

Registration number 824300

Katsouris Brothers Limited

Abbreviated accounts

for the year ended 30 June 2010

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Katsouris Brothers Limited

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Katsouris Brothers Limited

Directors' report for the year ended 30 June 2010

The directors present their report and the accounts for the year ended 30 June 2010

Principal activity and review of the business

The principal activity of the company continues to be that of food importers and distributors

Business review

In the past year, despite the current economic climate and the continuing difficult trading conditions, the company has successfully focused strongly on increasing sales and reducing costs

As a result, the turnover has increased while cost of sales have been reduced, aided by the strengthening of sterling during the year, which helped reduce purchasing costs by £511,827

The company realised a profit of £1,505,744 before tax, compared to the previous year's loss of £461,619

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

Results and dividends

The profit for the year, after taxation, amounted to £1,186,151

The directors do not recommend payment of a final dividend

Financial risk management objectives and policies

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 made available to meet the company's foreseeable needs. Throughout the year the company ensured flexibility achieved by overdraft facilities

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

Katsouris Brothers Limited

Directors' report for the year ended 30 June 2010

continued

Directors

The directors who served during the year are as stated below

L Constantinou	A P Yerolemou
D Habeshis	C Constantinou
K L Papaleontiou (Resigned 30 June 2010)	

Charitable Donations

During the year the company contributed £19,120 to charities

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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). 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 year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements 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 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.

In so far as the directors are aware

- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Katsouris Brothers Limited

**Directors' report
for the year ended 30 June 2010**

. continued

Auditors

Philips are deemed to be reappointed in accordance with an elective resolution made under Section 386(1) of the Companies Act 1985 which continues in force under the Companies Act 2006

This report was approved by the Board on
and signed on its behalf by

4-11-2010

A handwritten signature in black ink, appearing to be 'K Charalambous', written over a horizontal line.

**K Charalambous
Secretary**

**Independent auditors' report to Katsouris Brothers Limited
under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 5 to 21 together with the financial statements of Katsouris Brothers Limited for the year ended 30 June 2010 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the full financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with that provision.



**Philip Soteri (senior statutory auditor)
For and on behalf of Philips
Chartered Accountants and
Registered Auditors**

**1160 High Road
London
N20 0RA**

4-11-2010

Katsouris Brothers Limited

**Abbreviated profit and loss account
for the year ended 30 June 2010**

		Continuing operations	
		2010	2009
	Notes	£	£
Turnover		25,510,231	23,488,180
Gross profit		6,597,419	4,651,727
Administrative expenses		(4,988,445)	(4,958,774)
Operating profit/(loss)	2	1,608,974	(307,047)
Other interest receivable and similar income	4	48	4,182
Interest payable and similar charges	5	(103,278)	(158,754)
Profit/(loss) on ordinary activities before taxation		1,505,744	(461,619)
Tax on profit/(loss) on ordinary activities	8	(319,593)	73,990
Profit/(loss) for the year	18	1,186,151	(387,629)
Retained profit brought forward		3,334,578	3,722,207
Retained profit carried forward		4,520,729	3,334,578

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 8 to 21 form an integral part of these financial statements.

Katsouris Brothers Limited

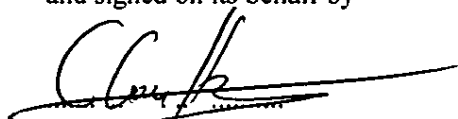
Abbreviated balance sheet as at 30 June 2010

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Tangible assets	9		2,945,782		3,324,346
Investments	10		1		1
			<u>2,945,783</u>		<u>3,324,347</u>
Stocks	11	2,314,025		1,966,738	
Debtors	12	4,539,249		3,702,098	
Deferred taxation (note 15)		314,272		179,686	
Cash at bank and in hand		328,244		202,712	
		<u>7,495,790</u>		<u>6,051,234</u>	
Creditors: amounts falling due within one year	13	(4,665,555)		(4,465,974)	
Net current assets			<u>2,830,235</u>		<u>1,585,260</u>
Total assets less current liabilities			5,776,018		4,909,607
Creditors: amounts falling due after more than one year	14		(1,225,789)		(1,545,529)
Net assets			<u><u>4,550,229</u></u>		<u><u>3,364,078</u></u>
Capital and reserves					
Called up share capital	17		29,500		29,500
Profit and loss account	18		4,520,729		3,334,578
Shareholders' funds	19		<u><u>4,550,229</u></u>		<u><u>3,364,078</u></u>

