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9/12/55

32, 1955

No. 26 of 1954.

**In the Privy Council.**

**ON APPEAL**  
**FROM THE SUPREME COURT OF CYPRUS.** 25 OCT 1956

UNIVERSITY OF LONDON  
W.C.1

INSTITUTE OF ADVANCED  
LEGAL STUDIES

BETWEEN

A. The Firm A. G. PATIKI & CO., of Limassol ;  
B. (1) IOANNIS G. PATIKI ; (2) VASILIOS G. PATIKI ;  
(3) CHRISTOS A. PATIKI ; and (4) CONSTANTINOS  
A. PATIKI of Limassol as partners of the Firm A. G.  
PATIKI & CO., of Limassol and/or personally (Defendants) *Appellants*

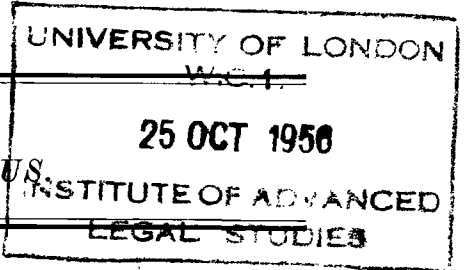
AND

DEMETRA GEORGHIOU PATIKI of Athens, minor by her next  
friend and judicial and natural guardian THRASYVOULOS  
PAPALOPOULOS of Karditsa (Plaintiff) . . . *Respondent.*

**RECORD OF PROCEEDINGS**

INCE & CO.,  
10/11 LIME STREET,  
LONDON, E.C.3,  
*Appellants' Solicitors.*

BISCHOFF & CO.,  
4 GREAT WINCHESTER STREET,  
LONDON, E.C.2,  
*Respondent's Solicitors.*

**In the Privy Council.**

**ON APPEAL**  
*FROM THE SUPREME COURT OF CYPRUS*

BETWEEN

- A. The Firm A. G. PATIKI & CO., of Limassol
- B. (1) IOANNIS G. PATIKI; (2) VASILIOS G. PATIKI;  
(3) CHRISTOS A. PATIKI; and (4) CONSTANTINOS A.  
PATIKI of Limassol as partners of the Firm A. G. PATIKI &  
Co., of Limassol and/or personally (Defendants) . . . . . *Appellants*

AND

DEMETRA GEORGHIOU PATIKI of Athens, minor by her  
next friend and judicial and natural guardian THRASYVOULOS  
PAPALOPOULOS of Karditsa (Plaintiff) . . . . . *Respondent.*

# RECORD OF PROCEEDINGS

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# In the Privy Council.

## ON APPEAL

FROM THE SUPREME COURT OF CYPRUS.

BETWEEN

- A. The Firm A. G. PATIKI & CO., of Limassol
- B. (1) IOANNIS G. PATIKI; (2) VASILIOS G. PATIKI; (3) CHRISTOS A. PATIKI; and (4) CONSTANTINOS A. PATIKI of Limassol as partners of the Firm A. G. PATIKI & Co., of Limassol and/or personally (Defendants) . . . *Appellants*

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AND

DEMETRA GEORGHIOU PATIKI of Athens, minor by her next friend and judicial and natural guardian THRASYVOULOS PAPALOPOULOS of Karditsa (Plaintiff) . . . . . *Respondent.*

# RECORD OF PROCEEDINGS

## PART I

No. 1.

WRIT OF SUMMONS.

IN THE DISTRICT COURT OF LIMASSOL.

Action No. 999/1948.

Between DEMETRA GEORGHIOU PATIKI of Athens, minor by her next friend and judicial and natural guardian THRASYVOULOS PAPALOPOULOS of Karditsa . . . . . Plaintiff

and

- A. The Firm A. G. PATIKI & CO., of Limassol
- B. (1) IOANNIS G. PATIKI; (2) VASILIOS G. PATIKI; (3) CHRISTOS A. PATIKI; and (4) CONSTANTINOS A. PATIKI of Limassol as partners of the firm A. G. PATIKI & Co., of Limassol and/or personally . . . Defendants.

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*In the District Court of Limassol.*

No. 1.  
Writ of Summons,  
30th  
November  
1948.

*In the  
District  
Court of  
Limassol.*

No. 1.  
Writ of  
Summons,  
30th  
November  
1948,  
*continued.*

*And by amendment :*

Between DEMETRA GEORGHIOU PATIKI of Athens,  
minor by her next friend and judicial and  
natural guardian THRASYVOULOS PAPALOPOULOS  
of Karditsa . . . . . Plaintiff

and

- A. The Firm A. G. PATIKI & CO., of Limassol
- B. (1) IOANNIS G. PATIKI; (2) VASILIOS  
G. PATIKI; (3) CHRISTOS A. PATIKI;  
and (4) CONSTANTINOS A. PATIKI of  
Limassol as partners of the Firm A. G. PATIKI  
& Co., of Limassol and/or personally 10
- C. (1) PARASKEVI A. PATIKI, Leoforos  
Alexandra No. 1 Athens, Greece;  
(2) HARIKLIA N. PAPAZHARIA, of  
Trikala (Greece); (3) STYLIANI N.  
ANAGNOSTOPOULOU of Leoforos  
Alexandra No. 1 Athens (Greece);  
(4) ATHOS PATIKI, of Nicosia . . . Defendants. 20

To the above Defendants.

This is to command you that within ten days after the service of this writ you enter an appearance in an action against you by the above Plaintiff.

The Plaintiff's claim in the action is set out in the indorsement overleaf.

The Plaintiff's address for service is John Potamites, advocate, Limassol.

And take notice that in default of your entering an appearance in the manner specified below the Plaintiff may proceed in the action and judgment may be given in your absence.

Filed and sealed on the  
30th November, 1948.

(Sgd.) PASCHALIS & CLERIDES.

(Sgd.) ALECCOS ZENON.

(Sgd.) YIANGOS POTAMITIS.

(Sgd.) IOANNIDES,  
for Registrar.

N.B.—An appearance may be entered either personally or by advocate by delivering to the Registrar at Limassol a memorandum of appearance, and on the same day by delivering at the Plaintiffs' address for service a duplicate of such memorandum dated, signed and sealed by the Registrar. 40

## INDORSEMENT OF CLAIM.

The Plaintiff's claim is against Defendant "A" a firm of which deceased Georghios A. Patiki was partner, and against Defendants "B" as surviving partners of the said firm and/or personally.

*In the  
District  
Court of  
Limassol.*

—  
No. 1.  
Writ of  
Summons,  
30th  
November  
1948,  
*continued.*

A. For a declaration of the Court that Plaintiff is the sole heir of the deceased Georghios A. Patikis, Greek subject domiciled in Greece who died in Athens on the 6th July, 1946, and entitled to inherit all the movable and immovable property of the said deceased, which is found in Cyprus.

- 10 B. As such sole heir of the said deceased who was up to the time of his death a partner of the firm A. G. Patikis & Co., claims the right to withdraw from the said partnership on payment to her of the value of the share of the deceased in the partnership property, such value to be assessed on the current prices, and/or values on the 6.6.1946, the date of the death of the said deceased after deducting 15% on the sums due to the firm by customers for goods and tobacco, and 10% on the current cost value of existing goods as provided by clause (ia) of the partnership agreement (Clause (κ)) dated 15th September, 1923.

- 20 C. That in case Defendants do not consent to the withdrawal of Plaintiff from the partnership on the terms of claim "B" above, for an order of the Court directing the dissolution of the said partnership and ordering Defendants "B" to proceed to the winding up of the affairs of the partnership in accordance with clause (ib) of the said partnership agreement (Clause (L)), i.e. to realize forthwith the assets of the partnership and after payment of any liabilities of the partnership to divide the net proceeds between Plaintiff and themselves in proportion to the capital of each partner together with his share in any profit or losses, deducting from the share of each partner the moneys he has withdrawn from the partnership as they appear in the partnership books.

- 30 D. That in case Defendants consent to pay Plaintiff the share of the deceased in the said partnership as in claim "B" above :—

(A) the Court to declare that for the purpose of finding out the value of the share of the said deceased the partnership assets should be valued on the current prices on the 6.6.46, the date of the death of the deceased partner, and as such partnership assets should be considered also the immovable property of the partnership, whether registered in the name of the partnership, or in the name of any partner or partners so long as it was acquired with partnership money or for the account of the partnership.

- 40 (B) that on ascertainment of the value of the share of the said deceased in the partnership as above, Defendants to be ordered and adjudged to pay same to Plaintiff.

(c) that Defendants, as firm, and/or as surviving partners of the firm A. G. Patikis & Co., and/or personally and jointly and severally be ordered to pay to Plaintiff in addition to the sum to be found payable to her as share of the said deceased partner, interest thereon at 9% per annum, from the 6.6.1946, the date of his death,

*In the  
District  
Court of  
Limassol.*

No. 1.  
Writ of  
Summons,  
30th  
November  
1948,  
*continued.*

to the date of payment of the said sum, because Defendants did not duly exercise the right of option to purchase the share of the said deceased, although they continued to carry on the business for their own account and/or even if they did, they did not pay to Plaintiff the sum payable to her as the value of the share of the deceased or any sum.

E. The costs of this action.

(Sgd.) PASCHALIS & CLERIDES,  
ALECO ZENON  
J. P. POTAMITIS,  
Advocates for Plaintiff.

10

Filed on 30th November, 1948.

No. 2.  
Statement  
of Claim,  
11th  
January  
1949.

No. 2.  
STATEMENT OF CLAIM.

1. Plaintiff, being a minor, is suing by her natural father, Thrasylvoulos Papalopoulos, advocate, of Karditsa, Greece, as her next friend, and is Greek subject, domiciled and resident in Greece, and the adopted child of Yeorghios Athanasiou Patiki of Karditsa and of Athens, who had lawfully adopted Plaintiff as his child in accordance with the Laws in force in Greece, as evidenced by a decision of the Trikkala Court of First Instance in 20 application No. 423, dated 24th May, 1935.

2. The said Yeorghios Athanasiou Patikis died in Athens on the 5th June, 1946.

3. By a contract in writing entered into on the 15th September, 1923, between the said Yeorghios Athanasiou Patikis and Defendants "B" the parties to the said contract formed a partnership under the firm name A. G. Patiki & Co., Defendant A, with the object of continuing the commercial and industrial business of tobacconists of a pre-existing partnership under the same firm name.

4. The duration of the said partnership was five years, i.e. from the 30 1st July, 1923, to the 1st July, 1928, but it could be continued either expressly or impliedly after the expiration of the said period of five years on the same terms, and the said partnership did continue on the same terms up to the 5th June, 1946, the date of the death of Yeorghios Athanasiou Patikis.

5. The following are for the purposes of this action, material terms of the said contract :—

*Clause 6.* "The partnership shall keep regular commercial books in which all transactions relating to the partnership and the partners shall be entered. These books shall be balanced and closed 40

every year on the 1st July, and/or every six months, and the profit or loss shall be determined. Profit or loss shall be divided equally between the partners independently of the capital of each partner. Each partner is bound to withdraw the profit falling to his share every year, and if he leaves it with the partnership he shall not be entitled to any interest, but a partner having smaller capital is entitled to leave his profit in the partnership with interest at the rate of 6% until his capital is made equal to the capital of a partner having larger capital, in which case his profits will be capitalised."

*In the  
District  
Court of  
Limassol.*

No. 2.  
Statement  
of Claim,  
11th  
January  
1949,  
*continued.*

10           *Clause 11.* " After the expiration of the period of this contract if one partner or more wish to retire from the partnership they should give at least three months' notice in writing to the other partners, when, after the expiration of this notice the books of the Company shall be closed and to the partner or partners retiring shall be paid any sum to which they shall be entitled in accordance with these books, less 15% on their share from credits to third persons from sales of goods and tobacco, and less 10% on the existing goods, without, however, the retiring partner or partners being entitled to raise any claim for compensation for their share in the title of the business, and in the Trade Marks and the goodwill of the partnership. It is understood that all the above shall be valid if the remaining partners wish to continue the business for their own account, otherwise the retiring partner or partners can claim only the dissolution of the partnership. The provisions of this article shall be applicable in case of death of one or more partners either on or after the expiration of this contract to his or their heirs who shall be entitled to ask either to retire from the partnership or in case the other partners do not accept, its dissolution. But in no case such heirs shall be entitled to come in as partners in the place of the deceased partner."

20

30

*Clause 12.* " In case of dissolution, either after the expiration of this contract or under clause 11 of this contract, the partners or in case of death of a partner, only the surviving partners shall proceed to the liquidation of all the partnership property when after the payment of all liabilities of the partnership and the expenses of liquidation the balance shall be divided between the partners in proportion to the capital of each, with the share of each partner in the profit or loss after deducting the sums withdrawn by him in accordance with the books of the partnership."

40           6. The business of the said partnership has been continued after the death of Yeorghios Athanasiou Patikis by Defendants " B " as surviving partners, and the partnership property consisted of movable and immovable property, which immovable property was purchased with partnership money but registered either in the name of the firm or in the name of one of the partners but for the account of the firm.

7. Defendants so far have not given the Plaintiff the share of her deceased father in the partnership and are disputing :—

(A) that Plaintiff is the only heir of the deceased Yeorghios Athanasiou Patikis.

*In the  
District  
Court of  
Limassol.*

No. 2.  
Statement  
of Claim,  
11th  
January  
1949,  
*continued.*

(B) that even as adopted daughter of the deceased is entitled to inherit the movable property of the said deceased, she is not entitled to any share in the immovables belonging to the firm A. G. Patikis & Co. and that if she is proved to be the only heir of the deceased she is only entitled to get the share of the deceased as it appears in a balance sheet prepared by Defendants from the books of the partnership, less the value of the immovables of the firm and less 15% on the credits and 10% on the value of the existing stock of goods, without taking into consideration the reserves of the firm which in accordance with the said balance sheet amount to £35,000.0.0. 10

8. Plaintiff alleges :—

(A) that the deceased Yeorghios Athanasiou Patikis at the time of his death was Greek subject domiciled in Greece.

(B) that Plaintiff is duly and lawfully the adopted child of the said deceased.

(C) that the law applicable to the status of Plaintiff as child of the said deceased is the Law in force in Greece, i.e. the Greek Civil Code.

(D) that article 1579 of the Greek Civil Code provides :— 20

“ From the time of the adoption the adopted child has with regard to the adoptant the status of a genuine child.”

(E) that article 1581 of the Greek Civil Code provides :—

“ The descendants of the adopted child born after the adoption have the status of genuine descendants of the adoptant.”

(F) that the said deceased died intestate.

(G) that article 1813 of the Greek Civil Code provides :—

“ As heirs *ab intestato* in the first place are called the descendants of the deceased.”

(H) that Plaintiff is the only descendant of the said deceased. 30

(I) that under Greek Law Plaintiff is the only heir of the said deceased entitled to inherit all his property movable and immovable, wherever situate.

(J) that the balance sheet prepared by Defendants after the death of the said deceased is incorrect, contrary to the partnership contract, and inequitable in the following respects :—

(i) the furniture, the immovables, the machinery and the existing goods are greatly undervalued and have not been given their actual value at the time of the death of the deceased.

(ii) that while all the debts due to the firm do not exceed 40 £2,478.0.0 it provides for reserves of £4,474.16.3 for bad debts.

(iii) that while the machinery is put at £4,815.3.4 a reserve of £8,000.0.0 is provided for replacement of machinery and a further reserve of £9,981.11.8 is provided for extinguishing machinery and accessories.

(iv) that generally the whole of the reserves amounting to £35,000.0.0 are unjustified, excessive and generally contrary to the partnership contract.

(v) that the deceased is unduly debited and charged in the books of the firm with the 1/5th of the income tax paid by the bachelor partners as such in excess of the ordinary income tax.

*In the  
District  
Court of  
Limassol.*

No. 2.  
Statement  
of Claim,  
11th  
January  
1949,  
*continued.*

10

9. AND THE PLAINTIFF'S CLAIM is :

A. For a declaration of the Court that Plaintiff is the sole heir of the deceased Georghios A. Patikis, Greek subject domiciled in Greece, who died in Athens on the 5th June, 1946, and entitled to inherit all the movable and immovable property of the said deceased, which is found in Cyprus.

20

B. As such sole heir of the said deceased Plaintiff claims the right to retire from the partnership A. G. Patikis & Co. on payment to her of the value of the share of the deceased in the partnership property, such value to be assessed on the current prices, and/or values on the 5.6.1946, the date of the death of the said deceased, after deducting 15% of the sums due to the firm by customers for goods and tobacco, and 10% on the current cost value of existing goods as provided by clause (11) of the partnership agreement dated 15th September, 1923.

30

C. That in case Defendants do not consent to the retirement of Plaintiff from the Partnership on the terms of claim " B " above, for an order of the Court directing the dissolution of the said partnership and ordering Defendants " B " to proceed to the winding up of the affairs of the partnership in accordance with clause 12 of the said partnership agreement, i.e. to realise forthwith the assets of the partnership and after payment of any liabilities of the partnership to divide the net proceeds between Plaintiff and themselves in proportion to the capital of each partner together with his share in any profits or losses, deducting from the share of each partner the moneys he has withdrawn from the partnership as they appear in the partnership books.

D. That in case Defendants consent to pay Plaintiff the share of the deceased in the said partnership as in claim " B " above :—

40

(a) The Court to declare that for the purpose of finding out the value of the share of the said deceased the partnership assets should be valued on the current prices on the 5.6.46, the date of the death of the deceased partner, and as such partnership assets should be considered also the immovable property of the partnership, whether registered in the name of the partnership, or in the name of any partner or partners so long as it was acquired with partnership money or for the account of the partnership.



*In the  
District  
Court of  
Limassol.*

No. 2.  
Statement  
of Claim,  
11th  
January  
1949,  
*continued.*

(b) that on ascertainment of the value of the share of the said deceased in the partnership as above Defendants to be ordered and adjudged to pay same to Plaintiff,

(c) that Defendants, as firm and/or as surviving partners of the firm A. G. Patikis & Co., and/or personally and jointly and severally be ordered to pay to Plaintiff in addition to the sum to be found payable to her as share of the said deceased partner, interest thereon at 9% per annum, from the 5.6.1946, the date of his death, to the date of payment of the said sum, or in the alternative to give an account of the profits realised by the firm 10 from the date of the death of the said deceased up to the date of judgment in this case and be ordered to pay Plaintiff the 1/5th share of such profits, because Defendants did not duly exercise the right of option to purchase the share of the said deceased, although they continued to carry on the business for their own account and/or even if they did exercise the option to purchase, they did not pay to Plaintiff the sum payable to her as the value of the share of the deceased or any sum.

E. The costs of this action.

(Sgd.) PASCHALIS & CLERIDES, 20  
ALECOS ZENON,  
J. P. POTAMITIS,  
Advocates for Plaintiff.

Filed this 11th January, 1949.

No. 3.  
Statement  
of Defence  
of  
Defendants  
A, 19th  
March  
1949.

No. 3.

**STATEMENT OF DEFENCE OF DEFENDANTS A.**

1. The deceased George A. Patikis died in Athens on the 5th June, 1946, widower and without legitimate children (offspring) and left :—

(A) His mother Paraskevi A. Patiki, and

(B) his sisters Hariklia N. Papazaharia and Styliani 30  
Anagnostopoulou, and

(C) his brothers Christos A. Patikis and Costas A. Patikis, and

(D) his nephew Athos Taki Patiki, son of his predeceased brother Taki Patiki,

who claim to be the heirs of the deceased George A. Patikis. Therefore Defendants A allege that all the above persons ought to have been joined as Defendants in this action and their presence before the Court is necessary in order to enable the Court effectually and completely to adjudicate upon and settle all the questions involved in the present action.

Subject to above Defendants A (hereinafter called " the Defendants") 40 proceed with their defence.

2. The Defendants deny that the Plaintiff Thrasyvoulos Papalopoulos of Karditsa is the natural father of the Plaintiff Demetra Georghiou Patiki of Athens. The Defendants do not know and therefore deny that the Plaintiff Demetra Georghiou Patiki was lawfully adopted by Georghios Athanassiou Patiki of Karditsa (hereinafter referred to as the "deceased") as alleged in paragraph (1) of the Statement of Claim or at all. The Defendants allege :—

*In the  
District  
Court of  
Limassol.*

No. 3.  
Statement  
of Defence  
of  
Defendants  
A, 19th  
March  
1949,  
*continued.*

10 (A) That the deceased at all material times from the year 1896 down to the time of his death had Cyprus as his domicile of choice, and which domicile he never abandoned ; and

(B) That his capacity to adopt children, if it exists, must be one acquired by the law of Cyprus ; and

(C) That by the law of Cyprus, no capacity is given to persons domiciled therein to adopt children ; and

(D) That if Greek Law is found to be applicable to the deceased, the act of adoption was not properly and legally made ; and

(E) That by the Law of Greece, the Trikkala Court had no jurisdiction to make an order or to decree the adoption of the Plaintiff Demetra Georghiou Patiki, by the deceased ;

20 (F) That by the Law of Greece, if at all applicable and if the alleged adoption is found regular (which is not admitted) neither the Plaintiff nor Thrasyvoulos Papalopoulos on her behalf if he was appointed lawfully and by the competent Court as guardian of the Plaintiff (which is not admitted) is competent or empowered or entitled to bring the present action in the way it has been brought and that before such action is brought, the consent of what is known in Greece as the family Council, should have been first obtained ; and

30 (G) That the consent of the Plaintiff's family Council to the bringing of this action was never obtained ; and

(H) That Thrasyvoulos Papalopoulos is not, in any case, competent or entitled to bring this action in the way he has brought it.

3. The Defendants admit paragraph (2) of the Statement of Claim.

4. The Defendants admit paragraph (3) of the Statement of Claim, save only that the date of the contract therein referred to is 16.9.1923 and not 15.9.1923.

40 5. The Defendants admit paragraph (4) of the Statement of Claim and they add that the partnership continued as between the surviving partners for their own exclusive account as from the 5th June, 1946, the date of death of George A. Patikis with the express and/or tacit consent of all interested persons.

6. The Defendants admit paragraph (5) of the Statement of Claim but they say that the contract therein referred to is in the Greek language, and that at the trial they will refer to the original Greek text for its true meaning and effect.

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District  
Court of  
Limassol.*

No. 3.  
Statement  
of Defence  
of  
Defendants  
A, 19th  
March  
1949,  
*continued.*

7. The Defendants admit paragraph (6) of the Statement of Claim.

8. With regard to paragraph (7) of the Statement of Claim the Defendants do not know and therefore deny that the Plaintiff is an heir of the deceased. In further answer to paragraph (7) of the Statement of Claim, the Defendants allege in the alternative that, should it be proved that the Plaintiff is an heir of the deceased, the only property which is transmissible to the heirs of the deceased in the circumstances and under the partnership's agreement is the sum of money to which the deceased is as on the date of his death entitled to according to the books of the firm, less 15% of the deceased's share in credits arising from the sale of goods and tobacco and less 10% on his share in the existing stocks, and free from any claim for compensation for their share in the name or goodwill of the Firm or in the Firm's trade marks. The Defendants admit that, for the purpose of determining the share transmissible by the deceased to his heirs or next of kin, as at the date of his death, the balance sheet referred to in paragraph 7 (B) of the Statement of Claim is correct and the figures taken therein were admitted as correct by the deceased about a month before his death, and the Defendants allege that it is not now open to the Plaintiff, if she be an heiress as she alleges (which the Defendants do not admit), to question the correctness of those figures and balance sheet. Defendants further allege that Christos A. Patikis one of the managers of the partnership A. G. Patikis & Co., was also the agent of the deceased George A. Patikis for all purposes connected with the administration and management of the partnership A. G. Patikis & Co., and all the accounts and balance sheets of such partnership were kept and made under the direction of Christos A. Patikis and they were all approved by him. All such accounts, balance sheets and all the acts and deeds of Christos A. Patikis both as manager of the Firm A. G. Patikis & Co., and as agent of the deceased up to a month before the death of George A. Patikis were fully approved by the deceased and it is not now open to the Plaintiff, if she be an heiress as she alleges (which Defendants do not admit), to question the correctness thereof. The Defendants will, at the hearing, refer to the contents of the said accounts and balance sheets of the property so transmissible and the Plaintiff if entitled to any share in the succession would not be entitled to share in the assets transmissible to the heirs of the deceased in so far as such assets reflect or represent his share in the fixed or immovable assets. The Defendants admit that the heirs of the deceased whoever they may be, are not entitled to any share in the reserves of the Firm.

