

L C MITSIU & SON LIMITED

Company No: 2871055

ABBREVIATED

FINANCIAL STATEMENTS

- for the year ended -

31ST DECEMBER 1996



P SPYROU & CO
Certified Accountants
1 Queens Parade
Brownlow Road, London
N11 2DN

Reference PP/L124/PS

L C MITSIOU & SON LIMITED

DIRECTOR

Loucas Constantinou Mitsiou Esq

SECRETARY

Mrs Niki Mitsiou

BUSINESS ADDRESS

Capitol House
76 Willoughby Lane
London
N17 0SD

REGISTERED OFFICE

1 Queens Parade
Brownlow Road
London
N11 2DN

AUDITORS

P Spyrou & Co
Certified Accountants
1 Queens Parade
Brownlow Road
London
N11 2DN

SOLICITORS

V Christou & Co
53 Blackstock Road
London
N4 2JW

PRINCIPAL BANKERS

The Cyprus Popular Bank Ltd
Palmers Green Branch
246 Green Lanes
London
N13 5XT

L C MITSIU & SON LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 1996

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L C MITSIOU & SON LIMITED

AUDITORS' REPORT

AUDITORS' REPORT TO L C MITSIOU & SON LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 3 to 6 together with the financial statements of L C Mitsiou & Son Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1996.

Respective responsibilities of the director and auditors

The director is responsible for preparing the abbreviated financial statements 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 3 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

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 financial statements 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, Part III of Schedule 8 to that Act, in respect of the year ended 31st December 1996, and the abbreviated financial statements on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On 14th February 1997 we reported, as auditors of L C Mitsiou & Son Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1996, and our audit report was as follows:

'We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

Respective responsibilities of the director and auditors

As described on the Directors' Report the company director is 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.

L C MITSIOS & SON LIMITED

AUDITORS' REPORT (Continued)

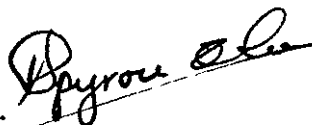
Basis of opinion

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 director 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.

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 full financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'



P SPYROU & CO
Registered Auditors
Certified Accountants

1 Queens Parade
Brownlow Road
London
N11 2DN

Date: 14th February 1997

L C MITSIOU & SON LIMITED

ABBREVIATED BALANCE SHEET AT 31ST DECEMBER 1996

	Notes	£	1996 £	1995 £
FIXED ASSETS				
Intangible assets	2		2,000	3,000
Tangible assets	2		272,259	107,991
			<u>274,259</u>	<u>110,991</u>
CURRENT ASSETS				
Stocks		177,561	60,274	
Debtors		604,522	240,222	
Cash at bank and in hand		164,986	740	
		<u>947,069</u>	<u>301,236</u>	
CREDITORS: Amounts falling due within one year	3	(1,044,459)	(377,217)	
NET CURRENT LIABILITIES			<u>(97,390)</u>	<u>(75,981)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			176,869	35,010
CREDITORS: Amounts falling due after more than one year	4		(53,978)	-
			<u>122,891</u>	<u>35,010</u>
CAPITAL AND RESERVES				
Called up share capital	5		100	100
Profit and loss account			122,791	34,910
			<u>122,891</u>	<u>35,010</u>

In preparing these abbreviated financial statements:-

- i) I have relied upon the exemptions for individual financial statements under sections 246 and 247 of the Companies Act 1985.
- ii) I have done so on the grounds that the company is entitled to the benefit of those sections as a small company.

The abbreviated financial statements were approved by the board on 14th February 1997 and signed on its behalf by:

L C Mitsiou

Loucas Constantinou Mitsiou Esq-director

Date: 14th February 1997

The notes on pages 4 to 6 form part of these abbreviated financial statements.

L C MITSIU & SON LIMITED

ABBREVIATED FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1996

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

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

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 GOODWILL

The company's policy is to write off goodwill evenly over its estimated life of 5 years.

1.4 DEPRECIATION

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Freehold buildings	Straight line over fifty years.
Leasehold properties	Straight line over the life of the lease
Plant and machinery	15% Reducing balance
Fixtures and fittings	15% Reducing balance
Motor vehicles	20% Reducing balance

1.5 STOCKS

Stocks are valued at the lower of cost and net realisable value. Cost is calculated as follows:

Raw materials	- cost of purchase on first in, first out basis
Work in progress	- cost of raw materials and labour together with
and finished goods	attributable overheads.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

1.6 DEFERRED TAXATION

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

1.7 FOREIGN EXCHANGE

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the profit and loss account.

L C MITSIOU & SON LIMITED

ABBREVIATED FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1996

1.8 PENSIONS

Pension contributions are charged to the profit and loss accounts as incurred. These contributions are invested separately from the company's assets.

2. FIXED ASSETS

	Intangible assets £	Tangible assets £	Total £
<u>Cost</u>			
At 1st January 1996	5,000	129,922	134,922
Additions	-	188,921	188,921
Disposals	-	(5,075)	(5,075)
At 31st December 1996	5,000	313,768	318,768
<u>Depreciation</u>			
At 1st January 1996	2,000	21,931	23,931
Charge for year	1,000	21,405	22,405
On disposals	-	(1,827)	(1,827)
At 31st December 1996	3,000	41,509	44,509
<u>Net book value at 31st December 1996</u>	2,000	272,259	274,259
<u>Net book value at 31st December 1995</u>	3,000	107,991	110,991

3. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR

Creditors due within one year include bank loan and overdrafts of £492,164 (1995:£191,324) which are secured by first legal charge over the company's freehold properties, by debenture over the company's assets, and by guarantee for an unlimited amount given by the director.

L C MITSIOU & SON LIMITED

ABBREVIATED FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1996

4. CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR

Included in creditors due after more than one year are:

	1996 £	1995 £
<u>Loans</u>		
<u>Loans due after five years</u>		
Repayable by instalments	33,394	-
Loans due within five years	20,584	-
	<u>53,978</u>	<u>-</u>
Instalments not due within five years	<u>40,332</u>	<u>-</u>

The bank loan is secured by first legal charge over the company's freehold properties.

5. SHARE CAPITAL

	1996 £	1995 £
<u>Authorised</u>		
Equity interests:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<u>Allotted, called up and fully paid</u>		
Equity interests:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

6. TRANSACTIONS WITH DIRECTORS

During the year, Mr Loucas Constantinou Mitsiou, the director, and members of his immediate family, received rental payments of £25,615 (1995-£25,615). These payments are considered to represent a fair market rent for the premises from which the company carries on its trade.