Company Registration No. 04653042 (England and Wales)

AMC DIAMONDS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

AMC DIAMONDS LIMITED

COMPANY INFORMATION

Director	Mr D Parnas
Company number	04653042
Registered office	Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW
Auditors	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW
Business address	London Diamond Bourse 100 Hatton Garden Suite 129 London EC1N 8NX

AMC DIAMONDS LIMITED

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AMC DIAMONDS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The director presents the strategic report and financial statements for the year ended 31 December 2015.

Review of the business
The results for the year and the financial position of the company at the year end are as shown in the annexed financial statements and are considered satisfactory by the director.

In terms of performance, 2015 was again a disappointing year. The revenue was higher compared to the previous year by approximately 3.6% and the cost of sales have gone up by approximately 3.5% thus creating a gross profit of just over £21k.

However the net loss before tax has increased from the prior year by approx £45k due to adverse movements in exchange rates.

The company has started selling to Europe and it is anticipated that the increased sales in Europe will improve the profit margin. The director is also hoping to agree improved terms with suppliers and it is anticipated that the profit margin will improve, if agreed.

Principal risks and uncertanties
The Company is exposed to uncertainty in the level of consumer demand for luxury jewellery. The company is also exposed to fluctuations in the market price of cut diamonds, which affect its ability to buy and resell at prices acceptable to the UK consumer. Management have responded to this by negotiating competitive prices with suppliers, and by developing enduring relationships with customers.

Financial risk management objectives and policies
The company's activities expose it to a number of financial risks including credit risk, cashflow risk and liquidity risk.

The company's principal financial instruments comprise trade payables and bank overdrafts and financial assets such as trade receivables, cash and short-term deposits which arise directly from its operations. The director reviews and implements policies for managing each of these risks as summarised below:

Credit risk
The company's principal financial assets are bank balances and cash, and trade and other receivables.

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event.

The company performs ongoing credit evaluations of its customers and to date has not experienced any material losses.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Cashflow risk
The company's activities expose it primarily to the financial risks of change in foreign currency exchange rates, however hedging strategies are employed to manage this.

Liquidity risk
Liquidity risk arises in relation to the company's management of working capital and the risk that the company will encounter difficulties in meeting financial obligations as and when they fall due. To minimise this risk, the liquidity position and on going working capital requirements are regularly reviewed by the director.

Capital risk management
The primary objective of the company's capital management policy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

Foreign currency exposure
The company is subject to foreign exchange risk as it makes sales to and purchases from overseas countries. The director regularly monitors its foreign exchange risk and attempts to limit such risk by taking out forward contracts.

Fair values of financial instruments
The carrying amounts of cash and cash equivalents, long term deposits, trade and other receivables and trade and other payables approximate their fair value.

Key performances indicators

	2015	**2014**
	£	**£**
Revenue	2,792,750	2,696,322
Gross profit	21,499	18,243
Loss before income tax	(78,689)	(33,575)

Going concern basis

These financial statements are prepared on the going concern basis. The director has a reasonable expectation that the company will continue in operational existence for the foreseeable future, however, he is aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern.

Future developments

The director expects to improve upon the present level of activity of the company's business and also expects the revenue to increase as the economy improves

On behalf of the board

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Mr D Parhas
Director

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10 JUN 2016

The director presents his report and financial statements for the year ended 31 December 2015.

Principal activities
The principal activity of the company continued to be that of the wholesale of polished diamonds and jewellery.

Results and dividends
The results for the year are set out on page 7.

Director
The Director who served throughout the year, except as noted, was as follows:

Mr D Parnas

Auditors
The auditors, RDP Newmans LLP, were appointed as auditors on 16 February 2016 and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of director's responsibilities
The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the director must not approve the financial statements unless he is 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The director is 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. He is 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.

AMC DIAMONDS LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Statement of disclosure to auditors

At the date of approval of this annual report the director confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board

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Mr D Parnas

Director

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10 JUN 2016

AMC DIAMONDS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AMC DIAMONDS LIMITED

We have audited the financial statements of AMC Diamonds Limited for the year ended 31 December 2015 set out on pages 7 to 22. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 director and auditors
As explained more fully in the Directors' Responsibilities Statement set out on page 3, the director is 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates by the directors; and the overall presentation of the financial statements.

