b>Creditors: amounts falling due within one year</b>	9	(4,814,718)	(3,929,498)
<b>Net current assets</b>		<u>1,934,651</u>	<u>1,904,377</u>
<b>Total assets less current liabilities</b>		<u>1,934,651</u>	<u>1,904,377</u>
<b>Net assets</b>		<u><u>1,934,651</u></u>	<u><u>1,904,377</u></u>
<b>Capital and reserves</b>			
Called up share capital	11	1,000	1,000
Profit and loss account		1,933,651	1,903,377
<b>Shareholder's funds</b>		<u><u>1,934,651</u></u>	<u><u>1,904,377</u></u>

Signed on behalf of the directors:



Mr Jonathan Bagnall

Director

Approved by the board on 24/05/16

**Registered Number: 01476154**

**Diamond Fuel Supplies Limited**  
**Notes to the financial statements**  
**for the year ended 31 August 2015**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. There were no material departures from those standards.

***Cash flow statement and related party transactions***

The company is a wholly-owned subsidiary of Bagnalls Group (UK) Limited and is included in the consolidated financial statements of Bagnalls Group (UK) Limited. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996).

The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Bagnalls Group (UK) Limited group.

***Turnover***

Turnover represents the value, net of value added tax, of goods and services supplied to customers.

***Deferred taxation***

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the financial statements and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

**2 Turnover**

The turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

**Diamond Fuel Supplies Limited**  
**Notes to the financial statements**  
**for the year ended 31 August 2015**

<b>3 Operating profit</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>

This is stated after charging:

Directors' remuneration	-	9,800
Auditors' remuneration	3,000	6,633
	<u>3,000</u>	<u>6,633</u>

<b>4 Directors' remuneration</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>

The remuneration of the directors was as follows:

Qualifying services	-	9,800
	<u>-</u>	<u>9,800</u>

<b>5 Staff costs</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>

Average number of persons employed by the company, including directors, during the year:

Production	-	2
Administration	-	1
	<u>-</u>	<u>3</u>

Staff costs incurred during the period in respect of these employees were:

Wages and salaries	-	9,800
Social security costs	-	1,256
	<u>-</u>	<u>11,056</u>

**Diamond Fuel Supplies Limited**  
**Notes to the financial statements**  
**for the year ended 31 August 2015**

<b>6 Interest payable</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank loan and overdraft interest	<u>52,649</u>	<u>40,864</u>

<b>7 Taxation</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Current tax:</b>		
UK corporation tax	<u>7,564</u>	<u>34,401</u>

**Factors affecting tax charge for the period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Profit/(loss) on ordinary activities before taxation	<u>37,838</u>	<u>179,249</u>
Standard rate of corporation tax in the UK	20%	22.162%
Profit on ordinary activities multiplied by the standard rate of corporation tax	7,568	39,725
Marginal relief	-	(764)
Capital allowances for the period in excess of depreciation	(4)	(5)
Adjustment to prior period	-	(445)
Tax losses utilised	<u>-</u>	<u>(4,110)</u>
	<u>7,564</u>	<u>34,401</u>

<b>8 Debtors</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade debtors	45,012	48,717
Amounts owed by group undertakings and undertakings in which the company has a participating interest	5,645,872	4,795,361
Other debtors	<u>1,039,141</u>	<u>978,040</u>
	<u>6,730,025</u>	<u>5,822,118</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**Diamond Fuel Supplies Limited**  
**Notes to the financial statements**  
**for the year ended 31 August 2015**

<b>9 Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	2,068,230	2,905,995
Trade creditors	209,136	586,375
Amounts owed to group undertakings and undertakings in which the company has a participating interest	2,242,806	111,026
Corporation tax	7,564	34,401
Other taxes and social security costs	260,597	242,238
Accruals and deferred income	26,385	28,538
Other creditors	-	20,925
	<u>4,814,718</u>	<u>3,929,498</u>

**10 Security**

The following creditors are secured by fixed and floating charges over the assets of Bagnalls Group (UK) Limited and its subsidiaries, to include Diamond Fuel Supplies Limited, Carbo (UK) Limited, Fuel Express (Bagnalls) Limited and Z Clad Project Limited:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank loans	<u>2,068,230</u>	<u>2,905,995</u>

<b>11 Share capital</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid:</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

**12 Combined reconciliation of shareholders' funds and movements on reserves**

	<b>Share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 September 2013	1,000	1,758,529	1,759,529
Profit for the year	-	144,848	144,848
At 1 September 2014	<u>1,000</u>	<u>1,903,377</u>	<u>1,904,377</u>
Profit for the year	-	30,274	30,274
At 31 August 2015	<u>2,000</u>	<u>3,837,028</u>	<u>3,839,028</u>



**Diamond Fuel Supplies Limited**  
**Notes to the financial statements**  
**for the year ended 31 August 2015**

**13 Related party transactions**

Diamond Fuel Supplies Limited is a wholly-owned subsidiary of Bagnalls Group (UK) Limited and is therefore taking advantage of the exemption from disclosing details of the related party transactions that would otherwise be required by FRS 8.

The group accounts are publicly available for review at The Freight Terminal, Bicester Road, Chipping Norton, Oxfordshire, OX7 4NP.

At the year end the company owed £Nil (2014: £20,925) to Natural Slate Supplies Limited, a company also under the directorship of J P Bagnall which is included in other creditors.

During the year the company made sales of £Nil (2014: £12,404) on an arm's length basis to Bagnalls Property Partnership, a partnership in which J P Bagnall, D C Bagnall and P R Bagnall are partners. At the year end the company was owed £47,093 (2014: £47,093) by Bagnalls Property Partnership in respect of these sales which is included in trade debtors. The company also made a loan of £56,296 (2014: £43,296) to Bagnalls Property Partnership which is included in other debtors.

During the year the company recharged expenses of £74,551 (2014: £Nil) to Sustainable Biomass Solutions Ghana Limited, a company registered in Ghana in which the directors have a material interest. At the year end the company was owed £846,931 (2014: £710,692) by Sustainable Biomass Solutions Ghana Limited, which is included in other debtors.

**14 Parent company**

The ultimate parent company is Bagnalls Group (UK) by virtue of its 100% interest in the issued ordinary share capital of the company. Bagnalls Group (UK) Limited is incorporated in England and Wales.