

L C MITSIOU & SON LIMITED

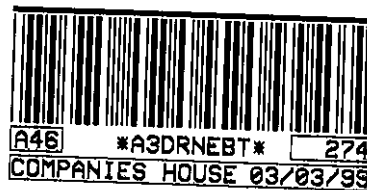
Company No: 2871055

ABBREVIATED

ACCOUNTS

- for the year ended -

31ST DECEMBER 1998



P SPYROU & CO  
Chartered 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**

Capital House  
76 Willoughby Lane  
London  
N17 0SD

**REGISTERED OFFICE**

1 Queens Parade  
Brownlow Road  
London  
N11 2DN

**AUDITORS**

P Spyrou & Co  
Chartered 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  
Palmer's Green Branch  
246 Green Lanes  
London  
N13 5XT

L C MITSIOU & SON LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 1998

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L C MITSIOU & SON LIMITED

AUDITORS' REPORT TO L C MITSIOU & SON LIMITED

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 6 together with the financial statements of the company for the year ended 31st December 1998 prepared under section 226 of the Companies Act 1985.

**Respective responsibilities of director and auditors**

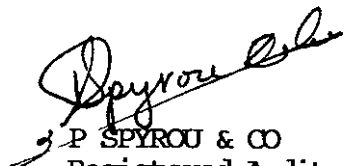
The director is responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6)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

**Basis of 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 6 are properly prepared in accordance with those provisions.

  
P SPYROU & CO  
Registered Auditors  
Chartered Certified Accountants

1 Queens Parade  
Brownlow Road  
London  
N11 2DN

Date: 25th February 1999

L C MITSIU & SON LIMITED

ABBREVIATED BALANCE SHEET AT 31ST DECEMBER 1998

	Notes	1998 £	1997 £
<b>FIXED ASSETS</b>			
Intangible assets	2	-	1,000
Tangible assets	3	355,221	370,226
		<u>355,221</u>	<u>371,226</u>
<b>CURRENT ASSETS</b>			
Stocks		98,095	92,370
Debtors		188,399	311,148
Cash at bank and in hand		244,132	15,523
		<u>530,626</u>	<u>419,041</u>
<b>CREDITORS: Amounts falling due within one year</b>		<u>(720,996)</u>	<u>(540,374)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(190,370)</u>	<u>(121,333)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		164,851	249,893
<b>CREDITORS: Amounts falling due after more than one year</b>	4	<u>(45,662)</u>	<u>(50,014)</u>
		<u>119,189</u>	<u>199,879</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	100	100
Profit and loss account		119,089	199,779
<b>SHAREHOLDERS FUNDS</b>		<u>119,189</u>	<u>199,879</u>

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

The abbreviated accounts were approved by the board on 25th February 1999 and signed on its behalf by:

L C Mitsiou

Lucas Constantinou Mitsiou Esq

Director

Date: 25th February 1999

The notes on pages 3 to 6 form part of these accounts.

L C MITSIOU & SON LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1998

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention.

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold 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
Finished goods	- cost of raw materials and labour together with 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 ACCOUNTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1998

1.8 LEASING AND HIRE PURCHASE

Rentals payable under operating leases are taken to the profit and loss account on a straight line basis over the lease term.

2. INTANGIBLE ASSETS

	<u>Goodwill</u> £
<u>Cost</u>	
At 1st January 1998 and At 31st December 1998	5,000
<u>Amortisation</u>	
At 1st January 1998	4,000
Charge for year	1,000
At 31st December 1998	5,000
<u>Net book value at 31st December 1998</u>	-
<u>Net book value at 31st December 1997</u>	1,000

L C MITSIOU & SON LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1998

3. TANGIBLE ASSETS

	Land & buildings £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
<u>Cost</u>					
At 1st January 1998	350,446	23,221	44,714	12,555	430,936
Additions	1,362	-	4,562	1,600	7,524
	<u>351,808</u>	<u>23,221</u>	<u>49,276</u>	<u>14,155</u>	<u>438,460</u>
<u>Depreciation</u>					
At 1st January 1998	31,284	7,416	18,420	3,590	60,710
Charge for year	13,417	2,371	4,628	2,113	22,529
	<u>44,701</u>	<u>9,787</u>	<u>23,048</u>	<u>5,703</u>	<u>83,239</u>
<u>Net book value at 31st December 1998</u>	<u>307,107</u>	<u>13,434</u>	<u>26,228</u>	<u>8,452</u>	<u>355,221</u>
<u>Net book value at 31st December 1997</u>	<u>319,162</u>	<u>15,805</u>	<u>26,294</u>	<u>8,965</u>	<u>370,226</u>
				1998 £	1997 £
Analysis of net book value of land and buildings:					
Freehold				246,078	249,894
Short leasehold				61,029	69,268
				<u>307,107</u>	<u>319,162</u>



L C MITSIOU & SON LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1998

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

Included in creditors due after more than one year are:

	1998 £	1997 £
<u>Loans</u>		
<u>Loans due after five years</u>		
Repayable by instalments	21,724	27,734
 Loans due within five years	 23,938	 22,280
	<hr/> 45,662	<hr/> 50,014
 Instalments not due within five years	 <hr/> 24,429	 <hr/> 32,991

The bank loan and overdraft of £467,617 (1997: £30,554) are secured by first charge over the company's freehold property, by debenture over the company's assets and by a guarantee of unlimited amount given by the director.

5. SHARE CAPITAL

	1998 £	1997 £
<u>Authorised</u>		
Equity interests:		
100 Ordinary shares of £1 each	<hr/> 100	<hr/> 100
 <u>Allotted, called up and fully paid</u>		
Equity interests:		
100 Ordinary shares of £1 each	<hr/> 100	<hr/> 100

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 (1997: £25,615). These payments are considered to represent a fair market rent for the premises from which the company carries on its trade.