

M DIMOND LIMITED

ABBREVIATED STATUTORY ACCOUNTS

FOR THE YEAR ENDED 30TH SEPTEMBER 1996

COMPANY No: 2132709 (England and Wales)

JAYE AND COMPANY  
CHARTERED ACCOUNTANTS

79 PARK LANE  
CROYDON  
SURREY CRO 1JG



M DIMOND LIMITED  
ABBREVIATED STATUTORY ACCOUNTS  
FOR THE YEAR ENDED 30TH SEPTEMBER 1996

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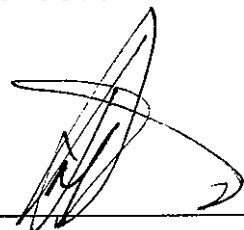
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M DIMOND LIMITEDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts for each financial year which 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 those financial accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts;
- prepare the financial accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with Companies Act 1985. 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.

  
\_\_\_\_\_  
By Order of the Board

M Dimond  
(Director)

21st February 1997

M DIMOND LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF M DIMOND LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985, AS AMENDED

We have examined the abbreviated accounts on pages 4 to 7 together with the financial statements of M Dimond Limited, prepared under Section 226 of the Companies Act 1985, as amended, for the year ended 30th September 1996.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors statement on page 4 and whether the abbreviated accounts have been properly prepared.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act in respect of the year ended 30th September 1996 and the abbreviated accounts on pages 4 to 7 have been properly prepared in accordance with that schedule.

On 21st February 1997, we reported, as auditors of M Dimond Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30th September 1996 and our audit report was as follows:

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

(Continue.....)

M DIMOND LIMITED

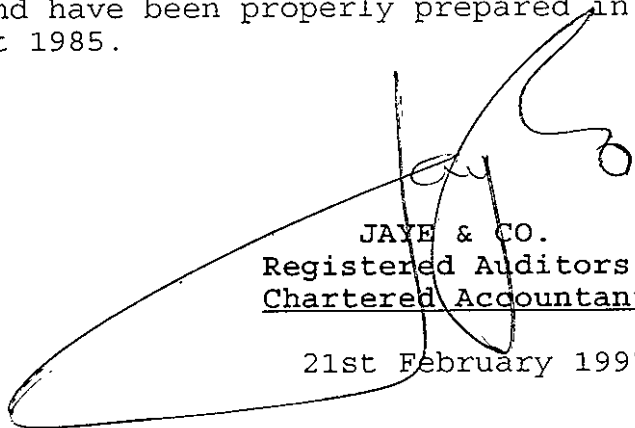
AUDITORS' REPORT TO THE DIRECTORS OF M DIMOND LIMITED PURSUANT  
TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985, AS AMENDED  
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We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 30th September 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

79 Park Lane  
Croydon  
Surrey CR0 1JG



JAYE & CO.  
Registered Auditors &  
Chartered Accountants

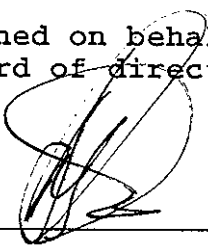
21st February 1997

M DIMOND LIMITED  
ABBREVIATED BALANCE SHEET  
AS AT 30TH SEPTEMBER 1996

	<u>Notes</u>	<u>1996</u>		<u>1995</u>	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	2		6,889		8,219
<b>CURRENT ASSETS</b>					
Stock and Work in Progress		287,570		265,934	
Debtors		410,745		350,554	
Cash at Bank and in Hand		105,694		90,249	
		<u>804,009</u>		<u>706,737</u>	
<b>CREDITORS : amounts falling due within one year</b>		<u>730,580</u>		<u>650,253</u>	
<b>NET CURRENT ASSETS</b>			<u>73,429</u>		<u>56,484</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>80,318</u>		<u>64,703</u>
<b>CREDITORS : amounts falling due after more than one year</b>			50,000		50,000
			<u>£ 30,318</u>		<u>£ 14,703</u>
<b>CAPITAL AND RESERVES</b>					
Share Capital	3		100		100
Profit and Loss Account			30,218		14,603
			<u>£ 30,318</u>		<u>£ 14,703</u>

The directors have taken advantage of the exemptions conferred by Part III, Schedule 8 of the Companies Act 1985, as amended, and have done so on the grounds that in their opinion, the company is entitled to those exemptions as a small company.

Signed on behalf of the  
board of directors

  
\_\_\_\_\_  
Martin J Dimond  
Director

Approved by the board: 21st February 1997

The notes on pages 5 to 7 form part of these accounts.

M DIMOND LIMITEDNOTES TO THE ABBREVIATED ACCOUNTSFOR THE YEAR ENDED 30TH SEPTEMBER 19961. Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Accounts.

(a) Basis of Accounting

The Accounts have been prepared under the historical cost convention and applicable accounting standards.

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

(b) Turnover

Turnover represents income receivable excluding Value Added Tax.

(c) Depreciation

Depreciation is provided for on fixed assets calculated on the reducing balance method in order to write off the cost or valuation of these assets over their estimated useful lives at the following rates:

Motor Vehicle	- 25% per annum
Fixtures & Fittings	- 25% per annum
Plant & Equipment	- 25% per annum

(d) Stock and Work in Progress

Stock and Work in Progress are stated at the lower of cost and net realisable value.

Costs are ascertained on a 'First in First out' basis and include directly attributable overheads to bring stocks to their present location and condition.

Net realisable value is based on the estimated selling price less further costs expected to be incurred to completion and subsequent disposal.

(e) 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 crystallise in the near future.

M DIMOND LIMITEDNOTES TO THE ABBREVIATED ACCOUNTSFOR THE YEAR ENDED 30TH SEPTEMBER 1996(f) Foreign Currencies

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 results.

(g) Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Tangible Fixed Assets

	<u>TOTAL</u>
	£
<b>COST OR VALUATION</b>	
At 1st October 1995	19,314
Additions in year	559
	<hr/>
At 30th September 1996	19,873
	<hr/> <hr/>
<b>DEPRECIATION</b>	
At 1st October 1995	11,095
Charge for year	1,889
	<hr/>
At 30th September 1996	12,984
	<hr/> <hr/>
<b>NET BOOK VALUE</b>	
At 30th September 1996	6,889
	<hr/> <hr/>
At 30th September 1995	8,219
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3. Share Capital

	<u>1996</u>	<u>1995</u>
	£	£
Authorised:		
Ordinary Shares of £1 each	100	100
	<hr/>	<hr/>
Allotted, Issued and Fully Paid		
Ordinary Shares of £1 each	100	100
	<hr/>	<hr/>



M DIMOND LIMITEDNOTES TO THE ABBREVIATED ACCOUNTSFOR THE YEAR ENDED 30TH SEPTEMBER 19964. Directors Interests in Contracts

During the year the Company bought services to the value of £37,750 (1995 - £27,500) from Martin Design a firm owned by Mr M Dimond.

5. Reconciliation of movements in shareholders' funds

	<u>1996</u>	<u>1995</u>
	£	£
Profit for the financial year	15,615	5,538
Opening shareholders' funds	14,703	9,165
	<u>£ 30,318</u>	<u>£ 14,703</u>