9. The Defendants deny the matter alleged in paragraphs 8 (A), 8 (B), 8 (C), 8 (D), 8 (E), 8 (F), 8 (G), 8 (H) and 8 (I) of the Statement of Claim.

As to paragraph 8 (J) of the Statement of Claim the Defendants deny that the balance sheet therein referred to is incorrect as alleged or at all and, in further answer thereto, the Defendants repeat what has been alleged by them in paragraph 8 hereof and allege further that the Firm's balance sheets and all the firm's previous accounts and dealings taken therein up to the 5.5.1946, were accepted and approved by the deceased and his agent and the Defendants allege that the Plaintiff (if an heiress

of the deceased, which is not admitted) is precluded and should not be admitted to question the correctness of the said balance sheets and accounts and dealings. Subject to the estoppel pleaded :—

The Defendants deny the allegations contained in paragraph 8 (J) (i) of the Statement of Claim.

Defendants deny the allegations contained in paragraph 8 (J) (ii) of the Statement of Claim, and, in any case, they allege that the reasonableness or otherwise of the reserves for bad debts cannot be judged by the amount of debts due at any given moment and that reserves are intended to meet  
10 future risks.

As to the matter pleaded in paragraph 8 (J) (iii), the Defendants say that the reserves therein referred to are reasonable.

The Defendants say that the reserves mentioned in paragraph 8 (J) (iv) of the Statement of Claim are justified, moderate and in harmony with the spirit of the partnership's contract and the Defendants say that the reasonableness or otherwise of the reserves is a matter upon which the partnership has complete control and the discretion of the partners is not one which can be reviewed by the Honourable Court. Defendants further allege that the same reserves appear in the balance sheet of the  
20 Firm A. G. Patikis & Co., as at 31st December, 1945, which was fully approved by the deceased and it is not open to Plaintiff if an heiress to question the reasonableness and correctness thereof.

As to the matter alleged in paragraph 8 (J) (v) of the Statement of Claim, the Defendants say that the practice, understanding and agreement of the partners has always been to pool the rates and taxes to which the individual partners were liable in Cyprus, in the way reflected in the partnership accounts and this practice, understanding and agreement were approved by the deceased.

10. (A) Defendants allege that the deceased George A. Patikis  
30 was on the date of, and before his death responsible to deliver to them 50,000 okes about of unmanufactured Greek tobacco belonging to the Defendants of a value of about £40,000—which tobacco was in the possession of the deceased in Greece as agent and for the account of the Defendants. The deceased was also on the date of, and before, his death liable to account to Defendants for various sums remitted to him in Greece and amounting to £7,531.8.2 in all. The deceased by his letter to the Defendants dated the 4th May, 1946, admitted liability to deliver or ship to the Defendants the said quantity of unmanufactured tobacco and to account for the said sum and authorised the Defendants to debit him with the  
40 value of any quantity of such unmanufactured tobacco if he failed to deliver or ship same to the Defendants as well as with any sum remitted by the Defendants to the deceased as aforesaid and received and kept by the deceased.

(B) The Defendants notwithstanding their repeated claims and protests have only been able to settle the above matters in June, 1948.

(C) The Defendants were always and they are now ready and willing to pay to the heirs of the deceased George A. Patikis the sum of money to

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—  
No. 3.

Statement  
of Defence  
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A, 19th  
March  
1949,  
*continued.*

*In the  
District  
Court of  
Limassol.*

No. 3.  
Statement  
of Defence  
of  
Defendants  
A, 19th  
March  
1949.  
*continued.*

which they are entitled under the partnership's agreement and in fact they were always holding such sum at the disposal of such heirs and since the 31.8.48 they placed such sum in separate accounts with the Ottoman Bank Limassol. All the above were repeatedly brought to the knowledge of all those who claim to be the heirs of the deceased and/or their representatives. In fact the Defendants ever since the death of George A. Patikis have had very big sums of money deposited with Banks in Limassol without any interest whatsoever. Such sums very much exceed the sum to which the heirs of the deceased are entitled under the partnership's agreement. 10

(D) Defendants have also paid on the instructions of the temporary administrator out of the sum payable to the heirs as aforesaid the income taxes payable by the deceased in respect of the year 1945 and for the period ended on the 5.6.46 and they have also on the same instructions paid the estate duty payable by the estate of the deceased all amounting to many thousands pounds. The estate duty payable by the estate of the deceased was finally settled by the Commissioner of Estate Duty on the 7th February, 1949, and the balance then due was paid.

(E) The Defendants allege that the continuation of the partnership by the surviving partners for their own exclusive account and their acceptance to pay to the heirs of the deceased the sum of money to which they are entitled under the partnership's agreement was brought to the knowledge of all those who claim to be the heirs of the deceased and/or their representatives who expressly and/or impliedly agreed or consented thereto. Such continuation of the partnership as between the surviving partners was communicated to the Registrar of Partnerships on the 6.6.1946 and was published in the Cyprus Gazette of 27th June, 1946. 20

(F) The Defendants in view of the dispute existing as to who are the heirs of the deceased and what their rights of succession are asked repeatedly all the persons who claim to be the heirs of the deceased and/or their representatives to settle all their differences and disputes either amicably or through the Court in order to enable the Defendants to pay to the heirs entitled by law to receive the sum of money to which they are entitled to receive under the partnership's agreement. 30

11. The Defendants deny each and every claim and allegation made in paragraphs (9A), (9B), (9C), (9D), (9Da), (9Db), (9Dc) and (9E) of the Statement of Claim and, in further answer thereto the Defendants reiterate the foregoing paragraphs of this defence.

(Sgd.) SIR PANAYIOTIS CACOYANNIS,

Counsel for Defendants A. 40

Filed this 19.3.1949.

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## No. 4.

## STATEMENT OF DEFENCE OF DEFENDANTS B (1) and B (2).

*In the  
District  
Court of  
Limassol.*

No. 4.  
Statement  
of Defence  
of  
Defendants  
B (1) and  
B (2),  
18th March  
1949.

1. The Defendants B(1) and B(2) (herein referred to as the Defendants) bring to the knowledge of the Honourable Court that, Georghios Athanasi Patiki, the deceased referred to in the Statement of Claim (hereinafter referred to as "the deceased") died in Athens, Greece, on the 5th day of June, 1946, and that he left no surviving wife or legitimate issue but he left the following kindred who come within the class entitled to inherit his estate to wit :—

- 10 (A) his mother Paraskevi Athanassiou Patiki of Trikala,  
(B) his sister Hariklia N. Papazacharia of Trikala,  
(C) his sister Styliani N. Anagnostopoulou of Athens,  
(D) his brother Christos A. Patiki of Limassol,  
(E) his brother Constantinos A. Patiki of Limassol,  
(F) his nephew, i.e. the son of his pre-deceased brother, Athos Taki Patiki of Nicosia,

and the Defendants say that all the above are claiming to succeed to the entirety of the estate of the said deceased and their presence before the Honourable Court is necessary to enable the Court effectually and  
20 completely to adjudicate upon and settle all matters involved in this action.

2. The Defendants deny that the Plaintiff Thrasyvoulos Papalopoulos of Karditsa is the natural father of the Plaintiff Demetra Georghiou Patiki of Athens. The Defendants do not know and they therefore deny that the Plaintiff Demetra Georghiou Patiki was lawfully adopted by the deceased as alleged in paragraph (1) of the Statement of Claim or at all. The Defendants allege :—

- 30 (A) That the deceased at all material times from the year 1896 down to the time of his death had Cyprus as his domicile of choice and which domicil he never abandoned ; and  
(B) that his capacity to adopt children, if it exists, must be one acquired from the law of Cyprus ; and  
(C) that by the law of Cyprus, no capacity is given to persons domiciled therein to adopt children ; and  
(D) that if Greek Law is found to be applicable to the deceased, the act of adoption was not properly and legally made ; and  
(E) that by the Law of Greece, the Trikkala Court had no jurisdiction to make an order or to decree the adoption of the Plaintiff Demetra Georghiou Patiki, by the deceased.  
40 (F) that by the Law of Greece, if at all applicable, and if the act of the alleged adoption be found regular (which is not admitted) neither the Plaintiff nor the said Thrasyvoulos Papalopoulos on her behalf, even if it be found that he was appointed lawfully and

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B (1) and  
B (2),  
18th March  
1949,  
*continued.*

by the competent Court as guardian of the Plaintiff (which is not admitted), is empowered or authorised to start the present action and the Defendants say that, to enable the starting of the present action, even if it be assumed that all other conditions are present (which is not admitted) the consent of what is known in Greek Law as the "Family Council" of the Plaintiff should be first obtained; and

(G) that the consent of the Plaintiff's Family Council to the bringing of this action was never obtained; and

(H) that Thrasyvoulos Papalopoulos is not, in any case, 10 competent or authorised to bring this action.

3. The Defendants admit paragraph (2) of the Statement of Claim.

4. The Defendants admit paragraph (3) of the Statement of Claim save only that the date of the contract therein referred to is 16.9.1923 and not 15.9.1923.

5. The Defendants admit paragraph (4) of the Statement of Claim and they add that the partnership continued between the surviving partners for their own exclusive account from 5.6.1946 onwards with the express and/or tacit assent of all interested parties.

6. The Defendants admit paragraph (5) of the Statement of Claim but 20 they say that the contract therein referred to is in the Greek language, and that at the trial they will refer to the original Greek text for its true meaning and effect.

7. The Defendants admit paragraph (6) of the Statement of Claim.

8. With regard to paragraph (7) of the Statement of Claim the Defendants do not admit and they therefore deny that the Plaintiff is an heir of the deceased. In further answer to paragraph (7) of the Statement of Claim, the Defendants allege in the alternative that, should it be proved that the Plaintiff is an heir of the deceased, the only property which is transmissible to the heir of the deceased in the circumstances is the money 30 to which the deceased is entitled to according to the books of the firm, less 15% of the deceased's share in credits arising from the sale of goods and tobacco and less 10% of his share in the existing stocks, and free from any claim for compensation for their share in the name of goodwill of the firm or in the firm's trade marks. The Defendants admit that, for the purposes of determining the share transmissible by the deceased to his heirs or next of kin, as at the date of his death, the balance sheet referred to in paragraph 7 (B) of the Statement of Claim is correct and the figures taken therein were admitted as correct by the deceased a few days before his death, and the Defendants allege that it is not now open to the Plaintiff, 40 if she be an heiress as she alleges (which the Defendants do not admit) to question the correctness of those figures and balance sheet. The Defendants will, at the hearing, refer to the contents of the said accounts and balance sheet. Defendants further allege that Christos A. Patikis one of the managers of the partnership A. G. Patikis & Co. was also the agent of the

deceased George A. Patikis for all purposes connected with the administration and management of the partnership A. G. Patikis & Co. and all the accounts and balance sheets of such partnership were kept and made under the direction of Christos A. Patikis and they were all approved by him. All such accounts, balance sheets and all the acts and deeds of Christos A. Patikis both as manager of the firm A. G. Patikis & Co. and as agent of the deceased up to a month before the death of George A. Patikis were fully approved by the deceased and it is not now open to the Plaintiff if she be an heiress as she alleges (which the Defendants do not admit) to question the correctness thereof. The Defendants will, at the hearing, refer to the contents of the said accounts and balance sheets of the property so transmissible and the Plaintiff if entitled to any share in the succession would not be entitled to share in the assets transmissible to the heirs of the deceased in so far as such assets reflect or represent his share in the fixed or immovable assets. The Defendants admit that the heirs of the deceased, whoever they may be, are not entitled to any share in the reserves of the Firm.

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9. The Defendants deny the matter alleged in paragraphs 8 (A), 8 (B), 8 (C), 8 (D), 8 (E), 8 (F), 8 (G), 8 (H), and 8 (I) of the Statement of Claim.

20

As to paragraph 8 (j) of the Statement of Claim the Defendants deny that the balance sheet therein referred to is incorrect as alleged or at all and, in further answer thereto, the Defendants allege that the firm's balance sheet and all the firm's previous accounts and dealings taken therein as on the 5.5.1946, were accepted by the deceased, and the Defendants allege that the Plaintiff (if an heiress of the deceased, which is not admitted) is precluded and should not be admitted to question the correctness of the said balance sheet and accounts and dealings. Subject to the estoppel pleaded :—

30

The Defendants deny the allegations contained in paragraph 8 (J) (i) of the Statement of Claim.

The Defendants deny the allegations contained in paragraph 8 (J) (ii) of the Statement of Claim and the Defendants allege that the reasonableness or otherwise of the reserves for bad debts cannot be judged by the amount of debts due at any given moment and that reserve is intended to meet future risks.

As to the matter pleaded in paragraph 8 (J) (iii), the Defendants say that the reserves therein referred to are reasonable.

40

The Defendants say that the reserves mentioned in paragraph 8 (J) (iv) of the Statement of Claim are justified, moderate and in harmony with the spirit of the partnership contract and the Defendants say that the reasonableness or otherwise of the reserves is a matter upon which the partnership has complete control and the discretion of the partners is not one which can be reviewed by the Honourable Court.

As to the matter alleged in paragraph 8 (J) (v) of the Statement of Claim, the Defendants say that the practice and the understanding of the partners has always been to pool the rates and taxes

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—  
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Statement  
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B (1) and  
B (2),  
18th March  
1949,  
*continued.*



*In the  
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to which the individual partners were liable in Cyprus and the way reflected in the partnership accounts and this practice was approved by the deceased.

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Statement  
of Defence  
of  
Defendants  
B (1) and  
B (2),  
18th March  
1949.  
*continued.*

10. The Defendants deny each and every claim and allegation made in paragraphs (9-A), (9-B), (9-C), (9-D), (9-Da), (9-Db), (9-Dc) and (9-E) of the Statement of Claim and, in further answer thereto the Defendants reiterate the foregoing paragraphs of this defence.

Dated in Limassol this 18th day of March, 1949.

(Sgd.) M. HOURY,

Counsel for the Defendants 10  
B (1) and B (2).

Filed this 18.3.1949.

No. 5.  
Statement  
of Defence  
of  
Defendants  
B (3) and  
B (4),  
19th March  
1949.

**No. 5.**

**STATEMENT OF DEFENCE OF DEFENDANTS B (3) and B (4).**

1. The deceased George A. Patikis died in Athens on the 5th day of June, 1946, widower and without legitimate children (offspring) and left :—

(A) his mother Paraskevi A. Patiki, and

(B) his sisters Hariklia N. Papazaharia and Styliani N. Anagnostopoulou, and

(C) his brothers Christos A. Patikis and Costas A. Patikis 20  
(Defendants No. B (3) and (4)), and

(D) his nephew Athos Taki Patiki son of his predeceased brother Taki Patiki,

who claim to be the heirs of the deceased George A. Patikis. Therefore Defendants B (3) and (4) allege that besides themselves all the above persons ought to have been joined as Defendants in this action and their presence before the Court is necessary in order to enable the Court effectually and completely to adjudicate upon and settle all the questions involved in the present action.

Subject to above, Defendants B (3) and (4) (hereinafter called 30  
“ the Defendants ”) proceed with their defence.

2. With regard to paragraph 1 of the Statement of Claim the Defendants deny that the Plaintiff Thrasyvoulos Papalopoulos of Karditsa is the natural father of the Plaintiff Demetra Georghiou Patiki of Athens. The Defendants deny that the Plaintiff Demetra Georghiou Patiki was

lawfully adopted by Georghios Athanasiou Patiki of Karditsa (hereinafter referred to as "the deceased") as alleged in paragraph (1) of the Statement of Claim or at all. The Defendants allege :—

*In the  
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Court of  
Limassol.*

(A) that the deceased at all material times from the year 1896 down to the time of his death had Cyprus as his domicile of choice and which domicile he never abandoned ; and

—  
No. 5.  
Statement  
of Defence  
of  
Defendants  
B (3) and  
B (4),  
19th March  
1949,  
*continued.*

(B) that his capacity to adopt children, if it exists, must be one acquired by the Law of Cyprus ; and

10 (C) that by the Law of Cyprus, no capacity is given to persons domiciled therein to adopt children ; and

(D) that if Greek law is found to be applicable to the deceased, the act of adoption was not properly and legally made ; and

(E) that by the Law of Greece, the Trikkala Court had no jurisdiction to make an order or to decree the adoption of the Plaintiff Demetra Georghiou Patiki, by the deceased ; and

20 (F) that by the Law of Greece, if at all applicable and if the alleged adoption is found regular, (which is not admitted) neither the Plaintiff nor Thrasyvoulos Papalopoulos on her behalf if he was appointed lawfully and by the competent Court as guardian of the Plaintiff, (which is not admitted) is competent or empowered or entitled to bring the present action in the way it has been brought and that before such action is brought, the consent of what is known as the family Council should have been first obtained ; and

(G) that the consent of the Plaintiff's family Council to the bringing of this action was never obtained ; and

(H) that Thrasyvoulos Papalopoulos is not, in any case, competent or entitled to bring this action in the way he has brought it.

3. The Defendants admit paragraph (2) of the Statement of Claim.

30 4. The Defendants admit paragraph (3) of the Statement of Claim, save only that the date of the contract therein referred to is 16.9.1923 and not 15.9.1923.

5. The Defendants admit paragraph (4) of the Statement of Claim and they add that the partnership continued as between the surviving partners for their own exclusive account as from the 5th June, 1946, the date of death of George A. Patikis.

6. The Defendants admit paragraph (5) of the Statement of Claim but they say that the contract therein referred to is in the Greek Language, and that at the trial they will refer to the original Greek text for its true meaning and effect.

40 7. The Defendants admit paragraph (6) of the Statement of Claim.

8. With regard to paragraph 7 of the Statement of Claim the Defendants deny that Plaintiff is the only heir or an heir at all of the deceased and they allege that the only heirs of the deceased are themselves together with the other persons enumerated in paragraph 1 of this Defence.

*In the  
District  
Court of  
Limassol.*

No. 5.  
Statement  
of Defence  
of  
Defendants  
B (3) and  
B (4),  
19th March  
1949,  
*continued.*

In further answer to paragraph 7 of the Statement of Claim the Defendants allege that the only property which is transmissible to the heirs of the deceased in the circumstances is the sum of money to which the deceased is entitled to according to the books of the Firm, less 15% of the deceased's share in credits arising from the sale of goods and tobacco and less 10% on his share in the existing stocks, and free from any claim for compensation for their share in the name or goodwill of the Firm or in the Firm's trade Marks. The Defendants admit that, for the purpose of determining the share transmissible by the deceased to his heirs or next of kin, as at the date of his death, the balance sheet referred to in paragraph 7 (b) of the Statement of Claim is correct and the figures taken therein were admitted as correct by the deceased about a month before his death, and the Defendants allege that it is not now open to the Plaintiff, if she be an heiress as she alleges (which in any case the Defendants deny), or to the heirs of the deceased to question the correctness of those figures and balance sheet. 10

The Defendants further allege that Defendant B (3), i.e., Christos A. Patikis, one of the Managers of the Partnership A. G. Patikis & Co., was also the agent of the deceased George A. Patikis for all purposes concerned with the administration and management of the partnership A. G. Patikis and Co. and all the accounts and balance sheets of such partnership were kept and made under the direction of Christos A. Patikis and they were all approved by him. All such accounts, balance sheets and all the acts and deeds of Christos A. Patikis both as manager of the firm A. G. Patikis & Co. and as agent of the deceased up to a month before the death of George A. Patikis were fully approved by the deceased and it is not now open to the Plaintiff if she be an heiress as she alleges (which in any case Defendants deny) or to the heirs of the deceased to question the correctness thereof. The Defendants will, at the hearing, refer to the contents of the said account and balance sheets of the property so transmissible to the heirs of the deceased. 20 30

The Defendants further allege that if Plaintiff is found to be entitled to any share in the succession (which in any case the Defendants deny) she would not be entitled in any case to share in the assets transmissible to the heirs of the deceased in so far as such assets reflect or represent the deceased's share in the fixed or immovable assets.

The Defendants admit that the heirs of the deceased are not entitled to any share in the reserves of the Firm.

9. The Defendants deny the matter alleged in paragraphs 8 (a), 8 (b), 8 (c), 8 (d), 8 (e), 8 (f), 8 (g), 8 (h) and 8 (i) of the Statement of Claim. 40

As to paragraph 8 (j) of the Statement of Claim the Defendants deny that the balance sheet therein referred to is incorrect as alleged or at all and, in further answer thereto the Defendants repeat what has been alleged by them in paragraph 7 hereof and allege further that the Firm's balance sheets and all the firm's previous accounts and dealings taken therein as up to 5.5.1946, were accepted and approved by the deceased and the defendants allege that the plaintiff if found to be an heiress of the deceased (which in any case Defendants deny) or the heirs of the

deceased is and/or are precluded and should not be admitted to question the correctness of the said balance sheet and accounts and dealings. Subject to the estoppel pleaded, the Defendants deny the allegations contained in paragraph 8 (J) (i) of the Statement of Claim.

*In the  
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Court of  
Limassol.*

Defendants deny the allegations contained in paragraph 8 (J) (ii) of the Statement of Claim and in any case they allege that the reasonableness or otherwise of the reserves for bad debts cannot be judged by the amount of debts due at any given moment and that reserves are intended to meet future risks.

No. 5.  
Statement  
of Defence  
of  
Defendants  
B (3) and  
B (4),  
19th March  
1949,  
*continued.*

10 As to the matter pleaded in paragraph 8 (J) (iii), the Defendants say that the reserves therein referred to are reasonable.

The Defendants say that the reserves mentioned in paragraph 8 (J) (iv) of the Statement of Claim are justified, moderate and in harmony with the spirit of the partnership contract and the Defendants say that the reasonableness or otherwise of the reserves is a matter upon which the partnership has complete control and the discretion of the partners is not one which can be reviewed by the Honourable Court. Defendants further allege that the same reserves appear in the balance sheet of the Firm A. G. Patikis & Co. as at 31st December, 1945, which was fully approved  
20 by the deceased, and it is not open to the heirs of the deceased or to Plaintiff if she would be found to be an heiress (which in any case the Defendants deny) to question the reasonableness and correctness thereof.

As to the matter alleged in paragraph 8 (J) (v) of the Statement of Claim, the Defendants say that the practice and the understanding of the partners has always been to pool the rates and taxes to which the individual partners were liable in Cyprus, in the way reflected in the partnership account and this practice was approved by the deceased.

10. The Defendants deny each and every claim and allegation made in paragraphs (9A), (9-B), (9-C), (9-D), (9-Da), (9-Db), (9-Dc) and  
30 (9-E) of the Statement of Claim and, in further answer thereto the Defendants reiterate the foregoing paragraphs of this Defence.

Dated in Limassol this 19th day of March, 1949.

(Sgd.) JOHN ELIADES,  
Counsel for Defendants B (3) & (4).

Filed this 19.3.1949.

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## STATEMENT OF DEFENCE OF DEFENDANTS C (2) and C (3).

*In the  
District  
Court of  
Limassol.*

No. 6.  
Statement  
of Defence  
of  
Defendants  
C (2) and  
C (3),  
28th  
October  
1949.

