

DIAMOND GROUND PRODUCTS LIMITED

ABBREVIATED BALANCE SHEET  
AS AT 31ST DECEMBER 2002

	NOTES	£	2002 £	£	2001 £
<b><u>FIXED ASSETS:</u></b>					
Tangible Assets			NIL		NIL
<b><u>CURRENT ASSETS:</u></b>					
Stocks			9563		7255
Debtors and Prepayments	2		10144		18728
Cash at Bank			17541		15454
			37247		41437
<b><u>CREDITORS:</u></b>					
Amounts due within one year	3		23194		29585
			14053		11852
			14053		11852
<b><u>CREDITORS:</u></b>					
Amounts due after more than one year	3		-		-
<b><u>NET ASSETS</u></b>			14053		11852
<b><u>CAPITAL AND RESERVES</u></b>					
Called Up Share Capital	4		-		-
Profit and Loss Account			14053		11852
			14053		11852

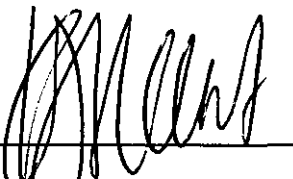


**DIAMOND GROUND PRODUCTS LIMITED**

**CONTINUATION TO ABBREVIATED BALANCE SHEET  
AS AT 31ST DECEMBER 2002**

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985. Members have not required the company, under section 249B(2), to obtain an audit for the year ended 31st December 2002. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31st December 2002 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 11th July 2003 and signed on its behalf.

  
(Director)

The attached notes form part of the financial statements.

**DIAMOND GROUND PRODUCTS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED  
31ST DECEMBER 2002**

**1 ACCOUNTING POLICIES**

**1.1 Basis of Preparation of Accounts**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002)

**1.2 Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

**1.3 Tangible Fixed Assets and Depreciation**

The company holds no Fixed Assets.

**1.4 Leasing and Hire Purchase**

Assets obtained under hire purchase contracts and finance lease are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in credits net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

**1.5 Stocks and Work in Progress**

Stocks and Work in Progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

## 1.6 Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

## 1.7 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

## 1.8 Pensions

The Company operates no pension schemes.

## 2 Debtors

Debtors include no amounts (2001 £NIL ) falling due after more than one year.

3 Creditors	2002 £	2001 £
Creditors include the following amounts of secured liabilities		
Due within one year	-	-
Due after more than one year	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

4 Share Capital	2002 £	2001 £
Authorised Ordinary Shares of £1 each	<u>10000</u>	<u>10000</u>
Allotted, Issued and UnPaid Ordinary Shares of £1 each	<u>200</u>	<u>200</u>

## 5 Related Party Transactions

Both Directors are also Partners of Weldlogic UK, an entity supplying management and other services to this company. The total value of services supplied during the year was £12,000 (2001 £12,000), all of which were at market value.