

**REGISTERED NUMBER: 00824300 (England and Wales)**

**Report of the Directors and  
Financial Statements for the Year Ended 30 June 2013  
for  
Katsouris Brothers Limited**

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for the Year Ended 30 June 2013**

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**Katsouris Brothers Limited**

**Company Information  
for the Year Ended 30 June 2013**

**DIRECTORS:**

L Constantinou  
C Constantinou  
D Habeshis  
A Yerolemou  
A Katsouris

**SECRETARY:**

K Charalambous

**REGISTERED OFFICE:**

100 Queensbury Road  
Wembley  
Middlesex  
HA0 1WP

**REGISTERED NUMBER:**

00824300 (England and Wales)

**AUDITORS:**

Philips Chartered Accountants  
1160 High Road  
London  
N20 0RA

**Katsouris Brothers Limited (Registered number: 00824300)**

**Report of the Directors  
for the Year Ended 30 June 2013**

The directors present their report with the financial statements of the company for the year ended 30 June 2013

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of food importers and distributors

**REVIEW OF BUSINESS**

Despite the current economic climate and the continuing difficult trading conditions, the company has continued to successfully focus strongly on increasing sales and reducing costs

As a result of introducing new products and utilising existing contacts, the directors are pleased to announce that this year's turnover has increased by 9%, while last year's increase was 13.6%

The company realised a profit of £3,517,256 before tax, compared to the previous year's profit of £3,091,983

The directors remain confident of sustaining the company's improved trading position and profitability

**DIVIDENDS**

No dividends will be distributed for the year ended 30 June 2013

**FUTURE DEVELOPMENTS**

The company expects to continue its planned expansion at a steady pace, with a view to meet any further growth for demand of its products

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 July 2012 to the date of this report

L Constantinou  
C Constantinou  
D Habeshis  
A Yerolemou

Other changes in directors holding office are as follows

A Katsouris - appointed 7 November 2012

**FINANCIAL INSTRUMENTS**

The company's financial instruments employed during the year consist of borrowings, cash and various other items such as debtors and creditors that arise from its trading activities. These financial instruments do not include derivatives normally used for the purpose of raising finance for the company's operations. The main risks from the above mentioned financial instruments are interest rate risk and liquidity risk

The directors review the policies for each of the risks as set out below -

**Interest rate risk.**

The company's operations are supported by bank facilities and retained profits and it is exposed to rate of interest fluctuations on its bank facilities, both of which are supported by fixed and floating charges

**Liquidity risk.**

The financial risks are managed by the company through the provision of sufficient liquidity available from its own resources to meet the company's foreseeable needs

**Foreign currency risk.**

The company makes its purchases in Sterling, Euro and US Dollar and accordingly it is exposed to currency fluctuations in respect of overseas purchases. In addition, funds held in foreign currencies also give rise to currency gains or losses. These are recognised in the profit & loss account. The directors' objective is to reduce risk from exchange rate fluctuations

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year the company contributed £15,903 to various charities and £2,176 to the conservative party

**Report of the Directors  
for the Year Ended 30 June 2013**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

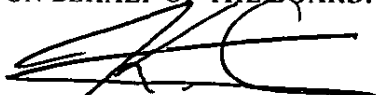
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Philips Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



K Charalambous - Secretary

14 March 2014

## **Report of the Independent Auditors to the Members of Katsouris Brothers Limited**

We have audited the financial statements of Katsouris Brothers Limited for the year ended 30 June 2013 on pages five to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Philippos Soteri (Senior Statutory Auditor)  
for and on behalf of Philips Chartered Accountants  
1160 High Road  
London  
N20 0RA

14 March 2014



**Katsouris Brothers Limited (Registered number: 00824300)**

**Profit and Loss Account  
for the Year Ended 30 June 2013**

	Notes	30 6 13 £	30 6 12 £
<b>TURNOVER</b>		38,423,808	35,250,993
Cost of sales		28,860,935	26,631,716
<b>GROSS PROFIT</b>		9,562,873	8,619,277
Administrative expenses		6,307,416	5,909,700
		3,255,457	2,709,577
Other operating income		251,783	382,310
<b>OPERATING PROFIT</b>	3	3,507,240	3,091,887
Interest receivable and similar income		10,071	6,630
		3,517,311	3,098,517
Interest payable and similar charges	4	55	6,534
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		3,517,256	3,091,983
Tax on profit on ordinary activities	5	861,496	1,208,946
<b>PROFIT FOR THE FINANCIAL YEAR</b>		2,655,760	1,883,037