1. The deceased George A. Patikis died in Athens on the 5th June, 1946, widower and without legitimate children (offspring) and left :—

(A) his mother Paraskevi A. Patiki who died on the 21st July, 1949, and

(B) his sisters Hariklia N. Papazacharia and Styliani Anagnostopoulou, and

(C) his brothers Christos A. Patikis and Costas A. Patikis, and

(D) his nephew Athos Taki Patiki son of his predeceased brother Taki Patiki,

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who claim to be the heirs of the deceased George A. Patikis.

2. The Defendants do not know and therefore deny that the Plaintiff Demetra Georghiou Patiki was lawfully adopted by Georghios Athanasiou Patiki of Karditsa (hereinafter referred to as "the deceased") as alleged in paragraph (1) of the Statement of Claim or at all. The Defendants allege :—

(A) that the deceased at all material times from the year 1896 down to the time of his death had Cyprus as his domicile of choice, and which domicile he never abandoned ; and

(B) that his capacity to adopt children, if it exists, must be one acquired by the law of Cyprus ; and

(C) that by the law of Cyprus, no capacity is given to persons domiciled therein to adopt children ; and

(D) that if Greek law is found to be applicable to the deceased, the act of adoption was not properly and legally made ; and

(E) that by the law of Greece the Trikkala Court had no jurisdiction to make an order or to decree the adoption of the Plaintiff Demetra Georghiou Patiki, by the deceased ;

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(F) that by the Law of Greece, if at all applicable, and if the alleged adoption is found regular (which is not admitted) neither the Plaintiff nor Thrasyvoulos Papalopoulos on her behalf if he was appointed lawfully and by the competent Court as guardian of the Plaintiff (which is not admitted) is competent or empowered or entitled to bring the present action in the way it has been brought and that before such action is brought, the consent of what is known in Greece as the family Council should have been first obtained ; and

(G) that the consent of the Plaintiff's family Council to the bringing of this action was never obtained ; and

(H) that Thrasyvoulos Papalopoulos is not, in any case, competent or entitled to bring this action in the way he has brought it.

3. The Defendants admit paragraph (2) of the Statement of Claim.

4. The Defendants admit paragraph (3) of the Statement of Claim, save only that the date of the contract therein referred to is 16.9.1923 and not 15.9.1923.

5. The Defendants admit paragraph (4) of the Statement of Claim and they add that the partnership continued as between the surviving partners for their own exclusive account as from the 5th June, 1946, the date of death of George A. Patikis with the express and/or tacit consent of all interested persons.

10 6. The Defendants admit paragraph (5) of the Statement of Claim but they say that the contract therein referred to is in the Greek language, and that at the trial they will refer to the original Greek text for its true meaning and effect.

7. The Defendants admit paragraph (6) of the Statement of Claim.

8. With regard to paragraph (7) of the Statement of Claim the Defendants deny that the Plaintiff is an heir of the deceased. The Defendants in any case allege that the Plaintiff if entitled to any share in the succession would not be entitled to share the assets transmissible to the heirs of the deceased in so far as such assets reflect or represent his  
20 share in the fixed or immovable assets in Cyprus.

9. The defendants deny the matter alleged in paragraphs 8 (a), 8 (b), 8 (c), 8 (d), 8 (e), 8 (f), 8 (g), 8 (h) and 8 (i) of the Statement of Claim.

As to paragraph 8 (j) of the Statement of Claim the Defendants deny that the balance sheet therein referred to is incorrect as alleged or at all.

10. The Defendants deny each and every claim and allegation made in paragraphs (9A), (9B), (9C), (9D), (9Da), (9Db), (9Dc) and (9E) of the Statement of Claim and, in further answer thereto, the Defendants reiterate the foregoing paragraphs of this defence.

(Sgd.) SIR PANAYOTIS CACOYANNIS,  
Counsel for Defendants C (2) and (3).

30

Filed on 28.10.1949.

*In the  
District  
Court of  
Limassol.*

—  
No. 6.  
Statement  
of Defence  
of  
Defendants  
C (2) and  
C (3),  
28th  
October  
1949,  
*continued.*

*In the  
District  
Court of  
Limassol.*

No. 7.

STATEMENT OF DEFENCE OF DEFENDANT C.4.

No. 7.  
Statement  
of Defence  
of  
Defendant  
C.4  
11th  
October  
1949.

1. Defendant C.4 is one of the legal heirs of the deceased Georghios Athanasiou Patiki who died in Athens on the 5th June, 1946. Defendant C.4 denies that Plaintiff has a cause of action. He further denies that the Plaintiff Demetra Georghiou Patiki is the adopted child of the said deceased, or that she was legally and lawfully adopted by him. And Defendant C.4 alleges :—

(A) That the domicile of choice of the said deceased was down to the time of his death, Cyprus. 10

(B) That the laws of Cyprus do not empower anyone to adopt children.

(C) That the Laws of Cyprus do not recognise the adoption of children made in other countries.

(D) That the Plaintiff was never adopted by the said deceased by any law in force in Cyprus, nor was her alleged adoption by the deceased in Greece, which is denied by Defendant C.4, ever recognised or confirmed or ratified by any act or law of Cyprus.

(E) That in any case, even if Plaintiff proves that the deceased adopted her as his child in Greece, that adoption does not in any way entitle her to her claim or to any rights in or over the deceased's estate or property movable or immovable found in the island of Cyprus. 20

(F) That under the Laws of Greece, if at all applicable, neither the Plaintiff nor the said Thrasylvoulos Papalopoulos on her behalf, is empowered or authorised to commence the present action nor was the consent of the " family Council " of the Plaintiff obtained before commencing this action, as required by the Law and Procedure of Greece.

2. Defendant C.4 admits paragraph 2 of the Statement of Claim. 30

3. Defendant C.4 is not aware of the contract in writing or its contents stated in paras. 3, 4 and 5 of the Statement of Claim, and reserves all his rights as one of the legal heirs of the said deceased in the movable and immovable property left by him.

4. Defendant C.4 admits para. 6 of the Statement of Claim.

5. Defendant C.4 denies para. 7 of the Statement of Claim. He further denies that Plaintiff is a legal or otherwise an heir of the deceased Georghios Athanasiou Patiki, or that she is in any manner whatsoever entitled to any share in the movable or immovable property of the said deceased : Defendant C.4 reserves all his rights as a legal heir of the said deceased. 40

6. Defendant C.4 denies para. 8 of the Statement of Claim and he denies :

(A) that the said deceased was, at the time of his death a Greek subject or that he was domiciled in Greece ;

(B) that the Plaintiff was duly or lawfully the adopted child of the said deceased ;

10 (C) that as to sub-paras. 8 (C) (D) (E) (G) (H) (I) of the Statement of Claim Defendant C.4 denies each and every allegation stated therein and denies that the law applicable to the status of Plaintiff as child of the said deceased is the Law in force in Greece ; that the Plaintiff is a descendant of the said deceased ; that Plaintiff is an heir of the deceased ; that Plaintiff is in any manner entitled to inherit any part of the movable or immovable property of the said deceased ;

(D) Defendant C.4 admits sub-para. 8 (F) that the said deceased died intestate and alleges that he died leaving no descendants entitled to inherit his property ;

20 (E) as to sub-paras. 8 (J) (i) (ii) (iii) (iv) (v) of the Statement of Claim Defendant C.4 says that he is not aware of the true position of the estate of the deceased as described therein and as one of the legal heirs of the said deceased reserves all his rights in the movable and immovable property of the deceased and his rights to demand a full and complete account of the deceased's share in the said partnership assets and profits and in the discovery of his movable and immovable property whatsoever and wheresoever.

7. Defendant C.4 repeats all the above defence and denies para. 9 of the Statement of Claim and generally denies that she is entitled to her claim or that she has any cause of action.

(Sgd.) ROSSIDES & TAVERNARIS,

30

Advocates for Defendant C.4.

Filed this 11th October, 1949.

*In the  
District  
Court of  
Limassol.*

No. 7.  
Statement  
of Defence  
of  
Defendant  
C.4  
11th  
October  
1949,  
*continued.*



*In the  
District  
Court of  
Limassol.*

**PLAINTIFF'S EVIDENCE.**

**No. 8.**

**EVIDENCE OF BERGH KEVORKIAN.**

*Plaintiff's  
Evidence.*

Before Full Court : ZANNETIDES, P.D.C., and THEOCHARIDES, D.J.

No. 8.  
Bergh  
Kevorkian,  
12th  
December  
1950.  
Examina-  
tion.

BERGH KEVORKIAN : sworn : (Clerk in the office of the Registrar of Partnerships).

*Examination :*

*Clerides :* *Q.* You have in your custody the files of the registrations of partnerships ?—*A.* Yes.

*Q.* Have you got the file of the registration of the partnership of 10 A. G. Patikis & Co., Limassol ?—*A.* Yes.

*Q.* When was this partnership registered ?—*A.* It was registered on the 7th June, 1929.

*Q.* And it was registered after a declaration form was filled up by the partners ?—*A.* Yes.

*Q.* Will you please produce that application ?—*A.* I produce it.

*Exhibit 1.* (Application form put in evidence as Exhibit 1.)

*Q.* Who are the partners in this Company ?—*A.* Ioannis Georghios Patikis, of Limassol ; Christos Athanassis Patikis, of Limassol ; Costas Athanassis Patikis, of Limassol ; George Athanassis Patikis, of Trikkala, 20 Greece ; and Vasilis Georghios Patikis, of Trikkala, Greece.

*Q.* Are the details of this declaration published ?—*A.* Yes, in the Cyprus Gazette, No. 1990, of the 21st June, 1929.

*Q.* Was any declaration made in 1946, as to changes in this partnership ?—*A.* Yes.

*Q.* Will you please produce the application for the registration of those changes ?—*A.* Yes, I produce it.

*Exhibit 2.* (Application put in evidence as Exhibit 2.)

*Witness :* On the 6th June, 1946, the Company notified our officethat George Athanassis Patikis, of Trikkala, Greece, ceased to be a partner of 30 the Company, owing to his death, which occurred on the 5th June, 1946. This was published in the Cyprus Gazette, No. 3250, of the 27th June, 1946.

Cross-  
examina-  
tion.

*Cross-examination by Sir P. Cacoyannis :* Nil.

*XX'n Houry :* *Q.* Is there anything in the forms which are required, which gives the domicile of the partners ?—*A.* No, only the residential address.

*XX'n by Mr. Eliades :* Nil.

*XX'n by Mr. G. Rossides :* Nil.

*Re-X'n :* Nil.

## EVIDENCE OF THRASYVOULOS PAPALOPOULOS—(part).

In the  
District  
Court of  
Limassol.

Plaintiff's  
Evidence.

THRASYVOULOS PAPALOPOULOS, sworn :

*Examination :*

*Clerides :* I am of Karditsa, where I have been practising since 1914.

I knew the deceased Georghios Athanassis Patikis, as he was my relative ; he and I having married two sisters.

The deceased was married at Trikkala, where he permanently resided. He was a citizen of Trikkala and a Greek subject.

- 10 I knew the deceased before 1920 ; he lived always at Trikkala up until 1936, when he took up residence in Athens, where he lived in a house of his own at No. 10 Thiras Street, with his wife and his adopted daughter.

While living in Athens he used to visit Trikkala occasionally and when he did so he stayed in the house of his father. By this I mean the house which belonged to his father and which house is now the joint property of the heirs of his father. He lived in the house at Trikkala with his wife ; none of the other heirs lived there—they were in Cyprus.

At Trikkala, the deceased bought several pieces of land, and he was also a merchant dealing in tobacco.

- 20 Some twelve years ago he bought a farm of about 4,000 acres, in partnership with Defendant B (2), Vassilios Georghios Patikis. He was carrying on a stock farm business which still exists and in which the Plaintiff has a share.

In 1934, the deceased bought the house in Athens, in which I have already said he resided with his wife and adopted daughter.

He also bought two building sites and a six/sixteenth share in four shops situated at No. 15 St. Markos Street, Athens.

From 1935 up to 1946, the deceased visited Cyprus only once ; that was in May, 1946.

- 30 It is possible that he came to Cyprus on another occasion, for a short period, between 1925 and 1935.

The Plaintiff in this action is my daughter. She was born on 18th April, 1932, at Karditza and she was baptized at Trikkala. I produce a certified copy of the Birth Certificate of my daughter, Demetra.

*Exhibit 3.* (Birth certificate of the Plaintiff put in evidence as Exhibit 3.)

My daughter Demetra was adopted by Georghios Anastassis Patikis and his wife.

- 40 I have here a certified copy of the document of adoption prepared by the British Consul in Greece.

\* \* \* \* \*

No. 9.  
Thrasy-  
voulos  
Papa-  
lopoulos  
—(part),  
12th/14th  
December  
1950.  
Examina-  
tion.

*In the  
District  
Court of  
Limassol.*

*Plaintiff's  
Evidence.*

No. 9.  
Thras-  
voulos  
Papa-  
lopoulos  
—(part),  
12th/14th  
December  
1950.  
Examina-  
tion,  
*continued.*

*X'n continues* : I know from personal knowledge that the firm of A. G. Patikis & Co., owned property in Greece, consisting of a stock of tobacco at Trikkala and of money in the Commercial Bank and in the Bank of Athens.

In connection with the property of the firm in Greece, I entered into a contract with Constantinos Athanassis Patikis and Ioannis Georghios Patikis—Defendants B (1) and (4)—personally. A preliminary agreement of division was drawn up by the Notary Public, and was signed.

*Houry* : There will also be an objection to the production of this document, on the grounds that the contract alleged to have been made, 10 is one purporting to have been made between Constantinos Athanassis Patikis, Ioannis Georghiou Patikis and Thrassivoulos Papalopoulos, concerning Greek assets with which assets we are not concerned in this case. It is wholly irrelevant for the purposes of this present case.

*Theocarides* : Doesn't it show the conduct of the Defendants ?

*Houry* : No ; the contract was signed by the persons I have mentioned.

*Clerides* : This document states that Defendants B (1) and (4) were representing Defendants B (2) and (3).

*Zannetides* : As far as those two are concerned, there can be no objection. 20

*Houry* : The only point is, Your Honour, that it relates to the division of the Greek assets, and I submit that they have no relevancy to this present case.

*Zannetides* : Why ? It may have relevancy because it may be recognition that that person was the heir for the Greek assets and you dispute that.

*Cacoyannis* : I think that it is a document made by the firm.

*Theocharides* : It does not say so.

*Zannetides* : In whatever capacity they signed it, it is a document signed by the two Defendants mentioned. 30

*Cacoyannis* : But it is the property of the firm.

*Theocharides* : It may go to show how this property was found there and to whom it belonged before.

*Exhibit 8.* (Objection overruled : Document dated the 27th September, 1947, put in evidence as Exhibit 8.)

*Exhibit 9.* (Document of execution of the agreement embodied in Exhibit 8, put in evidence as Exhibit 9—in respect of tobacco.)

*X'n continued* : I also produce another document, dated the 3rd July, 1948, in execution of the same agreement embodied in Exhibit 8, for the cash money. 40

*Exhibit 10.* (Put in evidence as Exhibit 10.)

(Counsel for the Plaintiff are informed that the documents they produce will have to be stamped before the case continues. Court rises at 5.50 p.m. 12.12.50.)

(The Court is informed that the documents are being stamped by the Registrar.)

(Witness reminded of his Oath.)

*X'n continued* : I have in my custody a signed copy of the Partnership Agreement, which I produce.

10 (No objection raised to production.)

*Exhibit 11.* (Put in evidence as Exhibit 11.)

I also produce a signed copy, duly certified by the Certifying Officer, of a letter addressed by the deceased to the firm, A. G. Patikis & Co., dated the 4th May, 1946.

*Exhibit 12.*

I also produce an inventory as at the 30th June, 1946, delivered to me by Ioannis and Costas Patikis, together with a declaration as to its correctness.

*Exhibit 13.*

20 I also produce a statement of personal accounts between the deceased and the firm A. G. Patikis & Co., delivered to me on the 19th July, 1948, in Limassol.

*Exhibit 14.* (Statement put in evidence as Exhibit 14.)

\* \* \* \* \*

*Cross-examined (Sir P. L. Cacoyannis) :*

I saw a Power of Attorney to the deceased, by Christos Patikis, but I don't know if, included in that document, the deceased was empowered to buy tobacco.

This document came into my possession and I have it here now. I produce it.

30 *Exhibit 20.* (Document in question is now duly stamped by the Registrar and put in evidence as Exhibit 20.)

Q. Now, you said that you were a close friend of the deceased and that you know that he was acting as the Representative of the firm A. G. Patikis, (Limassol), in Greece and that he was actually buying tobacco for this firm?—A. I did not say so.

Q. But you knew that he was actually purchasing tobacco for the account of this firm?—A. I knew that he was purchasing tobacco for the account of that firm, of which he was a partner.

*In the District Court of Limassol.*

*Plaintiff's Evidence.*

No. 9.  
Thrasylvoulos  
Papalopoulos  
—(part),  
12th/14th  
December  
1950.  
Examination,  
*continued.*

Cross-examination.

*In the  
District  
Court of  
Limassol.*

*Plaintiff's  
Evidence.*

No. 9.  
Thrasy-  
voulos  
Papa-  
lopoulos  
—(part),  
12th/14th  
December  
1950.  
Cross-  
examina-  
tion,  
*continued.*

*Q.* And, in fact, the tobacco which you divided in Greece, with the representatives of the firm, was tobacco bought by the deceased before the outbreak of war, in 1939?—*A.* I heard that that tobacco had been purchased before 1940.

*Q.* But the purchase of tobacco in Greece is registered, showing the date and all other details! Anyhow, you are satisfied that the tobacco in question was bought before 1940?—*A.* I am sure that it was bought prior to 1940 because I saw the documents at the office of the Revenue Officer, for the taxing of the tobacco, at Trikkala.

*Q.* And during the occupation, an even greater quantity of tobacco was taken by the Germans?—*A.* I know that there was a larger quantity of tobacco, but the store in which it was kept was bombed during an air-raid and the remaining tobacco was taken to another store. Part of that tobacco was taken by the Germans and for the rest, I was given a paper as to the amount, in the name of the deceased. I don't know if the firm, A. G. Patikis sent money to the deceased for the purchase of tobacco for its account. I came to know about cheques sent by the firm from Cyprus to the deceased, which cheques were frozen by the authorities. 10

*Q.* You also came into possession of the books of the deceased?—*A.* They were not given to me. The books were kept at Trikkala and I asked for them but they were not handed to me. 20

I received into my possession only a small notebook, of the personal accounts of the deceased. In the house of the deceased I found a balance sheet with inventory attached, which he had brought from Limassol, fifteen days before his death.

*Exhibit 21.*—(Balance sheet and attached inventory put in evidence as Exhibit 21).

I did not find any previous balance sheets.

I knew that the deceased was in Cyprus from the 26th April, 1946, to the 7th May, 1946. 30

*Q.* Now, take this inventory attached to the balance sheet, in Exhibit 21; it shows clearly the assets and liabilities, with the dates, of the Company?—*A.* It shows the assets and liabilities of the Company. I am not an expert in accountancy.

*Cacoyannis :* This is the account for the property of the Company!

*Zannetides :* If it is so, it will be stated in this document. We can read it ourselves.

*Cacoyannis :* *Q.* Will you please produce the letter which you received from me, dated the 19th December, 1946, together with a copy of the Order of the Limassol District Court. 40

*Exhibit 22.* (Letter and Order put in evidence as Exhibit 22).

*Q.* Will you also produce my letter dated the 22nd January, 1947?

*Exhibit 23.* (Letter put in evidence as Exhibit 23).

Q. Please also produce my letter to you dated the 7th May, 1947 ?  
*Exhibit 24.* (Letter put in evidence as Exhibit 24).

Q. Also my letter dated the 22nd July, 1948 ?  
*Exhibit 25.* (Letter put in evidence as Exhibit 25).

Q. Please also produce the documents forwarded to you with my letter of the 22nd July, 1948 ?—A. This letter was addressed to me while I was here in Cyprus.

(Balance sheet and profit and loss account for the year 1945 put in evidence with the letter Exhibit 25).

10 *XX'n Continued* : I produce a letter from Sir Cacoyannis, dated the 30th July, 1948.

*Exhibit 26.* (Letter put in evidence as Exhibit 26).

I produce a further letter from Sir Cacoyannis, dated the 3rd August, 1948, with a copy of a letter from the deceased to the Custodian of Enemy Property dated the 29th April, 1946.

I produce a further letter from Sir Cacoyannis, dated the 3rd August, 1948, with a copy of a letter from the deceased to the Custodian of Enemy Property, dated the 29th April, 1946.

*Exhibit 27.* (Put in evidence as Exhibit 27).

20 Also another letter from Sir Cacoyannis, dated the 3rd September, 1948.

*Exhibit 28.* (Letter put in evidence as Exhibit 28).

I produce three letters written by me to Sir Cacoyannis, in reply to the letters, Exhibits 26, 27 and 28 ; the first, dated the 2nd January, 1947 ; the second dated the 1st August, 1948, and the third, dated the 4th September, 1948.

*Exhibit 29.* (Three letters put in evidence as Exhibit 29).

\* \* \* \* \*

*In the District Court of Limassol.*

*Plaintiff's Evidence.*

No. 9. Thrasyvoulos Pappalopoulos—(part), 12th/14th December 1950, Cross-examination, *continued.*

*Defendants' Evidence.*

No. 10. George M. Georghiaides, 14th December 1950.

No. 10.

EVIDENCE OF GEORGE M. GEORGHIADES.

30 GEORGE M. GEORGHIADES, sworn : (Clerk in the office of the Custodian of Enemy Property, Nicosia).

*Cacoyannis* : Q. Will you please produce the balance sheets which were sent to the Office of the Custodian of Enemy Property, relating to this case ?

A. I produce five balance sheets submitted to our office by the firm A. G. Patikis.

The first, for 1941, 1942, 1943 and 1944.

*Exhibit 31.* (Put in evidence as Exhibit 31.)

*In the  
District  
Court of  
Limassol.*

In addition I also produce the Statement of Account, showing the position as at the 3rd May, 1941, the date when Greece was officially declared as enemy territory.

*Defendants'  
Evidence.*

*Exhibit 32.* (Put in evidence as Exhibit 32.)

*Q.* Will you also produce the letter of the deceased, dated the 29th April, 1946, addressed to your office?

No. 10.

*George M.  
Georghiades,  
14th  
December  
1950,  
continued.*

*Exhibit 33.* (Letter put in evidence as Exhibit 33.)

*Q.* Please also produce the letter from the deceased to your office, dated the 6th May, 1946.

*Exhibit 34.* (Letter put in evidence as Exhibit 34.)

10

*Q.* Will you also produce an undated letter, addressed by the deceased to your office?

*Exhibit 35.* (Undated letter put in evidence as Exhibit 35.)

(Court rises at 5.50 p.m., 14.12.50.)

(Court returns at 9.30 a.m., 15.12.50.)

No. 11.  
*Christos A.  
Patikis,  
15th  
December  
1950.*

No. 11.

**EVIDENCE OF CHRISTOS A. PATIKIS.**

*Cacoyannis :* Your Honours, I shall now call Mr. Christos A. Patikis, to produce the documents contained in the subpoena served on him.

*Zannetides :* Is he not a party? Even without a subpoena he would be entitled to produce. 20

*Cacoyannis :* He is going to produce the balance sheets of the firm, A. G. Patikis, from 1923 to the 30th June, 1946, which balance sheets are contained in two books. That is, from the establishment of the firm down to the death of the deceased.

He will also produce the audited balance sheet and profit and loss account of the firm for the year 1945.

Then the audited balance sheet and the profit and loss account for the period from the 1st January, 1946, to the 30th June, 1946.