Opinion on 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 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

In forming our opinion, we have considered the adequacy of the disclosures made in note 1.2 of the financial statements concerning the uncertainty as to the continuation of support from creditors, the director and the parent company. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

AMC DIAMONDS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF AMC DIAMONDS LIMITED

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.

Lyndon Perez FCA (Senior Statutory Auditor)
for and on behalf of RDP Newmans LLP

13 JUN 2016

Chartered Accountants
Statutory Auditor

Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW

AMC DIAMONDS LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Revenue	4	2,792,750	2,696,322
Cost of sales		(2,771,251)	(2,678,079)
Gross profit		21,499	18,243
Administrative expenses		(100,228)	(51,818)
Operating loss	5	(78,729)	(33,575)
Investment revenues	8	40	-
Loss before taxation		(78,689)	(33,575)
Income tax income	9	17,725	3,906
Loss for the year	17	(60,964)	(29,669)

The income statement has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the income statement.

AMC DIAMONDS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £	2014 £
Loss for the year	(60,964)	(29,669)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(60,964)	(29,669)

AMC DIAMONDS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Notes	31.12.15 £	31.12.14 £	01.01.14 £
Non-current assets				
Property, plant and equipment	10	225	1,068	1,439
Deferred tax asset	15	21,957	4,232	326
		22,182	5,300	1,765
Current assets				
Inventories	11	1,013,514	614,113	553,067
Trade and other receivables	12	425,449	817,041	732,428
Cash and cash equivalents		181,647	145,853	156,788
		1,620,610	1,577,007	1,442,283
Total assets		1,642,792	1,582,307	1,444,048
Current liabilities				
Trade and other payables	14	1,546,432	1,432,106	(1,286,573)
Current tax liabilities		67,971	60,848	(38,453)
		1,614,403	1,492,954	(1,325,026)
Net current assets		6,207	84,053	2,767,309
Total liabilities		1,614,403	1,492,954	1,325,026
Net assets		28,389	89,353	119,022
Equity				
Called up share capital	16	1,000	1,000	1,000
Retained earnings	17	27,389	88,353	118,022
Total equity		28,389	89,353	119,022

Mr D Parnas

Director 10 JUN 2016

Company Registration No. 04653042

AMC DIAMONDS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 January 2014	1,000	118,022	119,022
Loss for the year	-	(29,669)	(29,669)
Total comprehensive loss for the year	-	(29,669)	(29,669)
Balance at 31 December 2014	1,000	88,353	89,353
Loss for the year	-	(60,964)	(60,964)
Total comprehensive loss for the year	-	(60,964)	(60,964)
Balance at 31 December 2015	1,000	27,389	28,389

AMC DIAMONDS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

		2015		2014
	£	£	£	£
Cash generated from/(absorbed by) operations		35,754		(10,935)
Net cash inflow/(outflow) from operating activities		35,754		(10,935)
Investing activitities				
Interest received	40		-	
Net cash generated from/(used in) investing activities		40		-
Net increase/(decrease) in cash and cash equivalents		35,794		(10,935)
Cash and cash equivalents at beginning of year		145,853		156,788
Cash and cash equivalents at end of year		181,647		145,853

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on the historical cost basis.

The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The director has a reasonable expectation that the company will continue in operational existence for the foreseeable future, however, there are certain material uncertainties which may cause doubt on the company's ability to continue as a going concern.

The validity of this assumption depends on the continued support of creditors, the director and the parent company.

If the company is unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to reclassify fixed assets as current assets and to provide for further liabilities that might arise.

1.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and VAT.

1.4 Property, plant and equipment

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	25% reducing balance
Computer equipment	33% reducing balance

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 recognised in the income statement.

1.5 Impairment of tangible and intangible assets

At each reporting 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.

1 Accounting policies **(Continued)**

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.

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) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in 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 net realisable value. 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.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.7 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

1.8 Financial assets

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

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as FVTPL, which are measured at fair value.