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year

**Katsouris Brothers Limited (Registered number: 00824300)**

**Balance Sheet**  
**30 June 2013**

	Notes	30 6 13 £	30 6 12 £
<b>FIXED ASSETS</b>			
Tangible assets	7	3,252,629	2,847,385
Investments	8	1	1
		<u>3,252,630</u>	<u>2,847,386</u>
<b>CURRENT ASSETS</b>			
Stocks	9	3,175,739	3,178,208
Debtors	10	6,592,633	6,066,799
Cash at bank		3,468,812	843,456
		<u>13,237,184</u>	<u>10,088,463</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	4,611,425	3,713,220
		<u>4,611,425</u>	<u>3,713,220</u>
<b>NET CURRENT ASSETS</b>		<u>8,625,759</u>	<u>6,375,243</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>11,878,389</u>	<u>9,222,629</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	29,500	29,500
Revaluation reserve	16	500,000	500,000
Profit and loss account	16	11,348,889	8,693,129
		<u>11,878,389</u>	<u>9,222,629</u>
<b>SHAREHOLDERS' FUNDS</b>	22	<u>11,878,389</u>	<u>9,222,629</u>

The financial statements were approved by the Board of Directors on 14 March 2014 and were signed on its behalf by



**L. Constantinou - Director**



**Katsouris Brothers Limited (Registered number: 00824300)**

**Cash Flow Statement  
for the Year Ended 30 June 2013**

	Notes	30 6 13 £	£	30 6 12 £	£
<b>Net cash inflow from operating activities</b>	1		4,465,092		1,714,687
<b>Returns on investments and servicing of finance</b>	2		10,016		96
<b>Taxation</b>			(970,093)		(939,701)
<b>Capital expenditure</b>	2		(873,282)		(83,565)
<b>Equity dividends paid</b>			-		(59,000)
			<u>2,631,733</u>		<u>632,517</u>
<b>Financing</b>	2		(6,377)		(94,092)
<b>Increase in cash in the period</b>			<u>2,625,356</u>		<u>538,425</u>
<hr/>					
<b>Reconciliation of net cash flow to movement in net funds</b>	3				
Increase in cash in the period		2,625,356		538,425	
Cash outflow from decrease in debt		<u>6,377</u>		<u>94,092</u>	
Change in net funds resulting from cash flows			<u>2,631,733</u>		<u>632,517</u>
<b>Movement in net funds in the period</b>			<u>2,631,733</u>		<u>632,517</u>
<b>Net funds at 1 July</b>			<u>837,079</u>		<u>204,562</u>
<b>Net funds at 30 June</b>			<u>3,468,812</u>		<u>837,079</u>

The notes on pages 10 to 18 form part of these financial statements

Notes to the Cash Flow Statement  
for the Year Ended 30 June 2013

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30 6 13	30 6 12
	£	£
Operating profit	3,507,240	3,091,887
Depreciation charges	470,562	486,835
Profit on disposal of fixed assets	(2,524)	(3,747)
Decrease/(increase) in stocks	2,469	(8,383)
Increase in debtors	(525,834)	(820,546)
Increase/(decrease) in creditors	1,013,179	(1,031,359)
<b>Net cash inflow from operating activities</b>	<b>4,465,092</b>	<b>1,714,687</b>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	30 6 13	30 6 12
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	10,071	6,630
Interest paid	(55)	(6,534)
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>10,016</b>	<b>96</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(875,807)	(87,315)
Sale of tangible fixed assets	2,525	3,750
<b>Net cash outflow for capital expenditure</b>	<b>(873,282)</b>	<b>(83,565)</b>
<b>Financing</b>		
Loan repayments in year	(6,377)	(94,092)
<b>Net cash outflow from financing</b>	<b>(6,377)</b>	<b>(94,092)</b>

Notes to the Cash Flow Statement  
for the Year Ended 30 June 2013

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 7 12 £	Cash flow £	At 30 6 13 £
Net cash			
Cash at bank and in hand	843,456	2,625,356	3,468,812
	<u>843,456</u>	<u>2,625,356</u>	<u>3,468,812</u>
Debt			
Debts falling due within one year	(6,377)	6,377	-
	<u>(6,377)</u>	<u>6,377</u>	<u>-</u>
Total	<u>837,079</u>	<u>2,631,733</u>	<u>3,468,812</u>

Notes to the Financial Statements  
for the Year Ended 30 June 2013

1 ACCOUNTING POLICIES

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and are in accordance with applicable accounting standards

**Preparation of consolidated financial statements**

The financial statements contain information about Katsouris Brothers Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property	- 10% on cost and 2% on cost
Short leasehold	- in accordance with the property
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 20% on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

**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 of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

2 STAFF COSTS

	30 6 13	30 6 12
	£	£
Wages and salaries	4,487,825	4,026,481
Social security costs	465,892	378,439
Other pension costs	56,650	66,033
	<u>5,010,367</u>	<u>4,470,953</u>