He will also produce the accounts of the firm with the Ottoman Bank, for the period 1st June, 1946, to the 30th June, 1946. Three lodgments made with the Ottoman Bank on the 31st August, 1948, in Accounts B, C and D, which are referred to in certain letters sent by me. 30

Then he will produce a Power of Attorney, duly signed and certified by the deceased on the 4th May, 1946, and a letter of the Custodian of Enemy Property, dated the 22nd May, 1942, which authorises him to continue the business of the firm of A. G. Patikis.

The books containing the balance sheets are two, but what will be produced will be the balance sheet and profit and loss accounts as from 1923 down to the 30th June, 1946.

*In the  
District  
Court of  
Limassol.*

*Clerides* : Is the firm's cash book for 1946 available ?

*Cacoyannis* : The audited accounts are available.

*Defendants'  
Evidence.*

CHRISTOS A. PATIKIS : (unsworn) Produces the following documents ; there being no objection from Mr. Clerides :—

No. 11.  
Christos A.  
Patikis,  
15th  
December  
1950.  
*continued.*

(A) Two books containing the balance sheets and profit and loss accounts of the firm A. G. Patikis, from 1923 down to the 30th June, 1946.

10 *Exhibit 36.* (Put in evidence as Exhibit 36.)

(B) Balance sheet and profit and loss account of the firm A. G. Patikis & Co. for the year 1945, as audited by the Auditors, Russell & Co.

*Exhibit 37.* (Put in evidence as Exhibit 37.)

(C) Balance sheet and profit and loss account of the firm A. G. Patikis & Co. for the period 1st January, 1946, to the 30th June, 1946, as audited by the Auditors, Russell & Co.

*Exhibit 38.* (Put in evidence as Exhibit 38.)

(D) The account of the partnership, with the Ottoman Bank, for the period 1st January, 1946, to the 30th June, 1946.

20 *Exhibit 39.* (Put in evidence as Exhibit 39.)

(E) Three lodgment slips by the firm A. G. Patikis & Co. with the Ottoman Bank, dated the 31st August, 1948, in Accounts B, C and D, referred to in Exhibit 28.

*Exhibit 40.* (Put in evidence as Exhibit 40.)

(F) A power of attorney executed by the deceased on the 4th May, 1946.

*Exhibit 41.* (Put in evidence as Exhibit 41.)

(G) Letter of the Custodian of Enemy Properties to the firm, dated the 22nd May, 1942.

30 *Exhibit 42.* (Put in evidence as Exhibit 42.)

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**JUDGMENT.**

No. 12.  
Judgment,  
28th  
February  
1953.

The Plaintiff in this case, Demetra Georghiou Patiki, is a Greek girl, born, domiciled and residing in Greece, and being a minor at the date of the institution of the action on the 30th November, 1949, she instituted the proceedings by her next friend and judicial natural guardian, as she described him in the Writ of Summons, her father Thrasyvoulos Papalopoulos, of Greece.

The claim in the Writ of Summons is for a declaration by this Court that she is the sole heir of Georghios A. Patikis, who died in Athens on 10 the 5th June, 1946, leaving property here in Cyprus in the Limassol District, and, as such sole heir, entitled to succeed to all movable and immovable property of the deceased found in Cyprus. There are other claims as well in the action but they are all dependant on the above main claim.

The action was originally brought against the firm A. G. Patiki & Co., of Limassol, as Defendant A, and against its partners, as such and personally, as Defendants B (1), B (2), B (3) and B (4). All the above Defendants entered an appearance and delivered their defence in which, apart from other defences to the claim, they denied that the Plaintiff was 20 the sole heir, or an heir at all, of the deceased, and gave the names of four other persons who, besides themselves, were, according to them, the heirs entitled to the Estate of the deceased.

The Plaintiff then made an application to the Court on the 11th June, 1949, for the addition of all the names of those persons mentioned in the defence, as Defendants to the action and for the amendment of the title of the action under Rule 10 of Order 9 of the Rules of Court, 1938, and an Order was made accordingly by the Court on the 13th June, 1949. The four new Defendants were added as Defendants C (1), C (2), C (3) and C (4). Defendants C (2), C (3) and C (4) delivered their defence denying, as the 30 former Defendants did, Plaintiff's right to succeed and alleging that they were entitled to succeed to the Estate of the deceased, along with the original Defendants B (1), B (2), B (3) and B (4).

When the case came for hearing on the 12th December, 1950, the Defendant C (1) had died, without having delivered a defence and Counsel of all parties agreed that her only heirs were the Defendants B (2), B (3), B (4), C (2) and C (3), and nobody else. The Court thought right to go on with the case after making an order that the above-mentioned Defendants be sued also in their capacity as heirs of Defendant C (1) deceased, under Rule 4 of Order 12 of the Rules of Court, 1938, and that 40 the case should go on, and so the hearing of the case went on.

The pleadings raised a lot of points for consideration and the Court derived great help from the ability with which Counsel of all parties conducted their case. The first point, of paramount importance, is whether the Plaintiff is, or is not, the sole heir of the deceased, and her case is this : (A) that the deceased was a Greek National domiciled in Greece down to his death on the 5th June, 1946 ; (B) that he adopted her in 1935 in Greece,

in accordance with the Greek Law ; (C) that in accordance with the Greek Law the adopted child has, from the time of the adoption, with regard to the adoptant, the status of a genuine child ; (D) that in accordance with the Greek Law, as heirs *ab intestato* in the first place, are called the descendants of the deceased ; (E) that she was the only descendant of the deceased and therefore entitled to succeed to his estate, both movable and immovable, wherever found.

*In the  
District  
Court of  
Limassol.*

No. 12.  
Judgment,  
28th  
February  
1953,  
*continued.*

It was admitted in the defence that the deceased died in Greece on the 5th June, 1946, and that he died a widower and left no offspring. As  
10 to his having died intestate, although there was in the defence a denial of this fact, the whole case went all along without any suggestion on behalf of the defence that he did not die intestate, and as if he had, in fact, so died, and we assume that he did die intestate.

The hearing of the case began on the 12th December, 1950. The day before, a notice was filed in Court to the effect that the Plaintiff, who was a minor at the institution of the action, had attained her 18th year of age on the 18th April, 1950, and that she was adopting the proceedings. This notice was given in accordance with the practice of the English Courts.

As the notice was not signed by the Plaintiff herself, but by her Counsel,  
20 and as she was not present in Cyprus, but was in Greece where the age of majority is admittedly 21 and not 18, we thought of not taking into account the notice, and going on with the case as it stood. Besides, such notice is not, in our mind, indispensable ; there is no provision in our rules for giving such a notice, and according to the English practice such notice is not at all indispensable, the object of having a next friend being only to give security for costs to the Defendants. (The Annual Practice, 1950, pp. 259-261. Notes to Rule 16 of Order 16 of the Rules of the Supreme Court, 1883.) Besides suing by her father, as her next friend, the Plaintiff is also suing  
30 through him as her judicial guardian authorised to bring proceedings. The defence denied that her father was such a guardian of the Plaintiff, and that he had proper authority to bring these proceedings. We considered the points and heard the evidence and examined the Exhibits 6 and 7, and we are of the opinion that, as far as the appointment of the guardian is concerned, the matter is governed by Greek Law and that it was duly made under that Law, and must be recognised by this Court ; as to the authorisation to bring these proceedings, if such an authorisation were necessary, which we do not think, the guardian obtained the proper authorisation.

Counsel for both parties very conveniently divided their final addresses into five parts and for the sake of convenience and uniformity, we propose  
40 to follow the same line in giving our decision.

#### INSTITUTION AND FORM OF THE ACTION.

The first part is whether the Plaintiff is entitled to bring these proceedings in the form in which the present action was brought.

Sir Panayiotis' submission was that even if the deceased died domiciled in Greece and he left property here in Cyprus, no action could be brought here before a grant by a Court in Cyprus was made.

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We take Sir Panayiotis' contention to be that the present Court has no jurisdiction to hear Plaintiff's action, before some person is authorised under a grant from a Court here in Cyprus to deal with the deceased's property and represent the deceased in respect thereof. In support of his contention Sir Panayiotis argued that this Court has no jurisdiction, neither under Cyprus Law, which is, in this case, the Wills and Succession Law, 1895, nor under the Common Law of England.

As to the Wills and Succession Law, 1895, Sir Panayiotis argued that it was not applicable to the case at all, and he cited Sections 4 and 5 which, together with the definitions of the words "property," "movable property" 10 and "immovable property," in Section 2 of that Law, define its scope. He further argued that even if the Wills and Succession Law, 1895, applied, which he denied, then, in accordance with Section 18 of that Law, this action could not be maintained before a grant was made by a competent Court in Cyprus. This section 18 runs as follows:—

"From and after the grant of probate or letters of administration, whether with Will annexed or otherwise, or if no such grant is made, the rights and liabilities attaching to the property of a deceased person are vested in and devolve upon the executor or administrator, as the case may be, until the property is administered; 20 and from and after the administration of the property they are vested in and devolve upon the persons legally entitled."

This section, which deals with the vesting of the property of the deceased, is very unfortunate; the words between two commas—" , or if no such grant is made,"—were not put by the draftsman in their proper place; they make no sense at all in the place where they are.

In the draft Bill which appeared in the Cyprus Gazette of 29.3.1895, these words did not appear at all; they were added when the Bill was passed into Law, published in the Cyprus Gazette of the 16th August, 1895, but they were put by the draftsman in the wrong place, to make the section 30 unintelligible, and, to understand Section 18, so as to make sense, we have to alter their collocation and put them in their proper place, which is after the words ". . . and from and after the administration of the property, or if no such grant is made . . ." such mode of construction is allowed: Maxwell, on the Interpretation of Statutes, 9th ed., pp. 312.

Section 72 of the Wills and Succession Law, 1945, which repealed and replaced the Law of 1895, cured that defect by putting those words at their proper place as stated above. Moreover, the decision of the Supreme Court of Cyprus, in the case of *Eleni K. Papadopoulos v. The Law Union & Rock Insurance Company*, reported in Cyprus Law Reports, vol. 10, p. 65, is 40 clear that the Wills and Succession Law, 1895, imposed no obligation to take out letters of administration in case of intestacy.

As to the Common Law, Sir Panayiotis cited Rules 50 and 51 from Dicey's Conflict of Laws, 6th ed., at p. 311 and p. 312. These rules are correct, so far as English Courts are concerned but they have no application here and we find the argument of Mr. J. Clerides as to this point correct.

In deciding the point, therefore, whether the action of the Plaintiff could be brought and maintained, we are of the opinion and we therefore

decide that, as to the point whether the action of the Plaintiff could be brought and maintained, neither the Wills and Succession Law, nor the Common Law of England are any obstacle to it, and that an action relating to inheritance to property found in Cyprus, against persons, most of whom are within the jurisdiction, could be brought and maintained here without any previous grant by a Court here.

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#### DOMICILE.

With regard to domicile it must be stated clearly from the outset that it will have to be decided in accordance with the *lex fori*, i.e. Cyprus Law. 10 (Dicey, Conflict of Laws, 6th ed. p. 96 . . . “ any question of domicile arising in litigation falls to be decided by the *lex fori* . . . ”. And further, at the same page, citing from the decision of the Court of Appeal in *Re Martin* [1900] (C.A.) p. 211, 227 . . . “ The domicile of the testatrix must be determined by the English Court of Probate according to those legal principles applicable to domicile which are recognised in this country and are part of its law ” . . . )

The Plaintiff's case is that the deceased, at the time of his death, was domiciled in Greece. The evidence as to domicile, which is not a mere question of fact but an inference of law drawn from facts (Dicey, 6th ed., 20 pp. 43), is the evidence of Thrasyvoulos Papalopoulos, the father of Plaintiff, and of Charilaos Ioannou Gikas, both advocates in Greece, the first practising before the Court of First Instance of Karditza and the other before the “ Arios Pagos,” the Supreme Court of Greece.

The evidence of Papalopoulos is to the effect that he knew the deceased before 1920 ; that he knew his parents who always lived and had their home at Trikkala ; that the deceased was one of the prominent citizens of Trikkala, Greece ; that he married there ; that he always lived there until 1936 when he went and lived at Athens down to the time of his death ; that he served in the Greek Army ; that he had a large estate of 30 land and a stock-farm at Trikkala, and also that he had bought building sites and shops in Athens.

The evidence of Charilaos Ioannou Gikas as to this point is to the effect that he also knew the deceased personally ; that he was from Trikkala and a Greek subject.

That the deceased was a Greek subject is also borne out from Exhibit 1, the application for registration of the General Partnership, A. G. Patikis & Company, dated the 16.5.29, where he is described as a Greek subject, Merchant, residing at Trikkala, Greece.

In Exhibit No. 2, which is a statement of a change in the partnership 40 by the death of Georghios Athanassi Patikis, signed by the firm A. G. Patikis & Co., the said Georghios Athanassi Patikis is described as of Trikkala, Greece.

He is also described as of Trikkala, Greece in the Exhibit No. 4, the Judgment of the Court of First Instance of Trikkala, by which the Plaintiff was declared the adopted child of the deceased and his wife, and in the Exhibit No. 5, the Certificate of Registration of the adoption, in which he

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is described as “inhabitant”—(Karoinos) of Trikkala. In Exhibit No. 12, the deceased described himself as of Trikkala, Greece, and also in Exhibit No. 41.

This is the evidence adduced by the Plaintiff, and Mr. Clerides alleged that it was sufficient to find that the deceased was domiciled in Greece.

Sir Panayiotis contended that this was not sufficient evidence to prove domicile, and that the only way of proving the domicile of the deceased was to prove the domicile of his father at the time of the birth of the deceased; this is, of course, what is called domicile of origin.

We are satisfied that the evidence abundantly proved the two 10 constituent elements of domicile of the deceased, in conformity with the English Common Law which applies in the matter, namely, permanent residence in Greece and *animus manendi* there and we find that the deceased, at the time of his death, was domiciled in Greece.

#### ADOPTION.

With regard to the adoption, it may be stated from the outset that—

(A) there is no statutory provision about adoption here in Cyprus, and

(B) that adoption goes to the status of a person.

Sir Panayiotis' argument was that adoption was an institution unknown 20 to the Cyprus Statute Law: that the matter was a matter of Family Law and, as such, governed by the Family Law of the religious community to which the party—(the Plaintiff), belonged, under Section 50 (3) of the Courts of Justice Law, 1935; that both the adopted and the adoptant belonged to the Greek Orthodox Church and consequently, that the Family Law in the case was the Family Law of the Greek Orthodox Church, of which no evidence at all had been given in the case. He went further and submitted that if the law of the religious community of the parties did not apply, there was no question of applying the Common Law of England, because the Common Law of England did not recognise adoption. Adoption 30 was not recognised in England until the passing of the Adoption of Children Act, 1925. He concluded his argument on this topic by submitting that a child validly adopted in a foreign country cannot inherit property in Cyprus because adoption is not recognised here, neither by Statute nor by Common Law.

Mr. Clerides, for the Plaintiff, argued that the adoption being a matter of status, it is governed by Greek Law, the law of the domicile of the deceased, the adoptant. In support of his argument, he cited the decision of the Supreme Court of Cyprus in *Tano v. Tano*, C.L.R. vol. IX, p. 101, where it is stated that the family status of a foreign subject is determined 40 by the law of the foreigner's state.

That case was the case of an adopted child of a French father, claiming succession in the immovable (mulk), of his father, found in Cyprus.

The Supreme Court held that the question of adoption was governed by French Law, that according to French Law he was the adopted child of his father, but that he was not entitled to inherit the immovables of

his father in Cyprus, as not coming within the definition "lawful children," of section 43 of the Wills and Succession Law, 1895 ; because under French Law, adopted children, "enfants adoptifs," constituted a distinct category from the "lawful children," "enfants L'egitimes."

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The part of that decision which concerns us, while dealing with the question of adoption, is that part at p. 101, which decides that questions of family status of foreigners are determined by the law of the foreigner's State.

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We considered the arguments of both sides, and the authorities, and  
10 having already found that the deceased was a Greek subject, domiciled in Greece, we are of the opinion that the adoption by him of the Plaintiff, who is also a Greek subject, domiciled in Greece, is governed by Greek Law.

From the evidence adduced and from the exhibits produced, we are satisfied that the adoption was validly made according to the Greek Law and that the Plaintiff is the adopted child of the deceased, and that, according to Article 1879 of the Greek Civil Code, an adopted child is considered as a genuine child of the adoptant, as defined by the Article 1465 of the same Code, and that not only the adopted child is the descendant of the adoptant but also his descendants after the adoption are considered  
20 the descendants of the adoptant.

#### SUCCESSION.

The question now is put : is a validly adopted child under Greek Law entitled to inherit to the movable property of his adoptive father, who died domiciled in Greece, leaving movables in Cyprus ? Is the adopted child entitled to inherit these movables ?

We will deal with the movables only in view of our finding further down, in dealing with the question of the property left by the deceased, that he left no immovables in Cyprus.

Mr. Clerides' argument was this : the Plaintiff is the validly adopted  
30 child of the deceased under Greek Law ; under that law the validly adopted child is considered as a genuine child—in other words the lawful child of the deceased—and, as lawful child of the deceased the Plaintiff comes within category (a) of Section 43 (1) of the Wills and Succession Law, 1895, and therefore entitled to succeed to all his property.

Sir Panayiotis' argument was that the Wills and Succession Law, 1895, did not apply in the present case and referred the Court to Section 4 and 5 of this Law.

Section 4 of this Law, in conjunction with Section 2 of the same Law, containing the definition of the words "property," "movable  
40 property," and "immovable property," defines its scope of application ; it reads as follows :—

" This Law shall regulate—

- (a) the succession to property of all persons domiciled in Cyprus ;
- (b) the succession to immovable property of any person not domiciled in Cyprus."

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This Section makes the Law 1895 applicable in (a) as the *lex domicilii* and in (b) as the *lex rei sitae*. It is clear that our case does not come under either (a) or (b); the deceased was not domiciled in Cyprus, so as to bring the case under (a), nor is there question here of immovable property (situate in Cyprus in accordance with the definition in Section 2), so as to bring the case under (b).

Section 5 contains also a piece of Private International Law; it deals with succession to movable property of persons dying in Cyprus but not domiciled in Cyprus. It provides:—

“The succession to movable property of persons dying in 10  
Cyprus but not domiciled there shall be regulated by the Law of the  
country in which they had their domicile at the time of their  
decease.”

It makes the *lex domicilii* of the deceased applicable in the case.

It is obvious that our case here does not come within the ambit of this section; the deceased did not die here—he died in Greece.

Mr. Clerides asked the Court to find, by a *fortiori* argument, that the provision of Section 5 applied to the case of movables of a person having his domicile outside Cyprus and dying outside Cyprus. The words of the section are very clear to allow such a construction and we agree with Sir 20  
Panayiotis that our case, being a case of succession of movables in Cyprus of a person who died abroad, domiciled abroad, the Wills and Succession Law, 1895, does not apply. In the absence of Statutory Law we have to enquire about the English Common Law and see what it is on the subject.

While at this point we must state that the Principles of English Private International Law are part and parcel of the English Common Law and applicable here.

The English Common Law on the subject is very clearly stated in Dicey's Conflict of Laws, 6th ed., at p. 817, Rule 178, which reads as follows:—

“The succession to the movables of an intestate is governed by 30  
the Law of his domicile at the time of his death, without any reference to the Law of the country where: (1) he was born; or (2) he died; or (3) he had his domicile of origin; or (4) the movables are, in fact, situate at the time of his death.”

Also, by G. C. Cheshire in his Private International Law, 3rd ed., p. 678, where it says:—

“The rule has been established for some two hundred years that movable property in the case of intestacy is to be distributed according to the Law of the domicile of the intestate at the time 40  
of his death. This law determines the class of persons to take, the relative proportions to which the distributees are entitled, the right of representation, the rights of a surviving spouse, the liability of a distributee for unpaid debts, and all analogous questions.”

Applying the above principle of English Common Law, we are of the opinion that the succession to the movable property of the deceased which is here in Cyprus, will have to be regulated by the Greek Law, the law of the domicile of the deceased at the time of his death.

According to that Law, Article 1579 of the Greek Civil Code, the adoptive child is considered as a genuine child of the adoptant and, according to Article 1813 of the same Code, which gives the rights of inheritance, the persons who are entitled to the intestate succession of the deceased are, in the first place, his descendants. The Plaintiff having proved that she is the adoptive child of the deceased, and according to the Greek Law considered as his genuine child, in the absence of any other children she is the only descendant entitled to inherit to the movables of the deceased, found in Cyprus.

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## 10 PROPERTY LEFT BY THE DECEASED IN CYPRUS.

The fifth and last point for consideration is: what is the property left by the deceased in Cyprus: what does it consist of.

It was admitted by all parties that this property is his share in the partnership A. G. Patikis & Co., Limassol, ascertained in accordance with the provisions of the partnership agreement, Exhibit No. 11.

The assets of the partnership consisted both of movable and immovable property, but Mr. Clerides argued that the share of the deceased must be considered as movable (personal), although the partnership's property consists also of immovable property. This, he said, is consistent with the  
20 Partnership Law, Cap. 196, and the agreement of partnership, Exhibit No. 11.

Mr. Houry, for his clients, Defendants B (1), and B (2), argued that the share of the deceased in the movable assets of the partnership is movable property and his share in the immovable assets is immovable property.

We consider that, under our Partnership Law, Cap. 196, and the partnership agreement, Exhibit No. 11, the share of the deceased in all the assets of the partnership, both movable (personal) and immovable (real) property, is movable property. The intention of the parties in that Exhibit 11 is very clear, so as not to leave any doubt.

30 It may be added that in English Law, in Equity, the same principle applies, and what Section 22 of the English Partnership Act, 1890, which was cited by Mr. Houry, simply did was to declare the existing principle in equity that a share in a partnership, whether its property consists of land or not, must, as between the real and personal representatives of a deceased partner, be deemed to be personal and not real estate, unless indeed such conversion is inconsistent with the agreement between the parties.

(Lindley on Partnership: 10th ed., p. 419.)

40 Having thus found that the deceased left only movable property in Cyprus, let us examine now what that property consists of. We said, just above, that this property is the share of the deceased in the firm A. G. Patikis & Co., and it is admitted by all concerned, that it is the one-fifth share.

This partnership A. G. Patikis & Co., which is a tobacco and cigarette manufacturing concern, existed before 1923. On the 16th September, 1923, the deceased and Defendants B (1), B (2), his brothers, and Defendants B (3)



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and B (4), his cousins, entered into a new partnership agreement, Exhibit No. 11, for the continuation of the business under the existing name of A. G. Patikis & Co., with the five of them as general partners, in equal shares.

The term of the agreement was for five years, but there was a provision in the articles of the agreement that the partnership might continue after the expiration of the term under the same agreement and, in fact, it so continued until the death of the deceased, on the 5th June, 1946.

Article (D) of the agreement provided that books of accounts were to be kept and all partnership transactions concerning the partnership and the partners, entered therein. It also provided that those books ought to be closed and balanced (i.e., the accounts), every year, on the 1st July, or every six months, and, in fact, the accounts were, without default, closed and a balance sheet prepared every six months and an inventory of the assets of the partnership made every year. 10

The two books produced in Court as Exhibit 36 contained those balance sheets and inventories from 1923 down to the death of the deceased.

The last inventory and balance sheet before the death of the deceased was made on the 30th January, 1946, for the year 1945, showing the position of the partnership as on the 31st December, 1945. It is contained in the second book of Exhibit 36, pages 206-222. 20

Copy of that inventory and balance sheet was found among the effects of the deceased in Athens, after his death; it had been given to him, apparently, in May, 1946, when he came from Greece to Limassol on a short visit. During his short stay here he took interest in the affairs of the partnership, as is shown from his correspondence with the Custodian of Enemy Property (Exhibits 33, 34, and 35), and also from the power of attorney which he executed, Exhibit No. 41.

