

DIAMOND SHIPPING LIMITED

Report and Financial Statements

31 March 2007

SATURDAY



AN72P2PM

A43

30/08/2008

61

COMPANIES HOUSE

REPORT AND FINANCIAL STATEMENTS 2007

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Independent accountants' report	4
Profit and loss account	5
Balance sheet	6
Notes to the accounts	7

REPORT AND FINANCIAL STATEMENTS 2007

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A E LeBlond
J LeBlond

SECRETARY

D Clark

REGISTERED OFFICE

11 Huntly Road
Beaumont Road
Whitley Bay
Tyne and Wear
NE25 9UR

BANKERS

Bank of Scotland
1 Kingsway
Cardiff
CF10 3YB

SOLICITORS

Muckle LLP
Norham House
12 New Bridge Street West
Newcastle upon Tyne
NE1 8AS

ACCOUNTANTS

Deloitte & Touche LLP
34-40 Grey Street
Newcastle upon Tyne
NE1 6AE

DIRECTORS' REPORT

The directors present their annual report and the unaudited financial statements of the company for the year ended 31 March 2007

PRINCIPAL ACTIVITY

The principal activity of the company during the current and previous year has been ship investment

BUSINESS REVIEW, RESULTS AND DIVIDENDS

The company decided not to seek to take advantage of any investment opportunities in the year and has concentrated on managing its cash reserves. The directors do not propose the payment of a final dividend and the profit after tax of \$63,758 (2006 \$2,169,015) has been transferred to reserves

DIRECTORS

The directors who have served during the year and since are as follows

A E LeBlond

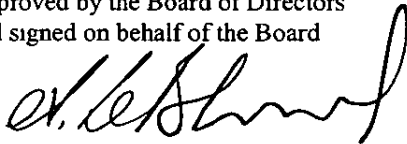
J LeBlond

AUDITORS

Under the provisions of Section 249A of the Companies Act 1985 the company is exempt from audit

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the Board of Directors
and signed on behalf of the Board



A E LeBlond
Director

Date

4th August 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES

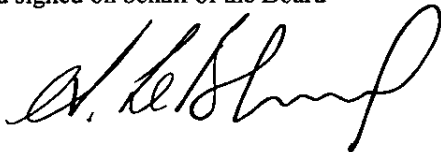
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

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). The financial statements are required by law to 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 judgments and estimates that are reasonable and prudent,
- 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 proper accounting records that 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 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.

Approved by the Board of Directors
and signed on behalf of the Board



A E LeBlond

Director

Date 4th August 2008

INDEPENDENT ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS TO THE DIRECTORS OF DIAMOND SHIPPING LIMITED

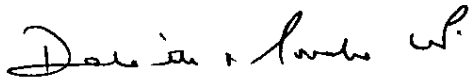
In accordance with the engagement letter dated 26 October 2007, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise of the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes 1 to 12, from the accounting records and information and explanations you have given to us

This report is made to the Company's directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's directors that we have done so, and state those matters that we have agreed to state to them in this 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 directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31 March 2007 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given us and we do not, therefore, express any opinion on the financial statements.



Deloitte & Touche LLP
Chartered Accountants
Newcastle upon Tyne

Date 26 August 2008

PROFIT AND LOSS ACCOUNT
Year ended 31 March 2007

	Note	2007 \$	2006 \$
Administrative expenses		(69,910)	(65,214)
OPERATING LOSS	2	(69,910)	(65,214)
Other income		113	3,080,686
Interest receivable and similar income	3	144,960	85,692
Interest payable and similar charges	4	(617)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		74,546	3,101,164
Tax on profit on ordinary activities	5	(10,788)	(932,149)
PROFIT FOR THE FINANCIAL YEAR		<u>63,758</u>	<u>2,169,015</u>

All activities derive from continuing operations

There are no recognised gains and losses for the current or previous financial year other than as stated in the profit and loss account. As a result no statement of total recognised gains and losses has been provided.

DIAMOND SHIPPING LIMITED

BALANCE SHEET 31 March 2007

	Note	\$	2007 \$	\$	2006 \$
FIXED ASSETS					
Investments	6		-	-	-
CURRENT ASSETS					
Debtors	7	1,145	1,642		
Cash at bank and in hand		2,548,016	3,398,230		
		2,549,161	3,399,872		
CREDITORS: amounts falling due within one year	8	(27,252)	(941,721)		
NET CURRENT ASSETS			2,521,909		2,458,151
TOTAL ASSETS LESS CURRENT LIABILITIES			2,521,909		2,458,151
CAPITAL AND RESERVES					
Called up share capital	9		1,642		1,642
Profit and loss account	10		2,520,267		2,456,509
TOTAL EQUITY SHAREHOLDERS' FUNDS	10		2,521,909		2,458,151

For the year ended 31 March 2007 the company was entitled to exemption under section 249A(1) of the Companies Act 1985. These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss 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 the Companies Act so far as applicable to the company.

These financial statements were approved by the Board of Directors on

4th August 2008

Signed on behalf of the Board of Directors

A E LeBlond

Director

NOTES TO THE ACCOUNTS

Year ended 31 March 2007

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted by the directors are described below, all of which have been applied consistently throughout the current and preceding year.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Basis of preparation

The financial statements have been presented in US dollars, which the directors consider to be the functional currency of the company.

Consolidated financial statements

Under section 248 of the Companies Act 1985, the company is exempt from producing consolidated financial statements by virtue of its size. These financial statements therefore show the results of Diamond Shipping Limited as an individual company only.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax liabilities are not discounted.

