

STAR INDUSTRIAL HOLDINGS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 24 MAY 2003



STAR INDUSTRIAL HOLDINGS LIMITED

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STAR INDUSTRIAL HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO STAR INDUSTRIAL HOLDINGS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5 , together with the financial statements of the company for the year ended 24 May 2003 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



Harold Everett Wreford

28 November 2003

Chartered Accountants
Registered Auditors

32 Wigmore Street
London
W1U 2RP


STAR INDUSTRIAL HOLDINGS LIMITED

ABBREVIATED BALANCE SHEET AS AT 24 MAY 2003

	Notes	2003		2002	
		£	£	£	£
Fixed assets					
Tangible assets	2		326,727		335,844
Investments	2		818,782		830,297
			<u>1,145,509</u>		<u>1,166,141</u>
Current assets					
Stocks		1,047		1,775	
Debtors		159,195,718		159,702,918	
Cash at bank and in hand		2,609,890		1,773,594	
		<u>161,806,655</u>		<u>161,478,287</u>	
Creditors: amounts falling due within one year		<u>(289,281)</u>		<u>(388,781)</u>	
Net current assets			161,517,374		161,089,506
Total assets less current liabilities			<u>162,662,883</u>		<u>162,255,647</u>
Capital and reserves					
Called up share capital	3		711,750		711,750
Share premium account			12,500		12,500
Other reserves			588,250		588,250
Profit and loss account			161,350,383		160,943,147
Shareholders' funds			<u>162,662,883</u>		<u>162,255,647</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 27/11/2003


D.D. Fizman
Director


R.I. Propper
Director

STAR INDUSTRIAL HOLDINGS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 24 MAY 2003

1 Accounting policies

1.1 Accounting convention

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

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a wholly-owned subsidiary of a UK parent company which prepares consolidated financial statements incorporating a cash flow statement.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Tangible fixed assets and depreciation

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:

Short leasehold premises	over the remaining period of the lease
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1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Foreign currency translation

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

1.6 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of Star Group Limited, a company registered in England & Wales, and is included in the consolidated accounts of that company.

STAR INDUSTRIAL HOLDINGS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 24 MAY 2003

2 Fixed assets

	Tangible assets	Investments	Total
	£	£	£
Cost			
At 25 May 2002	346,241	830,297	1,176,538
Additions	-	16,498	16,498
Disposals	-	(705)	(705)
At 24 May 2003	346,241	846,090	1,192,331
Depreciation			
At 25 May 2002	10,397	-	10,397
Charge for the year	9,117	27,308	36,425
At 24 May 2003	19,514	27,308	46,822
Net book value			
At 24 May 2003	326,727	818,782	1,145,509
At 24 May 2002	335,844	830,297	1,166,141

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Polished Diamond Distributors Limited (dormant)	England & Wales	Ordinary	100
SDC Nominees Limited (dormant)	England & Wales	Ordinary	100
Star Treasury Services Limited	England & Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Polished Diamond Distributors Limited (dormant)	3	-
SDC Nominees Limited (dormant)	2	-
Star Treasury Services Limited	2	-

In the opinion of the directors, the aggregate value of the company's unlisted investments is not less than the amount included in the balance sheet.

STAR INDUSTRIAL HOLDINGS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 24 MAY 2003

3 Share capital	2003	2002
	£	£
Authorised		
200,000 'A' Ordinary shares of £ 1 each	200,000	200,000
240,000 'B' Ordinary shares of £ 1 each	240,000	240,000
800,000 'C' Ordinary shares of £ 1 each	800,000	800,000
60,000 'D' Ordinary shares of £ 1 each	60,000	60,000
	<u>1,300,000</u>	<u>1,300,000</u>
Allotted, called up and fully paid		
155,000 'A' Ordinary shares of £ 1 each	155,000	155,000
156,750 'B' Ordinary shares of £ 1 each	156,750	156,750
400,000 'C' Ordinary shares of £ 1 each	400,000	400,000
	<u>711,750</u>	<u>711,750</u>

4 Ultimate parent company

The ultimate parent company is Star Group Limited, a company registered in England and Wales. The ultimate controlling party is Mr. D.D. Fiszman, one of the directors, and his immediate family.

Copies of group financial statements for the group headed by Star Group Limited can be obtained from the company's registered office.