Plaintiff's guardian, in his evidence, stated that the deceased had brought that copy of the inventory and balance sheet with him from Limassol fifteen days before his death. 30

Article (ia) of the partnership agreement made provisions for the case of withdrawal of a partner or partners, after the expiration of the term of five years, and for the case of the death of one or more of the partners during the existence of the partnership, whether the death occurred during the original term of five years or after. This article is of paramount importance for the determination of the point under inquiry; it reads as follows:—

(Paragraph 5 of the Statement of Claim . . .)

It is clear from this article that whatever had to be done to find out the share of a retiring partner, the same would have to be done to find out the share of the heirs of a deceased partner. 40

On the death of the deceased, the remaining partners, Defendants B (1), B (2), B (3) and B (4), made clear their intention to continue the business, and sent a notice to that effect to the Registrar of Partnerships, on the day following the death of the deceased. They then closed the accounts,

as at the date of the death, and prepared a balance sheet; these accounts and balance sheets appear in the second book of Exhibit 36, at pages 222-235. Copy of that account they delivered to the Plaintiff's guardian—and it is Exhibit 13.

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In these accounts and balance sheet they valued the various assets of the partnership, and particularly the immovables, at the value at which they were valued in the previous balance sheets, and put as Reserve Fund the same amount of £35,000.0.0, which appeared as reserve fund in the balance sheet for the year 1945, and on those data they found what the  
10 share of the deceased's heirs would be.

Plaintiff's complaint was that the accounts were closed behind her back, that the assets, and particularly the immovables (houses, shops, lands, etc.), had been greatly undervalued and that a disproportionately large amount had been put into the reserve fund.

The defence contended that the accounts were closed and balanced and all assets therein valued according to the long-established practice in the partnership since 1923, a practice which became an agreement between the partners and which bound the partners and their heirs; that copy of the statement of the accounts closed, and of the balance sheet, as at the  
20 31st December, 1945, were given to and kept by the deceased, who did not object to it and must be bound by it and consequently, the valuation of the assets and the amount put aside as reserve fund shown therein bound the deceased and his heirs and that, in any event, the amount of the reserve fund was not unreasonably high.

The defence further argued that the statement of the account and balance sheet prepared as at the death of the deceased, and copy of which had been given to the guardian of the Plaintiff, was what Article (ia) required.

We considered the arguments of both sides on this difficult point and  
30 we find that the closing of the accounts and the balance sheet, with all valuations therein for the year ending the 31st December, 1945 (Exhibit 36, second book, p. 205-221), were made in accordance with the partnership agreement and the long-established practice between the partners and that copy of it had been given to and kept by the deceased while he was in Cyprus and taking an interest in the affairs of the partnership, without any objection on his part to the accounts or valuations. We therefore find that the accounts, valuations and balance sheet for the year 1945 bound the deceased and also his heirs and cannot and must not be reopened.

For the period 1st January, 1946, to 5th June, 1946, the Plaintiff is  
40 entitled to have an account taken, by means of the partnership books, and in which account the valuation of the assets will be the same as in the balance sheet for the year 1945.

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We take the words of Article (ia) (Clause (κ)) . . . “ The books of the partnership will be closed and to the retiring partner or partners shall be paid any sum to which he shall be entitled, in accordance with these books . . . ”, to mean that the accounts in the partnership books starting from the last closing of the accounts will be posted at the date of the occurrence of the event—in our case the death of the deceased—and the necessary operations (additions, multiplications, etc.), made, and thus find the share, according to the books, to which the retiring partners, or the heirs of the deceased partner, are entitled to get.

As to the closing of the accounts and the balance sheet prepared by the 10 remaining partners as at the death of the deceased, the only thing we can say is that the valuations of the assets of the partnership therein, so long as they are the same as the valuations in the 1945 accounts, they are correct, and nothing more.

In dealing with the accounts another question arises—the question of the reserve fund. In the 1945 accounts a sum of £35,000 is entered as reserve fund and the same amount was entered in the accounts prepared as at the death of the deceased.

This sum was admittedly put aside from the profits, to meet contingent and unascertained liabilities and events and there is nothing wrong in that. 20 No doubt this sum would one day have to be divided between the partners, in case the events, for which it had been put in reserve, did not occur, or in case of dissolution.

This sum of £35,000 is made up of the following items as we take them from the 1945 accounts :—

(A) credit to third persons	..	..	..	£4,474.16. 3	
(B) replacement of machinery	..	..	..	8,000. 0. 0	
(C) stock in stores	..	..	..	8,927. 0. 0	
(D) machinery and accessories	..	..	..	9,981. 0. 0	
(E) extraordinary transactions	..	..	..	259. 3. 6	30
(F) furniture	..	..	..	638.14. 3½	
(G) building sites and rural lands	..	..	..	2,718. 4. 6½	
				<u>£35,000. 0. 0</u>	

Article (ia) (Clause (κ)) of the partnership agreement provides that from the share of a retiring partner, and of course from the share of a deceased partner, there will be deducted 15 per cent. of his share on the credits to third persons, and 10 per cent. on the existing goods. So, on these two items the retiring partner, or the heirs of a deceased partner will get

15 per cent. and 10 per cent. less, thus making their contribution to possible losses from these two items by getting less, and the contingency for these two items must be considered as having occurred, and it would be unfair to hold that they are not entitled to share in the sums which were put in reserve for these two contingencies. We therefore find that the Plaintiff is entitled to share in the two sums, of £4,474.16.3 and £8,927—put in reserve for credits to third persons and for stock in stores, respectively.

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As to the remaining items of the reserve fund, so long as the  
10 contingencies for which they have been set apart did not occur, the Plaintiff is entitled to her share on them. No doubt the remaining partners were entitled to use those items, or part of them, for the purposes for which they had been set aside, and it will be on them to prove what part has been actually used and what part is necessary to be used to answer the contingencies and events for which those items had been set aside, as at the date of the death of the deceased, and the surplus, if any, will have to be divided between the partners, and the Plaintiff to get her share in it.

To end the point as to what is the property left by the deceased, we  
20 summarise that it consists of the following—

(a) his share, as shown in the accounts for the year 1945, which were closed on the 30th January, 1946 ;

(b) his share in the profits of the partnership for the period 1st January, 1946, to the 5th June, 1946, for which the Plaintiff is entitled to have an account taken by means of the partnership books, and for which the remaining partners, Defendants B (1), B (2), B (3) and B (4) are accountable to her ;

(c) his share in the items (a) and (c) of the Reserve Fund ;

30 (d) his share in the surplus, if any, of the other items of the Reserve Fund, i.e., Items (b), (d), (e), (f) and (g), for which the Plaintiff is also entitled to an account.

We therefore order the following accounts be taken, that is to say :—

(a) An account of all partnership dealings and transactions for the period 1st January, 1946, to the 5th June, 1946 ;

(b) An account of credits to third persons for goods and tobacco as at the 5th June, 1946 ;

(c) An account of the existing goods as at the 5th June, 1946 ;

40 (d) An account of the expenses made, or necessary to be made as at the 5th June, 1946, out of the items (b), (d), (e), (f) and (g) of the Reserve Fund.

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The further consideration of the action is adjourned and the parties are to be at liberty to apply.

This concludes the fifth and last point of our decision.

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It would be an omission on our part if we concluded our decision without mentioning our appreciation for the help we derived from the counsel of all parties and also from the eminent Greek Barrister, Mr. Charilaos Ioannou Gikas, who was called as an expert witness on the Greek Law, and whose evidence, clear, and always to the point, was a great help to us.

(Sgd.) C. ZANNETIDES,

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President, District Court.

28th February, 1953.

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**NOTICE OF APPEAL.**

*In the  
Supreme  
Court of  
Cyprus.*

IN THE SUPREME COURT.

On Appeal from the District Court of Limassol.

Action No. 999/1948.

No. 13.  
Notice of  
Appeal,  
10th April  
1953.

Between DEMETRA GEORGHIOU PATIKI of Athens,  
minor by her next friend and judicial and  
natural guardian THRASYVOULOS PAPALOPOULOS  
of Karditsa . . . . . Plaintiff

10

and

- A. The Firm A. G. PATIKI & CO., of Limassol
- B. (1) IOANNIS G. PATIKI ; (2) VASILIOS G. PATIKI ; (3) CHRISTOS A. PATIKI ; and (4) CONSTANTINOS A. PATIKI of Limassol as partners of the firm A. G. PATIKI & Co., of Limassol and/or personally . . . Defendants.

*And by amendment :*

20 Between DEMETRA GEORGHIOU PATIKI of Athens,  
minor by her next friend and judicial and  
natural guardian THRASYVOULOS PAPALOPOULOS  
of Karditsa . . . . . Plaintiff

and

- A. The Firm A. G. PATIKI & CO., of Limassol
- B. (1) IOANNIS G. PATIKI ; (2) VASILIOS G. PATIKI ; (3) CHRISTOS A. PATIKI ; and (4) CONSTANTINOS A. PATIKI of Limassol as partners of the Firm A. G. PATIKI & Co., of Limassol and/or personally
- 30 C. (1) PARASKEVI A. PATIKI, Leoforos Alexandra No. 1 Athens, Greece ; (2) HARIKLIA N. PAPAZHARIA, of Trikala (Greece) ; (3) STYLIANI N. ANAGNOSTOPOULOU of Leoforos Alexandra No. 1 Athens (Greece) ; (4) ATHOS PATIKI, of Nicosia . . . Defendants.

TAKE NOTICE that the Plaintiff hereby appeals from the judgment given in the above action on the 28th day of February, 1953, whereof a copy is attached to this notice.

*In the  
Supreme  
Court of  
Cyprus.*

No. 13.  
Notice of  
Appeal,  
10th April  
1953,  
*continued.*

AND TAKE NOTICE that his appeal is against so much of the said judgment as adjudged how the share of the deceased partner in the partnership A. G. Patikis & Co. should be calculated and against the consequential order of the Court as to what accounts should be taken for the purpose of ascertaining such share.

AND FURTHER TAKE NOTICE that his grounds of appeal and the reasons therefor are :—

1. The Court erroneously construed the words of Article 11 of the Partnership Agreement, i.e., “The books of the Partnership will be closed and to the retiring partner or partners shall be paid any sum to which he shall be entitled in accordance with those books . . .” as meaning that the accounts in the Partnership books starting from the last closing of the accounts will be posted at the date of the occurrence of the event, in this case the death of the deceased—and the necessary operations (additions, multiplications, etc.) made, and thus find the share, according to the books, to which the retiring partner, or the heirs of the deceased partner, are entitled to get, because— 10

(A) such construction is unfair and overlooks the principle that Articles of Partnership should be construed fairly ;

(B) the fact that the previous yearly or half-yearly accounts and balance sheets were made on the book values is not conclusive for the purpose of finding the share of a deceased partner because such accounts were made for the purpose of finding out the distributable profits between the partners, and not for finding out the actual capital value of each partner. The established principle is that an account may be conclusive for the purpose of calculating the profits to be divided so long as the firm is unchanged but not for calculating the total amount to be paid to a partner on his retirement or expulsion from the death, or to his heirs on his death ; 20

(C) the provision in the Partnership Agreement that the books shall be closed does not necessarily mean that the value of the share of a deceased partner should be ascertained on the book values without taking into consideration the actual value of the assets at the time of the death of the deceased. 30

2. The decision of the Court that the property left by the deceased consists of :—

(A) his share, as shown in the accounts for the year 1945, and

(B) his share in the profits for the period 1st January, 1946, to the 5th June, 1946,

is wrong because such share is shown in the accounts of 1945 only for the purpose of finding his profits for the year 1945. That which has been done for the sharing of annual profits is by no means necessarily a precedent to be followed when a partnership account has to be finally closed. 40

3. The decision of the Court with regard to the following items of the reserve fund—							<i>In the Supreme Court of Cyprus.</i>
(B)	replacement of machinery	..	..	..	£8,000	0 0	
(D)	machinery and accessories	..	..	..	9,981	0 0	No. 13.
(E)	extraordinary transactions	..	..	..	259	3 6	Notice of Appeal,
(F)	furniture	..	..	..	638	14 3½	10th April 1953,
(G)	building sites and rural lands	..	..	..	2,718	4 6½	<i>continued.</i>

10 “ that the Defendants should prove what part of those items has been actually used and what part was necessary to be used to answer the contingencies and events for which those items had been set aside, as at the date of the death of the deceased and the surplus, if any, to be divided between the partners, and Plaintiff to get her share ” is erroneous and the consequent order of the Court for taking accounts as to those items is unnecessary because—

(i) the said items existed intact at the time of the death of the deceased ;

(ii) so long as they have not been utilised Plaintiff should get her one-fifth share on each of those items ;

20 (iii) if any part of each of those reserves is necessary to be utilised such utilisation will increase *pro tanto* the share of the deceased in the respective assets of the Partnership and the taking of an account is unnecessary.

(Sgd.) J. C. CLERIDES.

ALECO ZENON.

J. P. POTAMITIS.

Advocates for Appellant.

Filed : 10.4.1953.



*In the  
Supreme  
Court of  
Cyprus.*

No. 14.

**CROSS-APPEAL BY DEFENDANTS A.**

Civil Appeal No. 4027.

No. 14. IN THE SUPREME COURT.

Cross-  
Appeal by  
Defendants  
A, 24th  
September  
1953.

On appeal from the District Court of Limassol in Action No. 999/49.

\* \* \* \* \*

WRITTEN NOTICE.

ORDER 35 r. 10.

To : 1. Demetra Georghiou Patiki of Athens, the Appellant-Plaintiff.  
Address for service : The Law office of Messrs. John Clerides  
& Sons, Nicosia. 10

2. The Registrar of the Court of Appeal.

TAKE NOTICE that the Respondent-Defendant Firm A. G. Patiki & Co., of Limassol, intends on the hearing of the Appeal against the judgment in the above action dated 28.2.1953, to contend that that judgment be varied in the following respects :—

A. The decision of the Trial Court that the action in the way it was brought was maintainable and could proceed is wrong in Law.

B. The order of the trial Court directing that the Appellant-Plaintiff is entitled to any amount other than the amounts credited to the deceased Georghios A. Patikis in the books of the Partnership as on the date of his death less 15% of the deceased's share in the credits granted by the Firm to third persons on purchase of goods and tobacco from the firm and 10% on the stock of goods in hand as at the date of the said deceased's death is wrong in Law and in fact and inconsistent with the partnership agreement. 20

C. The order of the Trial Court directing that accounts be taken between the Appellant-Plaintiff and the Respondent-Defendant Firm A. G. Patiki & Co., in the way it was ordered is wrong in Law and in fact and inconsistent with the partnership agreement and practice adopted and followed by the partners since the date of the partnership agreement. 30

THE FOLLOWING ARE THE GROUNDS AND REASONS for seeking to have the judgment set aside and/or varied on appeal.

(1) The trial Court erred in deciding that the action can proceed without a previous grant of letters testamentary or administration by the Cyprus Court or without re-sealing a foreign grant.

(2) The trial Court wrongfully allowed the proceedings to go on by the Appellant-Plaintiff who was a minor without a proper appointment of a guardian. The Trial Court wrongly assumed 40

that the Law applicable to the appointment of a guardian to take proceedings on behalf of a minor is the *lex domicilii* of the deceased, and not the *lex fori*.

*In the  
Supreme  
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Cyprus.*

(3) The trial Court misdirected itself on the Law. It placed a wrong construction on Section 18 of the Wills and Succession Law, 1895. The Court placed a construction which is not only contrary to the language of that section, but also contrary to the prevailing practice in the English Probate Court.

No. 14.  
Cross-  
Appeal by  
Defendants  
A, 24th  
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*continued.*

10

(4) In making the declaration that the Appellant-Plaintiff is the sole heir of the said deceased, the trial Court assumed that the said deceased died intestate. The question whether the deceased died testate or intestate was put in issue, and the Court made the assumption that he died intestate without the support of any evidence and so the Appellant-Plaintiff failed to discharge the onus of proof which lay on her.

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(5) It is admitted by the Respondent-Defendant Firm A. G. Patiki & Co., that the successors of the said deceased are entitled to the said deceased's share as shown in the accounts for the year 1945 (closed on the 30.1.1946). It is also admitted by the said Respondent-Defendant that the successors of the said deceased are entitled to the deceased's share in the profits of the said Firm for the period from the 1.1.1946 to the date of his death (4th or 5th June, 1946). The Trial Court did not appreciate the fact that the accounts of the Firm were closed as at the date of the death of the deceased and such accounts were duly approved by the deceased personally until May, 1946, and by his duly authorised agent and were duly audited by the Auditors of the Firm and that the profits for that period were ascertained by the deceased's agent and the Accountant and Auditors of the Firm and the said deceased's share was brought to his credit in the partnership books. Thus there is no occasion for the taking of any account or an account of the Firm's profits for that period and the successors of the said deceased are estopped from questioning the correctness of such accounts or the deceased's share in those profits.

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(6) According to the partnership agreement and the practice adopted by the partners, the amounts credited to the deceased in the books of the partnership as on the date of his death are the amounts payable by the said Firm to the successors of the said deceased less—

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(i) 15% of what would have been the deceased's share in the credits granted by the Firm to third parties (if those credits were to be shares in specie) on purchases from the Firm of goods and tobacco ; and by

(ii) 10% on the stock of goods in hand existing at the time of the said deceased's death.

(7) The trial Court erred in holding that the successors of the said deceased are entitled to any share in the surplus assets or in any reserve fund of the firm of A. G. Patikis & Co.

*In the  
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No. 14.  
Cross-  
Appeal by  
Defendants  
A, 24th  
September  
1953,  
*continued.*

(8) The trial Court erred in directing that the successor or successors of the said deceased is or are entitled to any surplus (if any) of the Reserve Fund of the said Firm.

(9) There is no power or sure way of fixing what, if any, surplus in the Reserve Funds can exist apart from the discretions of the remaining partners of the said Firm to apply those reserves for the purposes and uses of the said Firm. Those discretions cannot be controlled by the Court or by any other Authority.

(10) In view of what has been already stated, no occasion exists for taking accounts. 10

(11) The taking of accounts is impossible on the conditions imposed by the Trial Court.

Dated 24th September, 1953.

(Sgd.) P. L. CACOYANNIS,  
Counsel for the Respondent-Defendant Firm A.  
A. G. Patiki & Co.

Received this 25th September, 1953.

No. 15.  
Cross-  
Appeal by  
Defendants  
B (1)-B (4), IN  
23rd  
September  
1953.

**No. 15.**  
**CROSS-APPEAL BY DEFENDANTS B (1), B (2), B (3) and B (4).**

**IN THE SUPREME COURT.**

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On appeal from the District Court of Limassol in Action No. 999/48.

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WRITTEN NOTICE.

(ORDER 35 r. 10).

- To :
1. Demetra Georghiou Patiki of Athens, the Plaintiff.
  2. The Firm A. G. Patiki & Co. of Limassol (Defendant A).
  3. Hariklia N. Papazacharia of Trikala, Greece (Defendant C (2)).
  4. Styliani N. Anagnostopoulou of Athens, Greece (Defendant C (3)).
  5. Atho Patiki of Nicosia (Defendant C (4)).
  6. The Registrar of the Court of Appeal.

TAKE NOTICE that the Defendants B (1), B (2), B (3) & B (4), Ioannis G. Patiki, Vasilios G. Patiki, Christos A. Patiki, and Constantinos A. Patiki, all of Limassol, intend on the hearing of the appeal against the judgment in the above action dated 28th February, 1953, to contend that that judgment be varied in the following respects.

*In the  
Supreme  
Court of  
Cyprus.*

No. 15.

Cross-  
Appeal by  
Defendants  
B (1)-B (4),  
23rd  
September  
1953,  
*continued.*

A. The decision of the trial Court that the action in the way it was brought was maintainable and could proceed is wrong in Law.

10 B. The declaration that the Plaintiff is the sole heir (and/or heir) of the deceased Georghios A. Patiki, and entitled to inherit all the movable property of the said deceased found in Cyprus, be set aside.

C. The declaration that the movable property of the deceased left in Cyprus at his death in so far as it consists of any sum over and above what his personal account is credited with in the books of the Defendants (A) up to the date of his death, be set aside.

D. The order of the trial Court that accounts be taken be set aside.

20 THE FOLLOWING ARE THE GROUNDS AND REASONS for seeking to have the judgment set aside and/or varied on appeal.

A (1). The trial Court allowed the proceedings to go on by the Plaintiff who was a minor without a proper appointment of a guardian. The Trial Court wrongly assumed that the Law applicable to the appointment of a guardian to take proceedings on behalf of a minor is the *lex domicilii* of the deceased, and not the *lex fori*.

30 A (2). The Trial Court misdirected itself on the Law. It placed a wrong construction on Section 18 of the Wills and Succession Law, 1895. The Court placed a construction which is not only contrary to the language of that section, but also contrary to the prevailing practice in the English Probate Court.

A (3). The Trial Court erred in deciding that the action can proceed without a previous grant of letters testamentary or administration by the Cyprus Court or without re-sealing a foreign grant.

B (1). In making the declaration that the Plaintiff is the sole heir of the deceased Georghios A. Patiki, the trial Court applied the rules of Private International Law which are a part of the Common Law of England, and not Cyprus Law. In consequence it applied Greek Law as being the *lex domicilii* of the deceased.

40 B (2). Greek Law on matters of Family Status, Inheritance and Succession, testate or intestate, applies the National Law, or *Lex Patriae*, and not the Law of Domicile.

B (3). The application of the National Law is repugnant to the Domestic Law of Cyprus and therefore it was wrong for a Cyprus Court to apply the laws of a country which in similar circumstances, applies the National Law. There would be no reciprocity of treatment and the rules of Comity ought not to apply.

*In the  
Supreme  
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No. 15.

Cross-  
Appeal by  
Defendants  
B (1)-B (4),  
23rd  
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1953,  
*continued.*

B (4). It was wrong for the trial Court to apply the rules of the Common Law of England since the rules of Common Law, by Section 28 (1) of the Courts of Justice Law, Cap. 11, only apply when and in so far as no other provision has been or shall be made by any Law of the Colony.

B (5). The Laws of the Colony cover all the field of testate and intestate succession and it is a fundamental rule of succession that adopted children do not rank as heirs or next of kin.

B (6). In making the declaration that the Plaintiff is the sole heir of the said deceased, the trial Court assumed that the said 10  
deceased died intestate. The question whether the deceased died testate or intestate was put in issue, and the Court made the assumption that he died intestate without the support of any evidence and so the Plaintiff failed to discharge the onus of proof which lay on her.

B (7). The finding that the said deceased was domiciled in Greece at the time of his death is not supported by adequate evidence.

B (8). The finding of the trial Court that the share of the said deceased in the partnership assets of the firm of A. G. Patiki & Co. 20  
is movable property, regardless of the immovable assets owned by the said firm, is wrong in law.

C (1). The trial Court was wrong in holding that the share of the said deceased in the partnership assets (one fifth) is anything more than what his personal account in the Partnership Books shows.

C (2). It is admitted by the Defendants B (1) and B (2) that the successors of the said deceased are entitled to the said deceased's share as shown in the accounts for the year 1945 (closed on the 30.1.1946). It is also admitted by the said Defendants that the 30  
successors of the said deceased are entitled to the said Deceased's share in the profits of the said Firm for the period from the 1.1.1946 to the date of his death (4th or 5th June, 1946). The trial Court did not appreciate the fact that the profits for that period were ascertained by the said Deceased's Agent, and the said Deceased's share was brought to his credit in the partnership books. Thus there is no occasion for the taking of an account of the firm's profits for that period and the successors of the said deceased are estopped from questioning the correctness of the deceased's share in those profits. Moreover, the deceased personally admitted the correctness 40  
of the firm's accounts down to the 4.5.1946.