These abbreviated accounts have been prepared in accordance with the special provisions of Section 445(3) of the Companies Act 2006 relating to medium-sized companies

The abbreviated accounts were approved by the Board on
and signed on its behalf by

4-11-2010



C Constantinou
Director

Registration number 824300

The notes on pages 8 to 21 form an integral part of these financial statements.

Katsouris Brothers Limited

Cash flow statement for the year ended 30 June 2010

	Notes	2010 £	2009 £
Reconciliation of operating profit/(loss) to net cash inflow from operating activities			
Operating profit/(loss)		1,608,974	(307,047)
Depreciation		506,901	609,554
(Increase) in stocks		(347,287)	1,136,252
(Increase) in debtors		(908,084)	1,008,426
Increase in creditors		366,426	(1,098,700)
Profit on disposal of fixed assets		(170)	(2,614)
Net cash inflow from operating activities		<u>1,226,760</u>	<u>1,345,871</u>

Cash flow statement

Net cash inflow from operating activities		1,226,760	1,345,871
Returns on investments and servicing of finance	25	(103,230)	(154,572)
Taxation	25	13,699	-
Capital expenditure	25	(128,167)	(137,590)
		<u>1,009,062</u>	<u>1,053,709</u>
Financing	25	(322,778)	(389,675)
Increase in cash in the year		<u>686,284</u>	<u>664,034</u>

Reconciliation of net cash flow to movement in net funds (Note 26)

Increase in cash in the year		686,284	664,034
Cash inflow from increase in debts and lease financing		322,778	389,675
Change in net funds resulting from cash flows		<u>1,009,062</u>	<u>1,053,709</u>
Net debt at 1 July 2009		<u>(2,395,391)</u>	<u>(3,449,100)</u>
Net debt at 30 June 2010		<u>(1,386,329)</u>	<u>(2,395,391)</u>

Katsouris Brothers Limited

Notes to the abbreviated financial statements for the year ended 30 June 2010

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Land and buildings	-	Freehold land is not depreciated
Industrial buildings	-	2% and 10% straight line
Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	15% straight line
Fixtures, fittings and equipment	-	15% straight line
Motor vehicles	-	20% straight line

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5. Investments

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

1.6. Stock

Stock is valued at the lower of cost and net realisable value.

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

Katsouris Brothers Limited

Notes to the abbreviated financial statements for the year ended 30 June 2010

continued

1.8. Deferred taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.9. Foreign currencies

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.

2. Operating profit/(loss)	2010 £	2009 £
Operating profit/(loss) is stated after charging		
Depreciation		
- written off owned tangible fixed assets	506,901	553,878
- written off tangible fixed assets on HP/Finance lease	-	55,676
Net foreign exchange loss	-	22,628
Operating lease rentals		
- Land and buildings	180,000	180,000
Auditors' remuneration (Note 3)	9,500	8,500
Auditors' remuneration from non-audit work (Note 3)	9,975	7,050
and after crediting		
Profit on disposal of tangible fixed assets	170	2,614
Net foreign exchange gain	56,532	-

3. Auditors' remuneration

	2010 £	2009 £
Auditors' remuneration - audit of the financial statements	9,500	8,500
Auditors' remuneration - other fees:		
- taxation services	2,000	1,250
- financial accounts	7,975	5,800
	9,975	7,050