Notes to the Financial Statements - continued  
for the Year Ended 30 June 2013

2 STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	30 6 13	30 6 12
Directors	5	4
Managerial and administration	34	32
Warehouse and others	141	125
	<u>180</u>	<u>161</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	30 6 13	30 6 12
	£	£
Other operating leases	220,000	200,000
Depreciation - owned assets	470,562	486,835
Profit on disposal of fixed assets	(2,524)	(3,747)
Auditors' remuneration	9,500	9,500
Taxation compliance services	2,000	2,000
Other non-audit services	8,590	8,000
Foreign exchange differences	(251,783)	(382,310)
	<u>707,127</u>	<u>622,379</u>
Directors' remuneration	27,000	32,033
Directors' pension contributions to money purchase schemes		

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	3	3
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Information regarding the highest paid director is as follows

	30 6 13	30 6 12
	£	£
Emoluments etc	246,400	237,120
Pension contributions to money purchase schemes	12,000	16,000

4 INTEREST PAYABLE AND SIMILAR CHARGES

	30 6 13	30 6 12
	£	£
Bank interest	-	4,504
Bank loan interest	55	1,412
Other interest paid	-	618
	<u>55</u>	<u>6,534</u>

Notes to the Financial Statements - continued  
for the Year Ended 30 June 2013

5 TAXATION

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	30 6 13 £	30 6 12 £
Current tax		
UK corporation tax	861,496	843,969
Deferred tax	-	364,977
Tax on profit on ordinary activities	<u>861,496</u>	<u>1,208,946</u>

UK corporation tax was charged at 25.50% in 2012

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	30 6 13 £	30 6 12 £
Profit on ordinary activities before tax	<u>3,517,256</u>	<u>3,091,983</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.751% (2012 - 25.503%)	835,383	788,548
Effects of		
Expenses not deductible for tax purposes	3,068	3,532
Depreciation in excess of capital allowances	23,045	75,107
Prior period over provision	-	(23,218)
Current tax charge	<u>861,496</u>	<u>843,969</u>

6 DIVIDENDS

	30 6 13 £	30 6 12 £
Ordinary shares of £1.00 each		
Interim	-	59,000

Notes to the Financial Statements - continued  
for the Year Ended 30 June 2013

## 7 TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Plant and machinery £
<b>COST OR VALUATION</b>			
At 1 July 2012	3,811,186	784,659	2,816,824
Additions	-	4,180	812,482
At 30 June 2013	3,811,186	788,839	3,629,306
<b>DEPRECIATION</b>			
At 1 July 2012	1,474,925	784,658	2,381,780
Charge for year	163,682	418	259,799
Eliminated on disposal	-	-	-
At 30 June 2013	1,638,607	785,076	2,641,579
<b>NET BOOK VALUE</b>			
At 30 June 2013	2,172,579	3,763	987,727
At 30 June 2012	2,336,261	1	435,044
	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>			
At 1 July 2012	860,374	290,745	8,563,788
Additions	15,034	44,111	875,807
Disposals	-	(19,775)	(19,775)
At 30 June 2013	875,408	315,081	9,419,820
<b>DEPRECIATION</b>			
At 1 July 2012	841,762	233,278	5,716,403
Charge for year	13,861	32,802	470,562
Eliminated on disposal	-	(19,774)	(19,774)
At 30 June 2013	855,623	246,306	6,167,191
<b>NET BOOK VALUE</b>			
At 30 June 2013	19,785	68,775	3,252,629
At 30 June 2012	18,612	57,467	2,847,385

Included in cost or valuation of land and buildings is freehold land of £640,000 (2012 - £640,000) which is not depreciated

Notes to the Financial Statements - continued  
for the Year Ended 30 June 2013

7 TANGIBLE FIXED ASSETS - continued

Cost or valuation at 30 June 2013 is represented by

	Freehold property £	Short leasehold £	Plant and machinery £
Valuation in 2011	500,000	-	-
Cost	3,311,186	788,839	3,629,306
	<u>3,811,186</u>	<u>788,839</u>	<u>3,629,306</u>
	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2011	-	-	500,000
Cost	875,408	315,081	8,919,820
	<u>875,408</u>	<u>315,081</u>	<u>9,419,820</u>

If freehold land and buildings had not been revalued they would have been included at the following historical cost

	30 6 13 £	30 6 12 £
Cost	1,932,647	1,932,647
Aggregate depreciation	<u>474,579</u>	<u>474,579</u>
Value of land in freehold land and buildings	<u>640,000</u>	<u>640,000</u>

The freehold land and building were valued on an open market value basis on 7 June 2011 by an independent surveyor