C (3). The amount payable by the said Firm to the successors of the said deceased under the partnership agreement and the practice of the partners will still have to be reduced by :—

(i) 15% of what would have been the deceased's share in the credits granted by the Firm to third parties (if those credits were to be shared in specie) on purchases from the firm of goods and tobacco ; and by

(ii) 10% on the stock of goods on hand existing at the time of the said deceased's death.

C (4). The Trial Court erred in holding that the successors of the said deceased are entitled to any share in the surplus assets or in any reserve fund of the firm of A. G. Patiki & Co.

C (5). The Trial Court erred in directing that the successor or successors of the said deceased is or are entitled to any surplus (if any) of the Reserve Fund of the said Firm.

10 C (6). There is no proper or sure way of fixing what, if any, surplus in the Reserve Funds can exist apart from the discretions of the remaining partners of the said Firm to apply those reserves for the purposes and uses of the Firm. Those discretions cannot be controlled by the Court or by any other Authority.

D (1). In view of what has been already stated no occasion exists for taking accounts.

D (2). The taking of accounts is impossible on the conditions imposed by the Trial Court.

Dated this 23rd day of September, 1953.

(Sgd.) M. HOURY,

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(Sgd.) JOHN ELIADES.

Counsel for the Defendants

B (1), B (2), B (3) and B (4).

Filed : 24th Sept., 1953.

No. 16.

**JUDGMENT OF HALLINAN, CHIEF JUSTICE.**

30 HALLINAN, C.J. : These proceedings concern the share of Mr. G. A. Patiki in the partnership of A. G. Patiki & Co. When Mr. G. A. Patiki died on the 5th June, 1946, a dispute arose as to who should inherit his share in the partnership and as to how the value of that share should be ascertained.

The questions arising on the issue as to inheritance can be disposed of in this appeal in a few words. I consider that the judgment of the trial Court reached a correct conclusion and for the right reasons on all the questions of law and fact relevant to the issue in a lucid and able judgment. Briefly the conclusions so reached are as follows: That the Plaintiff-Appellant who is the adopted daughter of the deceased is entitled to claim

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Judgment  
of  
Hallinan,  
Chief  
Justice,  
22nd  
January  
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Hallinan,  
Chief  
Justice,  
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1954,  
*continued.*

her inheritance in Cyprus without obtaining letters of administration ; that there is no burden of proof on her to establish that the deceased died intestate ; that she is, according to the law of Greece, the adopted daughter of the deceased and as such is the heir of the deceased ; that the deceased was domiciled in Greece at the time of his death and that, under the common law which is in force in Cyprus, the property of the deceased devolves according to the law of his domicile ; and finally that the deceased's share in the partnership assets devolves as personalty even though some of these assets are real property.

The other principal issue is more difficult, namely, the question as to 10 how the deceased's share should be ascertained.

The points in dispute in this issue are two. The first point can best be put in the words of Lord Wrenbury when the same question arose in the case of *Cruickshank v. Sutherland* (1923), 92 L.J. 136 at page 137. He said :—

“ The question between the parties is whether, so far as property is concerned, this is to be an account of its property at its fair value to the firm, or an account in which the property must be taken at the values appearing in the books of the partnership.”

The second question concerns the Appellant's right to a share in the 20 reserve fund.

In determining the method to be followed in valuing the shares of a deceased partner Lindley on Partnership, 11th Edition at page 524, after citing a number of cases, states :—

“ These cases not only afford good illustrations of the rule that in construing partnership articles regard must be had to the conduct of the partnership, even where a circumstance has arisen of which the partners had no previous experience, but they also show that this rule will not be applied unfairly.”

The articles in the Partnership agreement of 1923 which relate to the 30 mode of valuation are articles (F) and (K). The first sentence of article (F) reads :—

“ The Company will keep regular commercial books in which will be entered all the transactions concerning the company and the partners. These books will be balanced and closed every year on the 1st July and/or every six months and the profits and loss of the Company will be determined.”

Article (K) is as follows :—

“ (K) After the expiration of the duration of the present 40 contract, should one or more of the partners wish to retire from the company they shall give notice thereof in writing to the other partners at least three months earlier after the expiration of which the books of the Company shall be closed and the retiring partner or partners shall be paid every sum they will be entitled to in accordance with these books, less fifteen per cent. on his allotted share of the credits to third persons deriving from goods and tobacco and less ten per cent. on the existing goods, but the retiring

partner or partners shall not be entitled to raise a claim for damages for their share with the Firm's name, the trade marks and good-will of the company . . . The provisions of this clause shall apply also in the case of the death of one or more partners at or after the expiration of the present contract in respect of his or their heirs who shall be entitled to ask either that they may retire from the company or, in case of non-acceptance by the other partners, that the company be dissolved. In no case, however, will such heirs be entitled to step into the shoes of the deceased partner."

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- 10 Half-yearly accounts appear to have been taken in accordance with Article (F), the last taken before the deceased's death being that for the year ending 31st December, 1945. The trial Court held: "The accounts, valuations and balance sheet for the year 1945 bound the deceased and also his heirs and cannot and must not be re-opened. For the period 1st January, 1946, to 5th June, 1946, the Plaintiff is entitled to have an account taken by means of the partnership books, and in which account the valuation of the assets will be the same as in the balance sheet for the year 1945." The meaning of this passage is made clear later in the judgment when the deceased's share is held to consist of:—his share as revealed by the accounts taken at the end of 1945, the profits between 1st January and the 5th June, 1946, and his share in the Reserve Fund.

Before attempting to construe the true intention of the partners from the partnership agreement, from their conduct, and from the decided cases, I must record my astonishment that no expert in accountancy was called as a witness by any of the parties to this action. It is possible that had we had this expert opinion, my conclusion as to the intention of the partners might have been different. Courts can do no more than decide cases upon the material before them.

- 30 Now the value of the assets of the partnership must be ascertained as on a certain day, and that day is the 5th June, 1946, when G.A. Patiki died. On that day, according to Article (K) "the books of the Company should be closed," which phrase I take to mean that transactions after that date are disregarded for the purpose of the account. But when books are closed, the accounts, valuations and balance sheet cannot be prepared by merely abstracting figures from the books; in particular an evaluation must be made of the fixed assets such as immovable property, plant and machinery, and of the current assets such as stock-in-trade and money due from debtors. I stress this aspect of accountancy for two reasons: First, because the trial Court appears to have thought that the assets were to be ascertained as on 31st December, 1945, together with profits up to the date of the death and a share in the reserve. This is clearly wrong, for the value of the assets must be ascertained as they were on 5th June. Secondly, because counsel for the Respondents has relied much on the phrase in the articles that the books must be closed, as if accountants in evaluating assets look only to the books and do not consider such factors as the state or market value of physical assets, the solvency of debtors and so forth. I do not think that any conclusions one way or the other can be drawn from the phrase about closing the books.
- 50 The real question at issue on this part of the case is this: if, before the



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5th June, 1946, it had been the practice to insert values in the balance sheet which were not the fair values of such property to the firm but merely "book" values, are we to assume that the partners intended to accept that method of valuation when G. A. Patiki died? As I see it, the acceptance of the 1945 accounts by the deceased as correct has no relevancy except in so far as by accepting the past practice in evaluating assets he can be considered to have recognised the intention of the partners as to how the books should be made up when one of them died.

Courts should not construe an agreement so that the results are unjust unless compelled to do so by the terms of the agreement. It is 10  
easy to perceive that where a retiring partner or the estate of a deceased partner is entitled to a fifth share and that such share is ascertained by taking "book" values which are not fair values to the firm, the retiring partner's or deceased partner's estate may receive far more or far less than one-fifth of the true value of the assets because of arbitrary "book" values which do not correspond to actual values. I conclude therefore that, in the absence of agreement, the property of a partnership should be brought in at its fair value when ascertaining the share of a deceased partner. Now the partnership agreement in the present case merely states that the books be closed and that the heir of the deceased partner 20  
shall receive such sum as he is entitled to in accordance with the books. We are not told anything about the method of valuation. It is submitted for the Respondents that we must assume that the partners intended that the same method should be adopted when one died as when the accounts were made up half-yearly. But why should we? As Lord Wrenbury says in *Cruikshank's* case at page 138: "An account stated for one purpose is not necessarily stated for another purpose. The fact is, that in this partnership an account has never been stated with a view to fitting the case of a retiring partner, or a deceased partner . . ." 30

. The case of *Coventry v. Barclay* 46 E.R. 659, has been relied on for the Respondents, since in that case the executors of a deceased partner were held bound by the valuation of the assets in the last annual account preceding the deceased's death. But it is not difficult to distinguish that case from *Cruikshank's* case and from the present case. For in *Coventry's* case Article 38 of the partnership agreement clearly stated that the value of the deceased's share should be "according to the last account or rest preceding the death of each partner." Neither in *Cruikshank's* case nor in the present one is there any such provision. By taking the last accounts before Mr. Patiki's death as the basis on which his share 40  
should be valued, the trial Court appears to have followed the procedure in *Coventry's* case without any stipulation in the partnership agreement to warrant this being done.

I conclude therefore that the Plaintiff is entitled to an account of the fair value to the firm of the partnership assets as on 5th June, 1946; and that the values given to the several assets in the account for the year ending 31st December, 1945, are not binding on the Plaintiff.

Coming now to the second question as to the method of valuation, I shall consider the Plaintiff's right, if any, to a share in the Reserve Fund. The Defendants contend that the Reserve Fund is made up of undistributed 50

profits which have been irrevocably allocated by the partners (including the deceased) to such matters as the replacement of machinery, the writing off of bad debts, or a fall in the value of stock-in-trade. The trial Court, in my view, rightly rejected this contention, for it seems to me to rest on a confusion between a right to profits and a right to a share in the assets of the partnership upon the retirement or death of a partner. The liabilities side of the balance-sheets show how the net assets are allocated; the major portion is appropriated to specific sums to which the partners are entitled in the Partners' Capital, Loan and Current accounts; the balance of the net assets are called Reserves—they are in fact surplus assets.

If the issue merely concerned the right of a deceased partner to profits, it might be argued that it had been agreed not to distribute certain profits allocated to reserve; but here we are concerned with the right of the deceased partner to a share in the assets, and he cannot be denied his right to share in surplus assets merely because they are surplus and have not been allocated on the liabilities side of the balance sheet to the partners' personal accounts.

I conclude therefore that the estate of the deceased partner is entitled to a fifth share in these surplus assets together with such specific sums as may stand to the credit of the deceased partner in the Partners' accounts; these sums presumably will be the same as on the 31st December, 1945, together with the deceased's share of the profits between the 1st January and the 5th June, 1946. From the total amount due to the deceased from the Partners' Accounts and from the surplus assets must be made the deductions provided in article (κ), that is to say, fifteen per cent. from the value of the debts due for the sale of tobacco and goods and ten per cent. from the value of the stock-in-trade.

Referring to items in the Reserve Fund other than those items liable to deduction under article (κ), the trial Court in its judgment said :—

“ No doubt the remaining partners were entitled to use those items, or part of them, for the purpose for which they had been set aside, and it will be on them to prove what part has been actually used and what part is necessary to be used to answer the contingencies and events for which those items had been set aside, as at the date of the death of the deceased, and the surplus, if any, will have to be divided between the partners, and the Plaintiff to get her share in it.”

I am not certain what precisely the trial Court meant by this direction, but in so far as it conflicts with the views which I express in this paragraph, this direction should not be followed.

After Mr. Justice Griffith Williams has delivered the judgment which he is about to read the Court will hear counsel on the claim made in paragraph 9 D (c) of the statement of claim. The judgment of the trial Court should accordingly be confirmed except that the order for accounts must be varied in the particular manner which we shall presently determine.

(Sgd.) E. HALLINAN,  
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Arguments by counsel on paragraph 9 D (c) of the statement of claim heard.

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The parties agree that in addition to the deductions provided in article (κ), which must be made from the sum due to the deceased in the Partners' Accounts together with his share in the surplus assets, there must also be deducted whatever sums have been paid by the surviving partners for the use of the deceased or the Plaintiff in respect of income tax, estate duty or otherwise.)

HALLINAN, C.J.: One part of the Plaintiff's claim was not dealt 10  
with by the trial Court in its judgment; and for the purpose of disposing  
of all the issues before the Court on the appeal it has been agreed between  
the parties that this issue can finally be disposed of here on the appeal.  
This part of the claim is contained in para. 9 D (c) of the statement of claim,  
and is based on section 44 of the Partnership Law (Cap. 196) which provides  
that where a partner dies and the surviving partners carry on the business  
of the firm without any final settlement of accounts the estate of the  
deceased partner is entitled either to the profits from the date of death  
or to 9 per cent. on the deceased partner's share of the assets of the  
partnership. The proviso to this section has given rise to the principal 20  
arguments on this part of the claim. Under the proviso, where the  
partnership agreement gives the surviving partners an option to buy out  
the deceased partner's share the provisions of section 44 do not apply;  
but if in the exercise of the option the surviving partners do not in all  
material respects comply with the terms thereof then the provisions of  
section 44 do apply.

Sir Panayiotis Cacoyannis for the Defendant firm has submitted that  
section 44 only applies in the case of a dissolution and that where there is an  
option given to the surviving partners under the partnership agreement  
the provisions of section 44 cannot apply unless, upon a failure to exercise 30  
the option or the wrong exercise of the option, there is dissolution of the  
partnership. In this case even if the option was not duly exercised, there  
was no dissolution and therefore section 44 does not apply. We are unable  
to accept this interpretation of the proviso.

In our view the true meaning of the proviso is that if the option is not  
duly exercised, then the right to profits or to interest is given to the estate  
of the deceased partner under section 44, which must be applied "*mutatis  
mutandis*" to the period between the death and the final settlement  
even though there is no dissolution and the surviving partners carry on the  
business.

The question which has caused us some difficulty is whether in the  
facts and circumstances of this case the option has been duly exercised;  
or whether the surviving partners have not in all material respects complied  
with the terms of the option. Article (κ) of the partnership agreement  
provides that the provisions of the clause shall apply in case of the death  
of one of the partners and the clause provides that there is an option given  
to the surviving partners to buy out the share of the deceased partner, and

40

10 this is to be done by closing the books and by paying to the heirs of the deceased partner whatever the heir is entitled to in accordance with these books. After the death of the deceased partner a dispute arose as to certain tobacco and funds in Greece between the estate of the deceased partner and the surviving partners. We have not been referred to any evidence or correspondence as to the issues raised on the present litigation until these proceedings were begun in November, 1948. In these proceedings the Defendants have alleged that the Plaintiff is not the heir of the deceased, that she is not entitled to the immovable property of the partnership and that even if she was entitled to this property it must be assessed at its book values; and lastly they alleged that she is not entitled to a share in the reserves. We must assume in the absence of evidence that this was the stand which the surviving partners intended to take when they purported to exercise their option to purchase the deceased's share, and in taking that stand, in our view, they have not complied with the terms of the option which was given to them in article (K) of the partnership agreement.

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20 In the middle of 1948 the surviving partners lodged in the bank a large sum of money which in their opinion represented the sum to which the deceased's estate was entitled. We cannot see how this action can relieve them of their liability for paying the deceased's share in the profits since his death or alternatively interest on his share in the assets.

30 Under section 44 the Plaintiff has opted (as she is entitled to do) for interest rather than for profits. We accordingly find that the Plaintiff is entitled under section 44, to 9 per cent. on the deceased's share in the assets since the 5th June, 1946, and that the sum on which the 9 per cent. is to be paid will be the sum to which the judgment of the Court on appeal have declared her to be entitled, less whatever sum has been paid by the surviving partners for income tax on the deceased's share in the profits and for estate duty and for any other sum paid to the Plaintiff's guardian for her use.

The order of the trial Court will be varied by setting aside that part of the order which directs accounts and by substituting therefor the following:—

40 Mr. Normand is appointed a referee under section 41 of the Courts of Justice Law, 1953, for the purpose of taking the accounts set out in this order. The referee shall be entitled to an inclusive fee of two hundred guineas, half of which shall be paid by the Plaintiff and the other half by the Defendants who have filed cross-appeals. The referee shall have the powers and privileges of an arbitrator under Order 49, rules 10 and 14 of the Rules of Court, 1938. Any application by the referee for the aid of the Court under Order 49, rule 14 should be made to the trial Court.

The accounts to be taken by the referee are as follows:—

(1) An account as on the 5th June, 1946, of the fair value to the firm of the debts due for goods and tobacco and of the stock-in-trade;

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(2) An account of the fair value to the firm of all the assets on the 5th June, 1946, excepting the value of the good-will and trade-marks ;

(3) An account of the sums due to the deceased G. A. Patikis in the Partners' Accounts (including capital, loan, and current) as on the 5th June, 1946, and of the surplus assets on that date ; and

(4) An account of whatever sums have been paid by the surviving partners for income tax on the deceased's share in the profits, for estate duty, and for any other sum paid to the Plaintiff's guardian 10 for her use.

The Plaintiff is entitled to receive :—

A. Such sums as may be found due to her in the partners' accounts as on the 5th June, 1946, together with one-fifth share in the surplus assets, subject to the following deductions :—

(i) A sum equal to 15 per cent. of one-fifth part of the value of the debts due for goods and tobacco on the 5th June, 1946 ;

(ii) A sum equal to 10 per cent. of one-fifth of the value of the stock-in-trade as on the 5th June, 1946 ;

(iii) Whatever sums are found to have been paid by the 20 surviving partners for the use of the deceased or the Plaintiff in respect of income tax, estate duty or otherwise.

B. 9 per cent. interest as from the 5th June, 1946, upon whatever balance is found due to the Plaintiff under " A " above.

The Plaintiff is also entitled to her costs of the appeal as against the Defendants who have filed a cross-appeal. The question of costs in the Court below may stand over until this action comes up for further consideration in the District Court after the referee has filed his report in that Court.

(Sgd.) E. HALLINAN,  
Chief Justice.

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(Sgd.) G. C. GRIFFITH WILLIAMS,  
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## JUDGMENT OF GRIFFITH WILLIAMS, J.

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GRIFFITH WILLIAMS, J. : This action arose out of the decease of one George Patikis, a partner of the firm of A. G. Patikis & Co., tobacco merchants and manufacturers of Limassol. The deceased, who was a Greek subject domiciled in Greece, left no child born in wedlock ; but during his lifetime he had adopted the daughter of a Greek family in Greece, who by this action is claiming to inherit the property left by the deceased in Cyprus. It was proved by expert evidence, and accepted by

10 the lower Court that in Greek Law a form of legal adoption was recognised which gave the adopted child the same rights of inheritance as an heir. The trial Court accepted the evidence of adoption and held that the Plaintiff Demetra Georghiou was the deceased's legally adopted daughter, and sole heir. Though this finding was appealed against, during the course of the hearing before us Mr. Houry (for Respondents B (1), B (2), B (3) and B (4)) said he would not challenge the finding that Appellant was the adopted child of the deceased according to Greek Law and by that Law an heir. This finding therefore of the trial Court stands.

20 It is common ground that the only assets of the deceased in Cyprus consisted of his share in the partnership firm of A. G. Patikis and Co. and that this partnership was based on an agreement in writing (Exhibit 11) made on 15th September, 1923, between Ioannis G. Patikis, Georghios A. Patikis (the deceased), Vassilios G. Patikis, Christos A. Patikis and Constantinos A. Patikis, who took over the business of A. G. Patikis and Co. from the other retiring partners. The business prospered and the partnership continued without interruption or change in its members, until the death of George A. Patikis (herein called the deceased) on the 5th June, 1946.

30 This action was originally brought against the firm of A. G. Patikis and Co. and the remaining partners personally ; but as these parties all defended the action, and, moreover, alleged that the Plaintiff was not the sole heir, or even an heir of the deceased, and named four other persons as heirs, an amendment was made in the title adding these four persons as additional Defendants. For the sake of convenience the Defendants were arranged in three groups : (A) the firm of A. G. Patikis and Co, (B) the remaining partners in A. G. Patikis and Co., and (C) the four heirs or next of kin of the deceased George A. Patikis added after action brought. Of these latter, the first named in the title has since died ; but it is agreed that her only heirs are three of the partners in the firm, who are included  
40 in group B and two of the heirs in group C. Her interest is therefore represented in the action.

Apart from the question of whether the Plaintiff-Appellant was the legal heir of the deceased, the following further issues were raised in the action :—

(i) That the action was not maintainable without someone having obtained representation to the deceased's property in Cyprus ;

(ii) That even if the Appellant were the legal heir by the law of Greece this would not enable her to claim to inherit property  
50 of the deceased in Cyprus, where no law of adoption is recognised ;

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(iii) Even if held that as regards movables the *lex domicilii* applied (i.e., the law of Greece) this could not apply to the immovable property owned by the partnership. That in the case of immovable property the *lex fori* (the law of Cyprus) applied, and by Cyprus law adoption was not recognised ; so

(iv) Whether the accounts made up to the 30th June, 1953, contained a complete statement of all the assets of the partnership in which the representatives of the deceased partner were entitled to share under the partnership agreement.

The learned President of the District Court in a very careful judgment 10 considered each of the issues raised in turn. After dealing with the questions of domicile and adoption as already mentioned he passed to the four issues outlined above, and decided them as follows :—

In answer to (i) he held that by a proper reading of the Wills and Succession Law, Section 18, there is no obligation imposed to take out Letters of Administration in Cyprus. That neither the English common law nor the above mentioned section are any obstacle to the Plaintiff-Appellant bringing her action without a grant of representation.

In answer to (ii) “ The principles of English Private International Law are part and parcel of the English Common Law and applicable 20 here,” there being no provision in the Wills and Succession Law, 1895, for the distribution of properties of one domiciled abroad and dying abroad. That by private International Law in case of intestacy movable property is distributable according to the law of domicile of the intestate at the time of his death. Consequently the succession to the movable property of the deceased must be regulated by Greek Law, the Law of his domicile at death ; and the Appellant, his adopted daughter, being sole heir, is entitled to inherit his movable property in Cyprus.

In answer to (iii) the assets of the partnership both movable and immovable must be considered as movable. That the partnership 30 agreement left no doubt that the intention of the partners was that the immovable property of the partnership was to be treated as movables. That in English Law, in Equity the same principle applied and that section 22 of the Partnership Act 1890 did no more than declare that a share in a partnership, whether the partnership property consisted of land or not, must be deemed to be personal for the purpose of inheritance. Its omission from the Cyprus Partnership Law cannot therefore be regarded as excluding this principle which is part of the law of Cyprus by section 28 of the Courts of Justice Law (Cap. 11).

In answer to (iv), (a) that the balance sheet made up to 31st December, 40 1945, bound the deceased and his heirs with regard to all the accounts included therein and could not be re-opened ; (b) That for the period 1st January, 1946, to 5th June, 1946, Appellant was entitled to have an account taken by means of the partnership books ; (c) That out of the reserves accumulated from profits and entered under different items in the 1945 account of which the total amounted to £35,000, and which were repeated in the 1946 account made up to the 30th June, 1946, the

Appellant was entitled to share in the items of £4,474.16.3 and £8,927 put in reserve respectively for credits to third persons and for store materials written off.

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That as to the other items of the Reserve Fund, the Appellant was entitled to her share in such part of them as was not required for the purposes for which they had been set aside; and that it was for the remaining partners to prove what part of the reserves had been used and what part required for contingencies as at the date of death.

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The further hearing of this action was adjourned until the accounts  
10 ordered had been taken. The claim of the Appellant to interest on the amount due from the date it became payable was also left in abeyance by the Court.