Katsouris Brothers Limited

Notes to the abbreviated financial statements for the year ended 30 June 2010

continued

4. Interest receivable and similar income	2010	2009
	£	£
Bank interest	-	17
Other interest	48	4,165
	<u>48</u>	<u>4,182</u>
5. Interest payable and similar charges	2010	2009
	£	£
Interest payable on loans < 1 yr	20,825	41,187
On loans repayable between two and five years	-	15,136
On loans repayable in five years or more	80,503	93,417
Hire purchase interest	1,950	9,014
	<u>103,278</u>	<u>158,754</u>
6. Employees		
Number of employees	2010	2009
The average monthly numbers of employees (including the directors) during the year were		
Directors	5	5
Managerial and administration	28	27
Warehouse and others	93	112
	<u>126</u>	<u>144</u>
Employment costs	2010	2009
	£	£
Wages and salaries	3,442,163	3,429,720
Social security costs	332,217	316,500
Pension costs	36,428	54,620
	<u>3,810,808</u>	<u>3,800,840</u>

Katsouris Brothers Limited

Notes to the abbreviated financial statements for the year ended 30 June 2010

continued

6.1. Directors' remuneration	2010	2009
	£	£
Remuneration and other emoluments	583,212	545,596
Pension contributions	9,753	6,720
Compensation for loss of office	30,000	-
	<u>622,965</u>	<u>552,316</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>2</u>	<u>2</u>
Highest paid director	£	£
Amounts included above		
Emoluments and other benefits	<u>174,896</u>	<u>154,638</u>

K Papaleontiou was paid £30,000 compensation for loss of office

7. Pension costs

The company operates a defined contribution pension scheme in respect of a number of employees, including directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £36,428 (2009 - £54,620)

Katsouris Brothers Limited

Notes to the abbreviated financial statements for the year ended 30 June 2010

continued

8. Tax on profit/(loss) on ordinary activities

Analysis of charge in period	2010 £	2009 £
Current tax		
UK corporation tax at 28.00% (2009 - 21.00%)	476,945	(10,500)
Adjustments in respect of previous periods	(22,766)	-
	<u>454,179</u>	<u>(10,500)</u>
Total current tax charge	<u>454,179</u>	<u>(10,500)</u>
Deferred tax		
Timing differences, origination and reversal	(134,586)	(63,490)
Total deferred tax	<u>(134,586)</u>	<u>(63,490)</u>
Tax on profit/(loss) on ordinary activities	<u>319,593</u>	<u>(73,990)</u>

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (28.00 per cent). The differences are explained below:

	2010 £	2009 £
Profit/(loss) on ordinary activities before taxation	<u>1,505,744</u>	<u>(461,619)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 28.00% (30 June 2009 - 21.00%)	421,608	(96,940)
Effects of:		
Expenses not deductible for tax purposes	1,814	1,914
Capital allowances for period in excess of depreciation	67,719	64,948
Utilisation of tax losses	(14,196)	30,078
Adjustments to tax charge in respect of previous periods	(22,766)	(10,500)
Current tax charge for period	<u>454,179</u>	<u>(10,500)</u>

Katsouris Brothers Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2010**

continued

9. Tangible fixed assets	Land and buildings freehold £	Short leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost						
At 1 July 2009	3,311,186	784,659	2,360,792	852,198	306,172	7,615,007
Additions	-	-	122,486	5,851	-	128,337
Disposals	-	-	(5,000)	-	-	(5,000)
At 30 June 2010	<u>3,311,186</u>	<u>784,659</u>	<u>2,478,278</u>	<u>858,049</u>	<u>306,172</u>	<u>7,738,344</u>
Depreciation						
At 1 July 2009	983,876	549,261	1,871,305	689,161	197,058	4,290,661
On disposals	-	-	(5,000)	-	-	(5,000)
Charge for the year	163,683	78,466	164,493	58,696	41,563	506,901
At 30 June 2010	<u>1,147,559</u>	<u>627,727</u>	<u>2,030,798</u>	<u>747,857</u>	<u>238,621</u>	<u>4,792,562</u>
Net book values						
At 30 June 2010	<u>2,163,627</u>	<u>156,932</u>	<u>447,480</u>	<u>110,192</u>	<u>67,551</u>	<u>2,945,782</u>
At 30 June 2009	<u>2,327,310</u>	<u>235,398</u>	<u>489,487</u>	<u>163,037</u>	<u>109,114</u>	<u>3,324,346</u>