1 Accounting policies **(Continued)**

Trade receivables
Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit and loss where there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and present value of estimated future cash flows discounted at the effective rate computed at initial recognition.

Loans and receivables
Loans and receivables are non- derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables and bank balances and cash) are measured at amortised cost using effective interest method, less any impairment.
Interest income is recognised by applying the effective interest rate, except for short- term receivables when the recognition of interest would be immaterial.

Impairment of financial assets
Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date.

Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant difficulty of the issuer or counterparty; or
- breach of contract, such as a default or deliquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for the financial asset because of financial difficulties.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.9 Financial liabilities
Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities
Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1 Accounting policies **(Continued)**

1.10 Equity instruments

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

1.11 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.

Deferred tax

Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax, in the future.

Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits in the future which the underlying timing differences can be deducted.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Rentals payable under operating leases, less 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.

1.13 Foreign exchange

The financial statements of the company are presented in the currency of the primary economic environment in which it operates (its functional currency). The results and financial position of the company are expressed in Sterling, which is the functional currency for the company.

Accordingly monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date.

Transaction in foreign currencies are recorded at the rates ruling at the dates of the transactions.

Exchange differences are recognised in the profit and loss in the period in which they arise.

1.14 Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or forward commitments associated with commodity sales.

1.15 General Information

AMC Diamonds Limited (the Company) is a limited company incorporated in England and Wales. The addresses of its registered office and principal place of business are disclosed in the introduction to the annual accounts. The principal activity of the Company is described in the Directors' Report.

2 Adoption of new and revised standards and changes in accounting policies

First-time adoption of IFRS

These financial statements, for the year ended 31 December 2015, are the first the company has prepared in accordance with IFRS, For periods up to and including the year ended 31 December 2014, the company prepared its financial statements in accordance with local generally accepted accounting practice (Local GAAP).

Accordingly, the company has prepared financial statements which comply with IFRS applicable for periods ending on or after 31 December 2015, together with the comparative period data as at and for the year ended 31 December 2014, as described in the accounting policies. In preparing these financial statements, the company's opening statement of financial position was prepared as at 1 January 2014, the company's date of transition to IFRS.

The company has elected to regard any adjustments required to be made by the company in restating its local GAAP financial statements as at and for the year ended 31 December 2014 are immaterial and it is deemed not necessary to prepare reconcilliation of equity as at 1 January 2014 (date of transition to IFRS).

3 Critical accounting estimates and judgements

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

4 Revenue

An analysis of the company's revenue is as follows:

	2015	2014
	£	£
UK	873,136	882,304
EC	826,433	-
Rest of the world	1,093,181	1,814,018
	2,792,750	2,696,322

5 Loss for the year

	2015	2014
	£	£
Loss for the year is stated after charging/(crediting):		
Depreciation of property, plant and equipment	85	371
Loss on disposal of property, plant and equipment	758	-
Cost of inventories recognised as an expense	2,771,251	2,678,079
Staff costs	6,971	8,057

6 Auditors' remuneration

The analysis of auditor's remuneration is as follows:

	2015	2014
	£	£
Fees payable to the company's auditors for the audit of the company's annual accounts	7,000	-

7 Employees

Their aggregate remuneration comprised:

Employment costs	2015	2014
	£	£
Wages and salaries	6,971	8,057
	6,971	8,057

8 Investment income

	2015	2014
	£	£
Interest income		
Bank deposits	40	-
	40	-

Total interest income for financial assets that are not a fair value through profit or loss is £40 (2014 - £Nil).