The Plaintiff represented by Mr. J. Clerides, Q.C., appealed against so much of the judgment as adjudged how the share of the deceased Georghios A. Patikis in the partnership was to be calculated. In particular she alleged (1) that the Court had given a wrong construction to the words in Article (k) of the Partnership Agreement: "The Books of the Partnership will be closed and to the retiring partner or partners shall  
20 be paid any sum to which he shall be entitled in accordance with those books." And argued that the fact that the previous yearly accounts and balance sheets were made on the book values was not conclusive for the purpose of finding the share of a deceased partner; because they were only made for the purpose of ascertaining the distributable profits between the partners and not the capital value of each partner's share. She consequently contested the accuracy of the account for the year 1945 as well as the account for the period 1st January—6th June, 1946.

(2) The Appellant opposed the taking of any account respecting the items specified in the judgment, namely those sums mentioned on Liabilities side of the Balance Sheet as reserves, alleging that these items existed  
30 intact at the time of the deceased's death, and that she was entitled to 1/5th share in all of them.

It was not only the Plaintiff who was dissatisfied with the judgment of the lower Court. The firm of A. G. Patikis and Co. instructed Sir Panayiotis Cacayannis to file a cross-appeal asking that the judgment be varied and the individual continuing partners instructed Mr. M. Houry to file a separate cross-appeal. The other parties did not appeal. The grounds of the two cross-appeals were virtually identical as they raised the same points and for the purpose of this judgment I propose to treat them as one. The Plaintiff Appellant having substantially won her case  
40 in the Court below it was the cross-appeals that attempted to reopen all the fundamental questions decided by the lower Court; and the Respondents, being considered as the real Appellants, were accordingly first called upon. The grounds of appeal set out in these cross-appeals raised again practically every issue argued in the lower Court and already set out herein.

To recapitulate: the first three grounds enumerated and decided by the learned President of the District Court were (1) the question of whether an action in the form brought was maintainable. (2) Whether



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the Plaintiff-Appellant being an heir by adoption according to the law of Greece could claim to inherit property in Cyprus where adoption is not recognised. (3) Whether the immovable assets of the partnership could descend as movables or would pass to the next of kin by the *lex loci*. With respect of each of these legal points, which are raised again as grounds of appeal, I find myself in complete agreement with the learned President of the District Court; and I do not think I could add anything to his very clear statement of the law on those points.

I do not however consider that his findings regarding the accounts are equally unassailable. They are attacked from both sides. Mr. Clerides 10 says that both the account for 1945 and that up to 30th June, 1946, should be reopened. He argues that both accounts were like all the yearly accounts only drawn up for the purpose of finding the distributable profits and not in contemplation of the death or retirement of a partner; and that consequently the assets of the partnership were not properly valued. In support of this argument he referred us to the case of *Cruikshank and Others v. Sutherland and Others* [1923] 92 L.J. Ch. 136. The Respondents, on the other hand, contend that the accounts given by them to the Appellant were all that she was entitled to under the partnership agreement and appeal against the accounts ordered. 20

In the case of *Cruikshank and Others v. Sutherland and Others*, the appellants were the executors of Mr. Cruikshank who had been in partnership with the Respondents. The partnership was for four years from 1st May, 1914. It was a renewal of partnership relations which had subsisted between the partners before, the last preceding partnership having been for two years from May, 1912. In forming the partnership of 1914 the assets of the previous firm were taken over at the values appearing in the partnership books. The accounts of 30th April, 1915, and 30th April, 1916, were prepared upon the footing of bringing in the assets at their book values. Mr. Cruikshank was a party to the former 30 of these.

The relevant articles of partnership in that case were as follows:—

By Article 13 a full and general account of the partnership dealings of the preceding year and of its property, credits and liabilities was to be made up on 30th April in each year.

By Article 15 the share of a retiring partner was to be ascertained by preparation of the annual account in terms of Article 13.

By Article 16 the share of a deceased partner, with share of profits calculated and made up in the usual way up to 30th April next after his decease was to be ascertained as provided in Article 15. 40

The executors of Mr. Cruikshank contended that the share of a deceased partner should be ascertained by bringing in the assets at their fair market value to the firm; the surviving partners contended that the share should be calculated on the book values appearing in the account of 30th April, 1917. In the Court of first instance and in the Court of Appeal, judgment was in favour of the surviving partners, but the House of Lords reversed this decision.

Lord Wrenbury delivering the judgment of the House of Lords commented that there was nothing in the partnership articles to say what principle should be adopted in preparing the full and general account of the property in accordance with Article 13. He states (at page 137) :—

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10 “It is not I think disputed and if it were I should be of opinion that it could not successfully be disputed—that a full and general account of the partnership property will be an account at which the property will be brought in at its fair value. The articles are wholly silent as to the principle to be adopted in preparing this full and general account of the property—it remains simply that it must be a proper account of the property, whatever that is.” (Lord Wrenbury then goes on to consider the method of arriving at a fair value.)

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Now let us consider the relevant articles of the partnership agreement in the present case. They will be found in clauses (F) and (K) which are as follows :—

20 “(F) The company will keep regular commercial books in which will be entered all the transactions concerning the company and the partners. These books will be balanced and closed every year on the 1st July and/or every six months and the profits and loss of the company will be determined.”

It will be seen that this article first renders obligatory the keeping of regular commercial books, and regulates how often they are to be balanced and closed and how the profits are to be divided. Nothing whatever is mentioned therein regarding any valuation of the firm's assets.

30 “(K) After the expiration of the duration of the present contract, should one or more of the partners wish to retire from the company they shall give notice thereof in writing to the other partners at least three months earlier after the expiration of which the books of the company shall be closed and the retiring partner or partners shall be paid every sum they will be entitled to in accordance with these books, less fifteen per cent. on his allotted share of the credits to third persons deriving from goods and tobacco, and less ten per cent. on the existing goods but the retiring partner or partners shall not be entitled to raise a claim for damages for their share with the Firm name, the trade marks and good will of the Company. It is understood that the foregoing shall apply in case the other partners wish to continue the operation for their account otherwise the retiring partner or partners can apply only for the dissolution of the company. The provisions of this clause shall apply also in the case of the death of one or more partners at or after the expiration of the present contract in respect of his or their heirs who shall be entitled to ask either that they may retire from the company or, in case of non-acceptance by the other partners, that the company be dissolved. In no case, however, will such heirs be entitled to step into the shoes of the deceased partner.”

40 It is argued by the Respondents that the words “ the books of the company shall be closed and the retiring partner or partners shall be paid every sum

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they will be entitled to in accordance with these books" in clause (κ), binds the representatives of a deceased partner to accept whatever value the assets of the partnership may be entered at in the books. It should have to be noted that the value of the immovable property of the firm has never been altered in the books, but still stands at the value at which it was taken over in 1923.

Now "the books of the company" referred to in clause (κ) which says: "The company will keep regular commercial books in which will be entered all the transactions concerning the company and the partners." It then goes on to say: "These books will be balanced and closed every 10 year etc. and the profits and loss of the company will be determined." From this clause (F) it is clear that the purpose of the books was to keep an exact account of the business transactions of the firm in order to ascertain the divisible profits. And there is nothing in clause (F) to make obligatory the keeping of any other accounts. Hence the books referred to in clause (κ) are those kept for the purpose of determining the profit at the end of each period. The question of the value at which the immovable property of the firm should be entered in the books does not appear to have been in contemplation at the time of the partnership agreement was made. For this reason it seems to me that the contention of the 20 Respondents that the value of the fixed assets must be taken as that appearing in the books is not sound. And the fact that the deceased partner approved the 1945 accounts—which like all the other yearly accounts were drawn up to ascertain the divisible profits—does not in my view bind him or his heirs from disputing the value of fixed assets in the accounts as they were habitually entered therein at a nominal value.

In the case of a retiring partner three months' notice would have to be given under clause (κ) before the books were closed. Could it be said that the retiring partner would not be entitled to have a valuation of the partnership assets, and the new value inserted in the accounts? He 30 would not of course be entitled as against the continuing partners to any share in the goodwill, trade marks and so on of the business, as that is provided for in clause (κ). There is nothing however in the agreement to say that in making up the books for the purpose of a partner being bought out of the firm, a valuation of the assets to ascertain their fair value should not be made before the books of the partnership are closed.

The question of the deduction of 15% from the retiring partner's share in credits to third persons and of 10 per cent. on the value of the existing goods whether or not the book values of these particular items are taken does not affect the main issue of whether a retiring partner is entitled 40 to have a fair valuation made of the fixed assets of the partnership before the closing of the books.

If a retiring partner is entitled to have the fair value of assets, as they stand on the day the books are closed, entered in those books, then the Appellant is likewise entitled to have a fair valuation of the assets made at the date of the death of the partner whose share she represents. It is obvious from the way the accounts were kept and the properties, machinery and so on always entered at cost price, that no proper valuation of the assets was ever made, and that the whole object of the yearly accounts was to find out the profits for division among the partners. 50

Counsel for the Respondents in this appeal relied on the case of *Coventry v. Barclay* (3 De G.J. & S. at page 327) to establish that as the firm had been in existence for 23 years and the books had always been kept in the same manner and balanced yearly, and the properties of the partnership had always been entered in the books at cost, and as this had been done with the knowledge and consent of the deceased partners, a usage had become established that the value of these properties was the value as entered in the books and must be accepted as correct. They further argued that the closing of the books in accordance with clause (κ) must be done in the same manner as it was done every year.

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This same point was raised in *Cruikshank v. Sutherland* where a passage from the judgment of Lord Westbury L.C. in the case of *Coventry v. Barclay* was quoted by Lord Wrenbury as follows:—

“If a usage which on this subject has been uniform and without variation, be not strictly in accordance with the written articles, it becomes evidence of a new agreement by the partners, and is as binding as if it had originally been one and the same for thirty years.”

Considering whether this principle could be applied in the case he was dealing with Lord Wrenbury commented as follows:—

“Was there here any usage or course of dealing such as that an inference is to be drawn that on the death of a partner his share is to be paid out on the footing of the book values?”

How could there be a practice and without variation to pay a deceased partner's share on the footing of books values and not of fair values, where no partners had retired before? The only practice which existed—and that only on two occasions, namely, in April, 1915, and April, 1916—was to prepare the account—when the interest of all the partners was the same—on the footing of book values. When a partner died or retired, the interests of all partners were not the same . . .”

“Even if there were a usage to state an account for one purpose in one way, that is not a usage to state it for another purpose in the same way . . .”

“The fact is that in this partnership an account has never been stated with a view to fitting the case of a retiring partner, or a deceased partner . . . The partners have never had any such event in view in making the account which they have made.”

The position in the present case is substantially the same as in Cruikshank's case and the arguments of Lord Wrenbury apply. Since the foundation of the partnership in 1923 no partner had died or retired, and consequently at no time during the continuance of the partnership had the interests of the partners been conflicting. And as no partner had ever retired or died no usage could have been established as to the way the assets should be valued on the happening of such an event.

As therefore there is nothing in the partnership agreement to restrict valuation of the assets to book values, and there can be no custom by which the book values must be taken, the assets will have to be taken at the fair value to the partnership at the date of death of the deceased, namely, 5th June, 1946.

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1954,  
*continued.*

The finding of the Court that the balance sheet made up to 31st December, 1945, bound the deceased and his heirs with regard to all the accounts included therein must in my opinion be set aside. That account was made up like all the yearly accounts to ascertain the profits, and at a time when the interests of all the partners were identical. On the death of the deceased the interests of his heirs were not the same as those of the continuing partners; and in the absence of very clear provision to the contrary in the partnership agreement the heirs are entitled to have the property of the partnership valued for the purpose of the continuing partners paying out the share of the deceased partner in the same way 10 as for a retiring partner. The finding of the Court as regards the 1946 account, made after the death of the deceased, that the Appellant was entitled to have an account taken of the period 1st January to 5th June, 1946, by means of the partnership books if that implies taking the book values for the fixed assets it seems to me cannot stand. The effect of finding that the balance sheet up to 31st December, 1945, cannot be challenged as regards the accounts therein is to fix the value of the properties of the partnership at their book value. The effect of finding the Appellant entitled to have an account for the period 1st January to 5th June, 1946, 20 taken by means of the partnership books is that the book values of the partnership properties must be accepted in any such account. These findings are in my view contrary to the correct principle on which a retiring partner is entitled to be paid out by his co-partners. In the absence of any agreement he should be bought out at a fair valuation of his share to the partnership. This would normally include a share of the goodwill, but in this case the partnership agreement excludes that. The agreement however does not exclude a share in the value of immovable property and machinery, nor does it provide any means for valuing such assets of the partnership in case of retirement or death.

With regard to the sums shown as reserves in the yearly balance sheets, 30 these sums represent undistributed profits to which in my mind a retiring partner or the representatives of a deceased partner aside from agreement to the contrary would be entitled to his share.

The judgment of the lower Court should, therefore, be varied in respect of its finding on the accounts, and an account should be taken and balance sheets prepared as at 5th June, 1946. For the purpose of this account a valuation must be made of all the assets of the partnership based on the consideration of what was their fair value to the partnership. After deducting therefrom 15 per cent. of the deceased's share in credits and 10 per cent. of his share in the stock in hand, both as on 5th June, 1946, 40 the sum found due on such accounts to the deceased partner should be paid to the Appellant.

The costs of this appeal should be borne by the Respondents who filed cross-appeals.

(Sgd.) G. C. GRIFFITH WILLIAMS,

Puisne Judge.

22.1.1954.

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## No. 18.

**ORDER granting conditional leave to appeal to Her Majesty in Council.**

*In the  
Supreme  
Court of  
Cyprus.*

No. 18.  
Order  
granting  
conditional  
leave to  
appeal to  
Her  
Majesty in  
Council,  
4th March  
1954.

UPON the petition of the above-named Defendants filed on the 15th day of February, 1954, praying for leave to appeal to Her Majesty in Her Council from the judgment of the Supreme Court pronounced herein on the 22nd January, 1954, coming on to be heard before this Court, and upon hearing what was alleged by Sir Panayotis Cacoyannis, counsel for the Petitioners-Defendants A and Mr. M. Houry and Mr. J. Eliades, counsel for the Petitioners-Defendants B, and Mr. J. Clerides, Q.C.,  
10 Mr. J. Potamitis and Mr. A. Zenon, counsel for the Respondent-Plaintiff herein, THIS COURT DOETH GRANT the Petitioners conditional leave to appeal from the said judgment to Her Majesty in Her Privy Council, subject to the following conditions :—

(A) That the sum of £500 be lodged as security by the Petitioners in Court within two months from the date hereof for the due prosecution of the appeal and for the payment of such costs as may become payable to the Respondent in the event of Petitioners not obtaining an order granting them final leave to appeal, or of the appeal being dismissed for non-prosecution, or of Her Majesty in  
20 Council ordering the Appellant to pay the Respondents' costs of the appeal (as the case may be) ;

(B) That the record be prepared within two months from to-day ;

(C) That the reference proceed ; the referee to have all powers conferred on him in the reference including applying to the Court for assistance. The referee to file his report in due course. By consent of the Respondent :—

(i) Proceedings after the reference to be stayed until the termination of the appeal to the Privy Council ; and

(ii) In the event of the appeal succeeding the Respondent  
30 to pay the Petitioners the costs of the reference.

(D) That no order be made as regards security for any amount that may be found due and owing by the Petitioners to the Respondent for satisfaction of the judgment.

Dated the 4th day of March, 1954.

(Sgd.) G. C. GRIFFITH-WILLIAMS

J.

*In the  
Supreme  
Court of  
Cyprus.*

**No. 19.**

**ORDER granting final leave to appeal to Her Majesty in Council.**

No. 19.  
Order  
granting  
final leave  
to appeal  
to Her  
Majesty in  
Council,  
30th April  
1954.

UPON the application of the above-named Respondents A, B (1), B (2), B (3) and B (4) for final leave to appeal to Her Majesty in Her Privy Council from the judgment of this Court dated the 22nd January, 1954, coming on for hearing before this Court and upon hearing Mr. J. Clerides, Q.C., Mr. A. Zenon and Mr. J. Potamitis, counsel for the Appellant, and Mr. M. Houry and Mr. J. Eliades, counsel for the Respondents, THIS COURT, being satisfied that the conditions contained in an order of this Court made on the 4th day of March, 1954, have been complied with, 10 DOTH GRANT final leave to appeal.

Dated the 30th day of April, 1954.

(Sgd.) G. C. GRIFFITH WILLIAMS,  
J.

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## PART II

## EXHIBITS.

*Plaintiff's  
Exhibits.*

No. 1.  
Applica-  
tion Form,  
Registra-  
tion of  
Business  
Name,  
16th May  
1929.

## EXHIBIT 1.—APPLICATION FORM, REGISTRATION OF BUSINESS NAME.

(Stamps to the value of  
£2.15.0 attached)

## PARTNERSHIP LAW 1928.

APPLICATION AND STATEMENT OF PARTICULARS FOR REGISTRATION OF  
BUSINESS NAME BY TWO OR MORE INDIVIDUALS HAVING A PLACE OF  
BUSINESS IN CYPRUS AND CARRYING ON BUSINESS IN GENERAL  
PARTNERSHIP.

10

Number of Certificate of Business Name : 50.  
(Business carried on in General Partnership.)

We, the undersigned, having a place of business in Cyprus and carrying  
on business in General partnership, hereby apply for the registration of a  
business name, and for that purpose supply the following statement of  
particulars, pursuant to Sections 50 and 52 of the Partnership Law,  
1928 :—

(A) *The business name :*

A. G. PATIKIS & Co.

20 (B) *The general nature of the business :*

Commercial and Tobacco Manufacture.

(C) *The principal place of the business :*

Limassol—Cyprus.

(D) *The name or names and surname and description and residence of every  
individual partner :*

IOANNIS GEORGHIOU PATIKIS, merchant, residing at Limassol—Cyprus,  
CHRISTOS ATHANASE PATIKIS, merchant, residing at Limassol—Cyprus,  
COSTAS ATHANASE PATIKIS, merchant, residing at Limassol—Cyprus,  
GEORGE ATHANASE PATIKIS, merchant, residing at Triccala—Greece, and  
30 VASILIOS GEORGHIOU PATIKIS, merchant, residing at Triccala—Greece.  
All Greek subjects.

(E) *The name or names and surname of each of the general partners :*

IOANNIS GEORGHIO PATIKIS, CHRISTOS ATHANASE PATIKIS, COSTAS  
ATHANASE PATIKIS, GEORGE ATHANASE PATIKIS and VASILIOS GEORGHIOU  
PATIKIS.

(F) *The name or names and surname of each of the limited partners :*

Nil.

*Sum contributed by each limited partner, and whether paid in cash  
or how otherwise :*

40 Nil.



*Plaintiff's Exhibits.* (G) *The term for which the business is entered into and the date of its commencement :*

No. 1.  
Applica-  
tion Form,  
Registra-  
tion of  
Business  
Name,  
16th May  
1929,  
*continued.*

The term, as provided by contract dated 16 September, 1923, and signed by the partners on 18 October, 1923, is for five years from 1st July, 1923, but the partnership continues by mutual consent of the partners, at will, under the same terms as before. Date of Commencement of the business : 1st July, 1923, as successors and assignees of the Firm A. G. PATIKIS & Co.

(H) *The other business occupation of every individual Partner :*

Nil.

10

(I) *Any other business name or names under which the business is carried on :*

Nil.

(J) *The name or names and surname of the individual partners who are authorised to administer the affairs of the business, to manage it and to sign for it with the business name :*

IOANNIS GEORGHIOU PATIKIS, CHRISTOS ATHANASE PATIKIS, GEORGE ATHANASE PATIKIS and VASILIOS GEORGHIOU PATIKIS.

The business is carried on in General partnership.

Sent by post or delivered for filing by A. G. Patikis & Co., P.O.B. No. 7, Limassol.

20

Signature of all individual partners :

(1) J. G. PATIKIS, (2) CH. A. PATIKIS, (3) C. A. PATIKIS,  
(4) V. G. PATIKIS, (5) G. C. PATIKIS.

Dated the 16th day of May, 1929.

The Registrar of Partnerships, Famagusta—Cyprus.

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## EXHIBIT 11.—PARTNERSHIP AGREEMENT.

*Plaintiff's  
Exhibits.*

## AGREEMENT.

Among the undersigned Ioannis G. Patikis and Georghios A. Patikis and Vasilios G. Patikis and Christos A. Patikis and Constantinos A. Patikis all of Limassol the following have been agreed :—

No. 11.  
Partner-  
ship  
Agreement,  
15th  
September  
1923.

(A) All the above mentioned declare that they recognise all the agreements made with the retired members of the Firm A. G. Patikis & Co.

(B) All the aforesaid contracting parties have agreed and hereby agree to continue the business of the Commercial and Industrial Firm  
10 A. G. Patikis & Co. for their own account under the same firm name as hitherto as sole partners and owners of the Firm A. G. Patikis and Co.

(C) For the above-mentioned purpose each partner deposits—

(1) the capital with which each is purported to be credited in the books of the company as opened on the 1st July, 1923, together with all transactions made thereafter ; and

(2) his personal work. It has been agreed, however that the partner Ioannis G. Patikis alone will be entitled to withdraw from his capital a sum not exceeding two thousand pounds (£2,000).

(D) The duration of this partnership is fixed for a period of five  
20 years from the 1st July, 1923, i.e., from the 1st July, 1923, till the 1st July, 1928 : Provided however that the partnership may be continued after the lapse of the five-year period either expressly or tacitly, on the same terms as are provided in the whole of this agreement.

(E) The firm name of the company shall continue to be the same in future, i.e., A. G. Patikis and Co. and use of the signature A. G. Patikis & Co. will be made only by the partners Ioannis, Georghis, Vassilios and Christos Patikis.

(F) The Company will keep regular commercial books in which will be entered all the transactions concerning the company and the partners.  
30 These books will be balanced and closed every year on the 1st July and/or every six months and the profits and loss of the Company will be determined. This profit and loss will be divided equally among the partners in equal shares and irrespective of the amount of the capital of each one. Each partner is bound to withdraw every year the profits allotted to him and if he leaves them with the company he will not be entitled to any interest thereon with the exception of the partner with the smaller capital who is entitled to leave it with interest at six per cent. until his capital becomes equal to that of the partner with the immediately higher capital whereupon it will be capitalised.

(G) The aforesaid contracting parties have agreed that the partner  
40 Ioannis Patikis will receive as his personal remuneration the sum of one hundred pounds each year irrespective of his sharing in the profits and losses, if any, of the Company. No other partner, however, will be entitled to salary or remuneration. During the duration of the present contract no partner will be entitled to withdraw every year an amount exceeding twenty per cent. of his net capital.

Plaintiff's  
Exhibits.  
No. 11.  
Partner-  
ship  
Agreement,  
15th  
September  
1923,  
continued.

(H) Each partner is entitled to receive on the amount of his capital as recorded in the books of the company interest agreed at six per cent. per annum. Likewise all withdrawals of the partners will be charged with the same interest of six per cent. per annum.

(I) The aforesaid contracting parties have agreed that if, during the continuance of the partnership on the basis of the present contract, the company should suffer such losses which would cover the capital of a partner, such partner shall drop out of the company as of right, unless it is agreed otherwise or unless he has renewed his lost capital.

(J) None of the contracting parties during the continuance of the 10 partnership is entitled to retire from the company nor to engage in occupations conflicting with the interests of the company. Nor is he entitled to assign his share to anybody else, whether a partner or not, without the consent of the other partners.

(K) After the expiration of the duration of the present contract, should one or more of the partners wish to retire from the company they shall give notice thereof in writing to the other partners at least three months earlier after the expiration of which the books of the Company shall be closed and the retiring partner or partners shall be paid every 20 per cent. on his allotted share of the credits to third persons deriving from goods and tobacco and less ten per cent. on the existing goods, but the retiring partner or partners shall not be entitled to raise a claim for damages for their share with the Firm name, the trade marks and good will of the company. It is understood that the foregoing shall apply in case the other partners wish to continue the operations for their account otherwise the retiring partner or partners can apply only for the dissolution of the company. The provisions of this clause shall apply also in the case of the death of one or more partners at or after the expiration of the present contract in respect of his or their heirs who shall be entitled to 30 ask either that they may retire from the company or, in case of non-acceptance by the other partners, that the company be dissolved. In no case, however, will such heirs be entitled to step into the shoes of the deceased partner.