In the opinion of the directors, the cost of the freehold land and buildings is a fair reflection of its current market value and therefore no revaluation is considered necessary

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2010		2009	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Plant and machinery	-	-	69,805	24,810
Equipment	-	-	47,949	16,440
Motor vehicles	-	-	54,099	14,426
	<u>-</u>	<u>-</u>	<u>171,853</u>	<u>55,676</u>

Katsouris Brothers Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2010**

continued

10. Fixed asset investments	Subsidiary undertakings shares £	Total £
Cost		
At 1 July 2009		
At 30 June 2010	100	100
Provisions for diminution in value:		
At 1 July 2009		
At 30 June 2010	99	99
Net book values		
At 30 June 2010	1	1
At 30 June 2009	1	1

10.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following company

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
Cypressa Products Limited	England	Dormant	Ordinary	100%
11. Stocks			2010 £	2009 £
Finished goods and goods for resale			2,314,025	1,966,738
12. Debtors			2010 £	2009 £
Trade debtors			4,147,495	3,288,520
Other debtors			158,819	193,699
Prepayments			232,935	219,879
			4,539,249	3,702,098

Katsouris Brothers Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2010**

continued

13. Creditors: amounts falling due within one year	2010 £	2009 £
Bank overdraft	200,713	761,466
Bank loans	288,071	249,025
Net obligations under finance leases and hire purchase contracts	-	42,083
Trade creditors	3,099,790	2,835,579
Amounts owed to group undertaking	176,890	176,890
Corporation tax	396,945	-
Other taxes and social security costs	136,014	94,465
Directors' accounts	43,278	43,278
Other creditors	46,484	54,360
Accruals	277,370	208,828
	<u>4,665,555</u>	<u>4,465,974</u>

The finance leases and hire purchase contracts are secured on the assets concerned

Katsouris Brothers Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2010**

continued

14. Creditors: amounts falling due after more than one year	2010 £	2009 £
Bank loans	1,225,789	1,542,834
Net obligations under finance leases and hire purchase contracts	-	2,695
	<u>1,225,789</u>	<u>1,545,529</u>
Loans		
Repayable in one year or less, or on demand (Note 13)	288,071	249,025
Repayable between one and two years	288,071	249,025
Repayable between two and five years	607,343	652,211
Repayable in five years or more	330,375	641,598
	<u>1,513,860</u>	<u>1,791,859</u>
Repayable in five years or more		
Bank loans	<u>330,375</u>	<u>641,598</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	-	42,083
Repayable between one and five years	-	2,695
	<u>-</u>	<u>44,778</u>

The bank loans 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. As at the balance sheet date, the company's loans consist of two separate loan agreements. The terms of the loans vary between five and ten years. Interest is charged on both loans at 1.5% above the bank's base rate.

The finance leases and hire purchase contracts are secured on the assets concerned.

Katsouris Brothers Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2010**

continued

15. Provisions for liabilities

	Deferred taxation (Note 16) £	Total £
At 1 July 2009	179,686	179,686
Movements in the year	134,586	134,586
At 30 June 2010	<u>314,272</u>	<u>314,272</u>

16. Provision for deferred taxation

	2010 £	2009 £
Accelerated capital allowances	(314,272)	(179,686)
Provision for deferred tax	<u>(314,272)</u>	<u>(179,686)</u>
Provision at 1 July 2009	(179,686)	
Deferred tax credit in profit and loss account	(134,586)	
Provision at 30 June 2010	<u>(314,272)</u>	