9 Income tax expense

	Continuing operations 2015	2014
	£	£
Deferred tax		
Origination and reversal of temporary differences	(17,725)	(3,906)

The charge for the year can be reconciled to the loss per the income statement as follows:

	2015	2014
	£	£
Loss before taxation on continued operations	(78,689)	(33,575)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 20.00%)	(15,738)	(6,715)
Tax effect of expenses that are not deductible in determining taxable profit	(225)	(226)
Change in unrecognised deferred tax assets	(45)	(214)
Adjustments in respect of prior years	2,257	(2,369)
	1,987	(2,809)
Tax expense for the year	(17,725)	(3,906)

10 Property, plant and equipment

	Fixtures and fittings	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2014	9,533	2,103	11,636
At 31 December 2014	9,533	2,103	11,636
Disposals	(5,837)	-	(5,837)
At 31 December 2015	3,696	2,103	5,799

10 Property, plant and equipment (Continued)

	Fixtures and fittings	Computer equipment	Total
	£	£	£
Accumulated depreciation and impairment			
At 1 January 2014	8,235	1,962	10,197
Charge for the year	324	47	371
At 31 December 2014	8,559	2,009	10,568
Charge for the year	54	31	85
Eliminated on disposal	(5,079)	-	(5,079)
At 31 December 2015	3,534	2,040	5,574
Carrying amount			
At 31 December 2015	162	63	225
At 31 December 2014	974	94	1,068
At 31 December 2013	1,298	141	1,439

11 Inventories

	2015	2014
	£	£
Finished goods	1,013,514	614,113

12 Trade and other receivables

	2015	2014
	£	£
Trade receivables	418,079	813,331
Provision for bad and doubtful debts	(1,165)	(1,165)
	416,914	812,166
Other receivables	3,320	491
Prepayments	5,215	4,384
	425,449	817,041

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

13 Trade receivables - credit risk

Fair value of trade receivables
The director considers that the carrying amount of trade and other receivables is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end date.

Movement in the allowances for doubtful debts	**2015**	**2014**
	£	**£**
Balance at 31 December 2015	1,165	1,165

14 Trade and other payables

	Current	
	2015	**2014**
	£	**£**
Trade payables	1,537,662	1,392,984
Accruals	8,770	38,758
Other payables	-	364
	1,546,432	1,432,106

15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs
	£
Deferred tax liability at 1 January 2014	(326)
Deferred tax movements in prior year	
Credit to profit or loss	(3,906)
Deferred tax liability at 1 January 2015	(4,232)
Deferred tax movements in current year	
Credit to profit or loss	(17,725)
Deferred tax liability at 31 December 2015	(21,957)

15 Deferred taxation (Continued)

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2015	2014
	£	£
Deferred tax liabilities	(21,957)	(4,232)

16 Share capital

	2015	2014
	£	£
Ordinary share capital		
Authorised		
490 Ordinary A shares of £1 each	490	490
510 Ordinary B shares of £1 each	510	510
	1,000	1,000
Issued and fully paid		
490 Ordinary A shares of £1 each	490	490
510 Ordinary B shares of £1 each	510	510
	1,000	1,000

17 Retained earnings

	£
At 1 January 2014	118,022
Loss for the year	(29,669)
At 31 December 2014	88,353
Loss for the year	(60,964)
At 31 December 2015	27,389

18 Capital risk management

The company is not subject to any externally imposed capital requirements.

19 Events after the reporting date

There were no subsequent events relating to the year.

20 Related party transactions

AMC Belgium NV and AMC Diamonds Ltd are related by virtue of common control.

Included within trade creditors is a amount of £1,489,980 (2014: £1,386,974) owed to AMC Belgium NV. During the year purchases of £3,195,573 (2014: £2,730,804) were made from AMC Belgium NV.

Included within trade debtors is an amount of £224,100 (2014: £719,304) owed by AMC Belgium NV. During the year sales of £1,909,646 (2014: £1,699,175) were made to AMC Belgium NV.

21 Cash generated from operations

	2015 £	2014 £
Loss for the year	(60,964)	(29,669)
Adjustments for:		
Income tax income recognised in profit or loss	(17,725)	(3,906)
Investment income recognised in profit or loss	(40)	-
Loss on disposal of property, plant and equipment	758	-
Depreciation and impairment of property, plant and equipment	85	371
Movements in working capital:		
Increase in inventories	(399,401)	(61,046)
Decrease/(increase) in trade and other receivables	391,592	(84,613)
Increase in trade and other payables	121,449	167,928
Cash generated from/(absorbed by) operations	35,754	(10,935)