Foreign exchange

Transactions denominated in foreign currencies are translated into US dollars at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

2. OPERATING LOSS

	2007	2006
	\$	\$
The operating loss is stated after charging		
Auditors' remuneration	-	3,572

During the period the company had no employees and therefore made no payments to employees (2006 - \$Nil). In addition neither director received any emoluments during the period (2006 - \$Nil).

NOTES TO THE ACCOUNTS
Year ended 31 March 2007

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2007	2006
	\$	\$
Bank interest	144,960	85,692

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2007	2006
	\$	\$
Bank interest	7	-
Corporation tax interest	610	-
	617	-

5 TAX ON PROFIT ON ORDINARY ACTIVITIES

i) Analysis of tax charge on ordinary activities

	2007	2006
	\$	\$
Current taxation:		
<i>United Kingdom corporation tax</i>		
Current tax on income for the year at 19% (2006 – 30%)	10,788	932,149

ii) Factors affecting tax charge for the current year

The difference between the current taxation shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	2007	2006
	\$	\$
Profit on ordinary activities before tax	74,546	3,101,164
Tax at 19% (2006 - 30%) thereon	14,164	930,349
Effects of		
Utilisation of tax losses	-	1,800
Group relief claimed	(3,376)	-
Current tax charge for year	10,788	932,149

NOTES TO THE ACCOUNTS

Year ended 31 March 2007

6 INVESTMENTS

	2007 \$	2006 \$
Investment in subsidiaries at 1 April	6,000	6,000
Provision against investment	(6,000)	(6,000)
	<u> </u>	<u> </u>
Investment in subsidiaries at 31 March	-	-
	<u> </u>	<u> </u>

Details of the group undertakings are as follows

	Country of incorporation	Description of shares held	Activity	Proportion of nominal value of shares held by company
BIG Shipping Limited	Commonwealth of the Bahamas	Ordinary \$1 shares	Dormant	60%
GIB Shipping Limited	Commonwealth of the Bahamas	Ordinary \$1 shares	Dormant	60%

7. DEBTORS

	2007 \$	2006 \$
Prepayments	1,145	-
Other debtors	-	1,642
	<u> </u>	<u> </u>
	1,145	1,642
	<u> </u>	<u> </u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 \$	2006 \$
Amounts due to parent undertakings	5,560	-
Amounts due to related parties	6,000	6,000
Corporation tax	10,788	932,149
Accruals and deferred income	4,904	3,572
	<u> </u>	<u> </u>
	27,252	941,721
	<u> </u>	<u> </u>

9. CALLED UP SHARE CAPITAL

	2007 \$	2006 \$
Authorised, allotted and unpaid 1,000 £1 ordinary shares	1,642	1,642
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS
Year ended 31 March 2007

10. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	Ordinary share capital \$	Profit and loss account \$	Total 2007 \$	Total 2006 \$
At 1 April	1,642	2,456,509	2,458,151	289,136
Profit for the financial year	-	63,758	63,758	2,169,015
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March	<u>1,642</u>	<u>2,520,267</u>	<u>2,521,909</u>	<u>2,458,151</u>

11. RELATED PARTY TRANSACTIONS

Included within creditors falling due within one year is \$5,560 (2006 \$Nil) owed to Clubcast Limited

Also included within creditors falling due within one year is \$6,000 (2006 \$6,000) - \$3,000 owed to each of BIG Shipping Limited and GIB Shipping Limited, both companies being 60% subsidiaries of Diamond Shipping Limited

12. IMMEDIATE PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The company is a 100% subsidiary of Clubcast Limited, a company incorporated in England and Wales

The ultimate controlling party is A E LeBlond who is a director of Diamond Shipping Limited, and also a 50% shareholder and the operational director of Clubcast Limited

ADDITIONAL INFORMATION

The additional information comprising of the detailed profit and loss account and the related notes 1 to 4 has been prepared from the accounting records of the company. While it does not form part of the statutory financial statements, it should be read in conjunction with them and the responsibilities section of the independent accountants' report thereon.

DIAMOND SHIPPING LIMITED**DETAILED PROFIT AND LOSS ACCOUNT**
Year ended 31 March 2007

	Note	2007 \$	2006 \$
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Financial expenses	1	(6,377)	(13,149)
General expenses	2	(63,533)	(52,065)
NET TRADING LOSS FOR THE YEAR		(69,910)	(65,214)
Other income	3	113	3,080,686
Interest receivable and similar income	4	144,960	85,692
Interest payable and similar charges	5	(617)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		74,546	3,101,164

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT
Year ended 31 March 2007

	2007 \$	2006 \$
1. FINANCIAL EXPENSES		
Loss on exchange	<u>6,377</u>	<u>13,149</u>
2. GENERAL EXPENSES		
Audit and accountancy	63,054	44,269
Legal and professional	441	1,594
Bank charges	38	202
Sundry expenses	-	6,000
	<u>63,533</u>	<u>52,065</u>
3. OTHER INCOME		
Income from shares in group undertakings	-	3,080,686
Sundry income	<u>113</u>	<u>-</u>
	<u>113</u>	<u>3,080,686</u>
4. INTEREST RECEIVABLE AND SIMILAR INCOME		
Bank interest	<u>144,960</u>	<u>85,692</u>
5. INTEREST PAYABLE AND SIMILAR CHARGES		
Bank interest	7	-
Corporation tax interest	<u>610</u>	<u>-</u>
	<u>617</u>	<u>-</u>