As at the balance sheet date there is a deferred tax asset of £314,272 (2009 £179,686) In the directors' opinion the deferred tax asset is recognised as it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Katsouris Brothers Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2010**

continued

17. Share capital	2010	2009
	£	£
Authorised		
40,000 Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>
Allotted, called up and fully paid		
29,500 Ordinary shares of £1 each	<u>29,500</u>	<u>29,500</u>
Equity Shares		
29,500 Ordinary shares of £1 each	<u>29,500</u>	<u>29,500</u>
18. Equity Reserves	Profit and loss account	Total
	£	£
At 1 July 2009	3,334,578	3,334,578
Profit for the year	<u>1,186,151</u>	<u>1,186,151</u>
At 30 June 2010	<u>4,520,729</u>	<u>4,520,729</u>
19. Reconciliation of movements in shareholders' funds	2010	2009
	£	£
Profit/(loss) for the year	1,186,151	(387,629)
Opening shareholders' funds	<u>3,364,078</u>	<u>3,751,707</u>
Closing shareholders' funds	<u>4,550,229</u>	<u>3,364,078</u>
20. Financial commitments		
At 30 June 2010 the company had annual commitments under non-cancellable operating leases as follows		
	Land and buildings	
	2010	2009
	£	£
Expiry date:		
Between one and five years	<u>180,000</u>	<u>180,000</u>

Katsouris Brothers Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2010**

continued

21. Capital commitments	2010	2009
	£	£

Details of capital commitments at the accounting date are as follows

Contracted for but not provided in the financial statements

<u>150,000</u>	<u>-</u>
----------------	----------

22. Contingent liabilities

Contingent liabilities of £100,000 exist in connection with a VAT Bond to HM Revenue and Customs (2009 £100,000)

There is a contingent liability of around £220,000 (2009. £390,000) in respect of goods ordered

An unquantifiable potential liability is likely to arise in connection with the supply of an imported product Product liability cover is in place Discussions are in progress with a view to reach a settlement, the outcome of which is yet to be determined

23. Related party transactions

Annual rent of £180,000 (2009 £180,000) is payable 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 2010, no outstanding liability was due from Katsouris Brothers Limited There is a supported guarantee in place by Katsouris Investments Limited

During the year, the company sold goods of £17,257 (2009 £14,168) 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 £3,559 (2009 £1,789) was owed to Katsouris Brothers Limited

As at the balance sheet date £176,890 (2009 £176,890) was owed to the parent company, see note 24 below The loan is interest free and repayable on demand

24. Ultimate parent undertaking

As at 31 May 2010 the company is a wholly owned subsidiary of Katsouris Brothers Limited, a company incorporated in Cyprus

Katsouris Brothers Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2010**

continued

25. Gross cash flows

	2010	2009
	£	£
Returns on investments and servicing of finance		
Interest received	48	4,182
Interest paid	(103,278)	(158,754)
	<u>(103,230)</u>	<u>(154,572)</u>
Taxation		
Corporation tax paid	(80,000)	-
Corporation tax repaid	93,699	-
	<u>13,699</u>	<u>-</u>
Capital expenditure		
Payments to acquire tangible assets	(128,337)	(140,207)
Receipts from sales of tangible assets	170	2,617
	<u>(128,167)</u>	<u>(137,590)</u>
Financing		
Repayment of long term bank loan	(28,975)	(5,371)
Repayment of short term bank loan	(249,025)	(248,436)
Capital element of finance leases and hire purchase contracts	(44,778)	(135,868)
	<u>(322,778)</u>	<u>(389,675)</u>

Katsouris Brothers Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2010**

continued

26. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	202,712	125,532		328,244
Overdrafts	(761,466)	560,753		(200,713)
	<u>(558,754)</u>	<u>686,285</u>		<u>127,531</u>
Debt due within one year	(249,025)	249,025	(288,071)	(288,071)
Debt due after one year	(1,542,835)	28,975	288,071	(1,225,789)
Finance leases and hire purchase contracts	(44,778)	44,778	-	-
	<u>(1,836,638)</u>	<u>322,778</u>	<u>-</u>	<u>(1,513,860)</u>
Net funds	<u>(2,395,392)</u>	<u>1,009,063</u>	<u>-</u>	<u>(1,386,329)</u>