The directors are of the opinion that the value of the freehold property shown in the financial statements is in line with its current market value



Notes to the Financial Statements - continued  
for the Year Ended 30 June 2013

8 FIXED ASSET INVESTMENTS

	Interest in associate £
<b>COST</b>	
At 1 July 2012	
and 30 June 2013	100
<b>PROVISIONS</b>	
At 1 July 2012	
and 30 June 2013	99
<b>NET BOOK VALUE</b>	
At 30 June 2013	1
At 30 June 2012	1

The company's investments at the balance sheet date in the share capital of companies include the following

**Cypressa Products Limited**  
Country of incorporation England  
Nature of business Dormant

Class of shares	% holding
Ordinary	100.00

9 STOCKS

	30.6.13 £	30.6.12 £
Stocks	3,175,739	3,178,208

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.13 £	30.6.12 £
Trade debtors	6,017,461	5,595,530
Other loans owing	18,220	23,852
Other debtors	367,515	203,911
Prepayments and accrued income	189,437	243,506
	6,592,633	6,066,799

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.13 £	30.6.12 £
Bank loans and overdrafts (see note 12)	-	6,377
Trade creditors	3,863,955	2,892,453
Corporation tax	291,050	399,647
Other creditors	252,665	215,372
Accrued expenses	203,755	199,371
	4,611,425	3,713,220

Notes to the Financial Statements - continued  
for the Year Ended 30 June 2013

12 LOANS

An analysis of the maturity of loans is given below

	30 6 13 £	30 6 12 £
Amounts falling due within one year or on demand		
Bank loans	-	6,377

13 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings 30 6 13 £	30 6 12 £
Expiring		
Within one year	220,000	220,000

14 SECURED DEBTS

The following secured debts are included within creditors

	30 6 13 £	30 6 12 £
Bank loans	-	6,377

The bank loan and overdraft facilities are secured by a first charge on the company's Water Road freehold property. A supported guarantee by Katsouris Investments Limited, a connected company, is also in place. Interest is charged on the loan at 1.5% above the bank's base rate.

15 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid				
Number	Class	Nominal value	30 6 13 £	30 6 12 £
29,500	Ordinary	£1.00	29,500	29,500

16 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 July 2012	8,693,129	500,000	9,193,129
Profit for the year	2,655,760		2,655,760
At 30 June 2013	11,348,889	500,000	11,848,889

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2013**

**17 CONTINGENT LIABILITIES**

Contingent liabilities of £100,000 exist in connection with a VAT Bond to HM Revenue and Customs (2012 £100,000)

There is a contingent liability of around £4,776,604 (2012 £680,846) in respect of goods ordered

**18 CAPITAL COMMITMENTS**

	30 6 13 £	30 6 12 £
Contracted but not provided for in the financial statements	<u>190,000</u>	<u>12,663</u>

**19 RELATED PARTY DISCLOSURES**

**Katsouris Investments Limited**

An annual rent of £220,000 (2012 £200,000) was paid under a licence to Katsouris Investments Limited, a company where A P Yerolemou is a director and shareholder L Constantinou and C Constantinou are directors of both companies As at 30 June 2013, no outstanding liability was due from Katsouris Brothers Limited

There is a supported guarantee in place by Katsouris Investments Limited

**Etchlord Limited**

During the year, the company sold goods of £4,233 (2012 £9,115) at normal commercial terms to Etchlord Limited, a company where A P Yerolemou is a director and shareholder L Constantinou and C Constantinou are directors of both companies As at the balance sheet date £303 (2012 £802) was owed to Katsouris Brothers Limited

**Katsouris Brothers Limited**  
Parent company

Consultancy fees of £84,024 (2012 £85,857) were paid to the parent company

**20 AUDITOR LIABILITY LIMITATION AGREEMENT**

The company and auditor have agreed to limit liability to a multiple of 25 times the annual audit fee

**21 ULTIMATE CONTROLLING PARTY**

The company is a wholly owned subsidiary of Katsouris Brothers Limited, a company incorporated in Cyprus

**22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	30 6 13 £	30 6 12 £
Profit for the financial year	2,655,760	1,883,037
Dividends	-	(59,000)
<b>Net addition to shareholders' funds</b>	<u>2,655,760</u>	<u>1,824,037</u>
Opening shareholders' funds	9,222,629	7,398,592
<b>Closing shareholders' funds</b>	<u><u>11,878,389</u></u>	<u><u>9,222,629</u></u>

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2013**

**23 DEFERRED TAX**

No provision has been made for deferred tax of £118,750 (2012 £127,500) arising on the freehold revaluation. This amount would become payable in the event of the property being sold, however there are no plans to sell it in the foreseeable future.