(L) When the partnership is dissolved either after the expiration of the present contract or in accordance with clause (K) hereof, the partners or in the event of the death of a partner the surviving partners only shall proceed with the liquidation of all the partnership property in which case upon payment of all the company's debts and the liquidation expenses, any balance will be divided among the partners in proportion to the 40 capital of each together with the profits or losses falling to each one and after deducting his drawings in accordance with the books of the company.

In truth of the foregoing the present document has been drawn up. Limassol, 15th September, 1923.

Contracting parties :

(Sgd.) IOANNIS G. PATIKIS for himself, and for V. G. PATIKIS.  
 „ CHRISTOS A. PATIKIS for himself, and for GEORGHIOS A. PATIKIS.  
 „ COSTAS A. PATIKIS.

*Additional Terms :*

No partner will be entitled without the express consent of the other partners to make use of the Company's signature for guarantee of any nature.

No partner will be entitled to give of the capital of the company any sum as a loan to anyone not having trade relations with the company without the express consent of the other partners.

(Initials.)

*Plaintiff's Exhibits.*

No. 11.  
Partnership Agreement,  
15th September 1923,  
*continued.*

Signed this day in my presence by Ioannis G. Patikis and Christos A. Patikas and Costas A. Patikas, all of Limassol, who are personally known to me. In testimony whereof I have this 18th day of October, 1923, placed my signature and official seal.

(Sgd.) PAVLIDES,  
Certifying Officer.

*Defendants' Exhibits.*

**EXHIBIT 42.—LETTER, Custodian of Enemy Property to I. G. Patiki and Others.**

No. C.110/3.

THE OFFICE OF THE CUSTODIAN OF ENEMY PROPERTY.

Cyprus, 22nd May, 1942.

No. 42.  
Letter,  
Custodian of Enemy Property to Defendant B (1) and Others,  
22nd May 1942.

20 Sir,

Ioannis Georghiou Patikis George Athanase Patikis Vasilios Georghiou Patikis	}	residing in Greece.
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Referring to my letter of the 20th May, 1941, and in particular to paragraph 4 of that letter, I am informed that you have had some difficulty with the L.R.O. regarding your power to act as managing partner of the Firm. In order to clarify the position I hereby authorise your Mr. Christos Athanase Patikis to continue to act as the managing partner of the Firm, and this with effect from the date of my letter referred to above. I trust this will clarify the situation.

I have the honour to be, Sir,

Your obedient Servant,

(Sgd). H. LLEWELLYN JONES,  
Custodian of Enemy Property.

The Manager of the Firm

A. G. Patikis & Co.,  
P.O. Box No. 7,  
Limassol.

*Defendants'*  
*Exhibits.*

**EXHIBIT 33.—LETTER, G. A. Patiki to Custodian of Enemy Property.**

No. 33.  
Letter,  
G. A. Patiki  
to  
Custodian  
of Enemy  
Property,  
29th April  
1946.

Georghios A. Patikis,  
c/of A. G. Patikis & Co.,  
P.O. Box No. 7,  
Limassol.

“ THE PINDUS ”  
A. G. PATIKIS & Co.  
Cigarette Factory.

P.O.B. No. 7,  
Limassol, Cyprus.

Dear Sir,

Re Georghios A. Patikis.

10

I the undersigned Georghios A. Patikis, now in Limassol, one of the partners and managers of the Firm A. G. Patiki & Co., have the honour to inform you that I have arrived yesterday in Cyprus. I am therefore in the happy position not to be any more an enemy within the meaning of the Trading with the Enemy Laws and both myself and my property to be free from any restrictions under such Laws.

I should be very grateful if arrangements could be made at your earliest convenience for the payments over to me of all sums of money standing to my credit with you.

Taking this opportunity I beg to express to you my thanks and deep 20 gratitude for your kind interest shown for the protection of my property and for the assistance given to my duly authorised agent in Cyprus, Mr. Christos A. Patikis, manager of the Firm A. G. Patikis & Co.

Needless to say that I have fully approved of all actions, deeds and dealings of my said Agent acting on my behalf and as manager of the Firm A. G. Patikis & Co.

Thanking you again,

Yours faithfully,

(Sgd.) GEORGE A. PATIKI.

To the Custodian of Enemy Property,  
Nicosia.

30

## EXHIBIT 12.—LETTER, G. A. Patiki to Defendants A.

*Plaintiff's  
Exhibits.*

Limassol,  
4th May, 1946.

No. 12.  
Letter,  
G. A. Patiki  
to  
Defendants  
A,  
4th May  
1946.

Messrs. A. G. Patikis and Co.,  
Limassol.

Gentlemen,

The undersigned Georghios A. Patikis of Trikala, now of Limassol, having together with the Firm of A. G. Patikis and Co. of Limassol gone through the accounts and transactions between us, hereby make the  
10 following irrevocable declarations.

1. Remittance No. 62456 of Commercial Bank of Greece, £2,019.19.5.

Remittance No. 62478 of Commercial Bank of Greece, £1,780.18.7.

The above amounts paid by you to the Bank of Athens, Limassol, on 29.3.41 and 8.4.41 for the settlement of the above remittances of the Commercial Bank of Greece and which (amounts) were remitted by the Bank of Athens, Limassol, to its London sub-office for the account of the Commercial Bank of the Near East Ltd., Teignmouth, 4 Regent  
20 Street, S. Devon, England, and still being held to the credit of the Commercial Bank of Greece, Athens, Special Account, under the custody of the Custodian of Enemy Territory and will probably be remitted to me to Athens in future, are the property of the Firm A. G. Patikis and Co., Limassol, and belong exclusively to the Firm A. G. Patikis and Co.

2. Your remittance of 28.12.1945 through Bank of Athens, Limassol relating to bill of lading No. 91832 for 220 bundles of tobacco per s.s. " Gyneysu " £1,575.8.8 and your remittance of 19.4.1946 through Bank of Athens, Limassol, to London, for the account of the Bank of Athens, Piraeus, pursuant to my instructions for 350 bundles of tobacco,  
30 £2,155.1.0. Both these remittances are the property of the Firm A. G. Patikis and Co., Limassol, and belong exclusively to the Firm A. G. Patikis and Co.

3. All Greek tobacco sent by me to the Firm A. G. Patikis and Co. as well as the tobacco in my possession in Greece are the property of the Firm A. G. Patikis and Co., of Limassol.

4. For all the foregoing reasons the Firm A. G. Patikis and Co. of Limassol is hereby irrevocably authorised to take any action to collect or take delivery of the above-mentioned, and/or to debit me with any sum I might collect without remitting it to the said Firm or for any sum

*Plaintiff's Exhibits.* representing the value of any quantity of the above-mentioned tobacco belonging to the Firm which I might fail to deliver or forward to the Firm A. G. Patikis and Co., Limassol.

No. 12.

Letter,  
G. A. Patiki  
to  
Defendants  
A,  
4th May  
1946,  
*continued.*

(Sgd.) GEORGHIOS A. PATIKIS.

Signed before me this day by Mr. Georghios A. Patikis of Trikkala, Greece, and now in Limassol, who is personally known to me and is of full age. In testimony whereof I have set my signature and official seal this 4th day of May, 1946.

(Sgd.) G. HARALAMBOUS,

Certifying Officer. 10

*Defendants' Exhibits.*

No. 41.

Power of  
Attorney,  
4th May  
1946.

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**EXHIBIT 41.—POWER OF ATTORNEY.**

(Translation.)

**POWER OF ATTORNEY.**

The undersigned Georghios A. Patikis of Trikkala, Greece, now of Limassol, hereby appoint and constitute as my attorney Mr. Christos A. Patikis of Limassol, Cyprus, in order to do the acts and take the proceedings following on my behalf and in my name.

1. To administer all my movable and immovable property in Cyprus as well as the business and property of the partnership in Cyprus A. G. Patikis & Co. of which I am a partner and to collect from the Government 20 of Cyprus or the Custodian of Enemy Property in Cyprus or any person, Company or Bank any sum due to me or standing to my credit.

2. To form and register in Cyprus, together with the other partners of the Partnership A. G. Patikis & Co. including my aforesaid attorney, a Company of Limited liability with such articles of association, company's rules, provisions and terms as my aforesaid attorney would deem fit.

3. To be registered for and receive such number of shares in the aforesaid company to be formed as my said attorney would consider fit and to sign any articles of association, company's Rules and other document in connection with the formation, registration and operation of the afore- 30 said company which my aforesaid attorney would approve or which is required under the Companies' (Limited Liability) Laws in force in Cyprus at the time.

4. To sell, assign, transfer and deliver to the above-mentioned company to be formed the whole or any part of the assets, the movable and immovable property of the Partnership A. G. Patikis & Co., including the immovable property registered in the name of the partners of such Partnership or of any of them as trustees for and in the interests of the

Partnership as well as for the goodwill and the trade marks of the said Partnership for any price and on such terms as my aforesaid attorney would deem fit and sign all the relative documents therefor.

5. To dissolve the partnership A. G. Patikis & Co. immediately after the sale or liquidation of its property and business and to sign every document necessary for such dissolution.

6. To sell and transfer the whole or any part of my movable and immovable property in Cyprus to anybody for any price and on such terms as he might consider to be in my interest.

10 7. To do any other act or take any proceedings and to sign any document or statement in connection with the foregoing as my said attorney would deem fit, and I for myself, my heirs, successors, executors, and administrators hereby undertake to recognise and accept every such act of my said attorney as having been made by me personally.

Limassol : 4th May, 1946.

The Principal  
(Sgd.) GEORGHIOS A. PATIKIS.

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**EXHIBIT 35.—LETTER, G. A. Patiki to Custodian of Enemy Property.**

20 " THE PINDUS "  
A. G. PATIKIS & Co.  
P.O. Box No. 7, (Stamp :  
Limassol. Custodian of  
Enemy Property  
6th May, 1946.)  
Custodian of Enemy Property,  
Nicosia.

No. 35.  
Letter,  
G. A. Patiki  
to  
Custodian  
of Enemy  
Property,  
Undated,  
Received,  
6th May  
1946.

Sir,

I have the honour to acknowledge the receipt of your letter dated 3rd May, 1946, enclosing Cheque No. 17585 on Ottoman Bank to my order for £2,766.13.5cp (two thousand seven hundred and sixty-six pounds, thirteen shillings and five piastres), in full settlement of the balance of my  
30 account with your custody.

2. The respective voucher (F2) was duly signed and handed over to your goodselves at Nicosia.

I have the honour to be, Sir,

Your obedient Servant,

(Sgd.) GEORGE A. PATIKI.



*Defendants' Exhibits.*

**EXHIBIT 34.—LETTER, G. A. Patiki to Custodian of Enemy Property.**

No. 34.  
Letter,  
G. A. Patiki  
to  
Custodian  
of Enemy  
Property,  
6th May  
1946.

“ THE PINDUS ”  
A. G. PATIKIS & Co.  
Cigarette Factory.

Limassol.

6th May, 1946.

George A. Patikis,  
c/of A. G. Patikis & Co.,  
P.O. Box No. 7,  
Limassol.

10

Sir,

I have the honour to acknowledge receipt of your letter No. C.761 of 2nd May, 1946, and beg to inform you that I am prepared to comply with it.

(Note in  
pencil in  
margin)  
(£2.-4½.)

I applied, therefore, to the Ottoman Bank, Limassol, and the price quoted for gold sovereigns is £1.17.3 which as compared with the price quoted abroad is considerably low.

As I am leaving Cyprus owing to the serious illness of my wife, my duly authorised agent Mr. Christos Patikis, will act for me in the above matter.

20

My said agent or our legal adviser, Sir P. L. Cacoyannis, will see you very shortly in Nicosia, to arrange matters with you.

I again thank you very much for your kind interest you have shown in connection with my property.

I have the honour to be, Sir,

Your obedient Servant,

(Sgd.) GEORGE A. PATIKIS.

To the Custodian of Enemy Property,  
Nicosia.

(Note in pencil)

30

\* This is the official price fixed by the Bank of England acting on behalf of H.M. Treasury in London, i.e. 173s./4d. per oz.

Price of Sovereigns £2.0.4½.

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## EXHIBIT 2.—APPLICATION FORM, CHANGE OF PARTICULARS.

*Plaintiff's  
Exhibits.*(12/- worth of  
stamps affixed.)

(Form Business Names 4.)

No. 2.  
Applica-  
tion Form,  
Change of  
Particulars,  
6th June  
1946.

## THE PARTNERSHIP LAW, 1928.

STATEMENT OF NATURE OF CHANGES IN THE PARTICULARS REGISTERED  
IN RESPECT OF A BUSINESS NAME BY TWO OR MORE INDIVIDUALS HAVING A  
PLACE OF BUSINESS IN CYPRUS AND CARRYING ON BUSINESS IN (1) GENERAL  
PARTNERSHIP.

Number of Certificate of Business Name : 50.

10 (Business carried on in General Partnership.)

Statement of Change in the particulars }  
in respect of the business name } A. G. PATIKIS & Co.The following statement of the changes specified below, which have  
occurred in respect of this Business Name on the 6th day of June, 1946,  
is made, pursuant to sections 51 and 52 of the Partnership Law, 1928 :—

(A) Change in the business name. Nil.

Previous business name :

New business name :

(B) Change in the general nature of the business. Nil.

20 General nature of business as previously carried on :  
General nature of business as now carried on :

(C) Change in the principal place of the business. Nil.

Previous place of business :

New place of business :

(D) Change in the partners or in the name or surname of any  
partner.George Athanase Patikis of Trikkala Greece ceased  
to be a partner on account of his death which  
occurred on the 5th June, 1946.

30 (E) Change in the term or character of the business : Nil.

Previous term (if any), but, if no definite term, then  
the conditions under which the business was  
constitutedNew term (if any), but, if no definite term, then the  
conditions under which the business is now  
constituted

(F) Change in the sum contributed by any limited partner : Nil.

The name or names and surname of limited partner  
and sum previously contributed by him, and  
whether paid in cash, or how otherwise :40 Sum now contributed by him, and whether paid in cash,  
or how otherwise :

<i>Plaintiff's Exhibits.</i>	(G) Change in the liability of any partner by reason of his becoming a limited instead of a general partner :	Nil.
No. 2. Applica- tion Form, Change of Particulars, 6th June 1946, <i>continued.</i>	The name or names and surname of any general partner who now becomes a limited partner : Sum contributed, and whether paid in cash, or how otherwise :	
	(H) Change in the liability of any partner by reason of his becoming a general instead of a limited partner :	Nil.
	The name or names and surname of any limited partner who now becomes a general partner :	10
	(I) Change in any other business name or names under which the business is carried on. Previous other business name or names : New other business name or names :	
	Sent by post or delivered for filing by A. G. PATIKIS & Co., P.O. Box No. 7, Limassol.	
	(Sgd.) A. G. PATIKIS & CO.	
	Dated the 6th day of June, 1946.	
	The Registrar of Partnerships, Famagusta, Cyprus.	20

No. 22.  
Letter,  
Sir P. L.  
Cacoyannis  
to T. Papa-  
lopoulos,  
19th  
December  
1946.

**EXHIBIT 22.—LETTER, Sir P. L. Cacoyannis to T. Papalopoulos.**

Limassol,  
19th December, 1946.

1. Mr. Thrasyvoulos Papalopoulos,
2. Mrs. Sophia Th. Papalopoulou,  
Thera Street No. 10, Athens.

Gentlemen,

I have the honour to inform you that the District Court of Limassol has appointed me as Temporary Administrator of the Estate of the deceased Georghios A. Patiki of Trikalla in accordance with the order enclosed herewith. 30

2. The above-mentioned temporary administration has become necessary for the reason that non-payment within the prescribed time to the Appropriate Authority of the income tax due by the estate of the said deceased would entail payment of an additional tax of about £400.0.0. Also failure to submit to the Appropriate Authority within the prescribed time an inventory of the estate of the deceased for the payment of estate duty entails liabilities against the estate of the deceased Georghios A. Patiki.

3. As you are aware the deceased died in Athens on the 5th June, 1946, and from the date of his death he ceased to be a partner of the Firm 40

A. G. Patiki and Co. of Limassol and the remaining partners from the above date have undertaken and continue the work and business of the said Firm for their own account and at their own responsibility. This was published soon after the death of the said deceased in the Government Cyprus Gazette.

*Plaintiff's Exhibits.*

No. 22.  
Letter,  
Sir P. L.  
Cacoyannis  
to T. Papa-  
lopoulos,  
19th  
December  
1946,  
*continued.*

4. As I know personally and as the deceased had ascertained from a document dated the 4th May, 1946, duly signed and certified by the official certifying officer of Limassol all the tobacco in Greece which was registered with the Tobacco Board in the name of the deceased Georghios A. Patiki has been purchased and belongs exclusively to the Firm A. G. Patiki and Co. of which the deceased was a partner and one of the directors. At any rate, this was the practice prevailing for many years and, moreover, it is clear that the deceased was making all purchases of tobacco in Greece as director of the Firm A. G. Patiki and Co. with money of the Firm and as an attorney of the Firm by virtue of power of attorney dated the 21st December, 1931.

5. The Firm A. G. Patiki and Co. claims all the tobacco now in Greece reaching to about 50.000-okes as belonging to him and threatens that it will debit the estate of the deceased in Cyprus with the value thereof and with damages for the delay caused to its industrial operation if the whole of the above tobacco is not recognised as belonging to the Firm A. G. Patiki and Co. and if it is not freed for despatch to Cyprus. Of course the deceased as partner of the Firm is entitled to the 1/5th share of the value of such tobacco.

6. As I am informed that as a guardian of your daughter Demetra who claims to be adopted daughter of the deceased you raise objections to the said tobacco being recognised as property and ownership of the Firm A. G. Patiki & Co., for this reason I have deemed it my duty to bring the foregoing to your knowledge in order to avoid unpleasant consequences.

Alas, if your example is followed also by the other partners and directors of the Firm A. G. Patiki & Co., in whose name personally is registered considerable property belonging to the Firm A. G. Patikis and Co.

7. I have no doubt that you will want to recognise the foregoing acts of the deceased as having been made for the account and benefit of the Firm A. G. Patiki & Co. and that in this way the hereditary rights of all having an interest in the estate left by the deceased Georghios A. Patiki, i.e. each one's share in the property of the Firm A. G. Patiki and Co. as stipulated in the partnership agreement will be amicably settled out of Court.

8. Also the Firm A. G. Patikis and Co. claims from the estate of the deceased all the amounts mentioned in the document of the deceased dated the 4th May, 1946, which the deceased acknowledged as belonging to the Firm A. G. Patiki & Co.

Awaiting an early reply,

(Sgd.) P. L. CACOYANNIS.

*Plaintiff's Exhibits.* IN THE DISTRICT COURT OF LIMASSOL.

No. 22.  
Letter,  
Sir P. L.  
Cacoyannis  
to T. Papa-  
lopoulos,  
19th  
December  
1946,  
*continued.*

Probate Application No. 11/46.

Before :

ZEKIA, Ag.P.D.C. & GLYKYS, D.J.

IN THE MATTER of GEORGE A. PATIKI of Trikalla, Greece,  
whose last residence in Cyprus was Limassol, Cyprus,  
deceased.

PROBATE JURISDICTION.

On the application of Sir Pan. Cacoyannis, counsel for Christos A. Patiki and Costas A. Patiki, both of Limassol brothers of the above 10  
deceased, for an order appointing him as temporary administrator of  
the estate of the above deceased who died intestate in Athens on the  
5th June, 1946, and whose last residence in Cyprus was Limassol, Cyprus,  
at the junction of Sparti and Ellas Street, within the jurisdiction of this  
Court, and it appearing by affidavit filed herein by the said Christos A.  
Patiki that the proposed temporary administrator is a fit and proper  
person to be appointed as such,

THIS COURT DOTH ORDER that subject to the filing of the  
required Estate Duty necessary certificate (already filed) Sir Panayotis  
L. Cacoyannis, advocate, of Limassol, be and is hereby appointed as 20  
temporary administrator of the estate of the above deceased which is  
situate in Cyprus for all or any of the following purposes :—

1. To make, sign and deliver to the Commissioner of Income Tax  
a return in the prescribed form of the chargeable income of the deceased  
in respect of the period commencing on the 1st day of January, 1946, the  
day of the death, viz. the 5th June, 1946, and to act as temporary  
administrator of the estate of the said deceased for the purposes of the  
Income Tax Laws ;

2. To collect from any Bank in Limassol or from the Firm  
A. G. Patiki & Co., of Limassol such sum or sums of money standing to the 30  
credit of the said deceased as may be required for the payment of the income  
tax due or payable by the deceased in respect of his chargeable income of the  
year 1945, and of the period commencing from the 1.1.46 till the day of his  
death, viz. 5.6.1946, and of any other expenses connected with the  
temporary administration and to pay such income tax and other expenses;

3. To prepare an inventory of the property of the deceased situate  
in Cyprus ;

4. To make and deliver to the Commissioner of Estate Duty in the  
prescribed form a declaration of the property of the deceased in Cyprus  
including the value thereof and to act as temporary administrator for any 40

of the purposes of the Estate Duty Laws and to collect and pay out of the estate of the said deceased the estate duty payable under such Laws in respect of the property of the deceased situate in Cyprus.

AND THIS COURT DOTH FURTHER ORDER that the temporary administrator do file an inventory of the deceased's property situate in Cyprus within 2 months from to-day and that he do furnish a security bond in the sum of £1,000.0.0 with a guarantor, (Bond filed).

Given this the 8th day of November, 1946.

Drawn up the 12th day of November, 1946.

10

(Sgd.) M. ZEKIA,  
Ag. P.D.C.

**EXHIBIT 23.—LETTER, Sir P. L. Cacoyannis to T. Papalopoulos.**

Limassol.

22nd January, 1947.

Mr. Thrasyvoulos Papalopoulos,  
Karditsa,  
Thessalia,  
Greece.

Dear Mr. Colleague,

20 I thank you for your letter dated 2nd instant and for your wishes. I wish you many and happy returns.

As regards the property left by the deceased Georghios Patiki in Cyprus, you can rest assured that it is quite safe and it is under the safe protection of all concerned.

The temporary administration of the said estate was deemed necessary in order to discharge the estate from the payment of a considerable additional income tax and that the estate be duly represented before the Commissioner of Income Tax and the Commissioner of Estate Duty for the protection of the interest of all persons concerned.

30 I am very happy because Messrs. Ioannis and Costas Patiki have already arrived in Greece who would meet you and I verily hope that all the questions affecting the estate and the Company will be settled in an amicable way.

As you speak about the liquidation of the estate of the deceased in Cyprus I wish to refer you to the partnership contract of the partners of the Firm A. G. Patiki & Co. which provides that in case of death of any partner, his heirs are entitled to get what the deceased is entitled to receive from the Company on the date of his death in accordance with the books of the Company less 15% on the credits deriving from goods and 10% on

*Plaintiff's Exhibits.*

No. 22.

Letter,  
Sir P. L.  
Cacoyannis  
to T. Papa-  
lopoulos,  
19th  
December  
1946,  
*continued.*

No. 23.

Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos,  
22nd  
January  
1947.

*Plaintiff's  
Exhibits.*

No. 23.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos,  
22nd  
January  
1947,  
*continued.*

the value of the goods in store. Only when the surviving partners do not wish to continue the business of the company, the Company is dissolved and the surviving partners shall proceed with the liquidation of the partnership property.

In the present case the surviving partners, since the day of the death of Georghios A. Patiki, 5.6.1946, have undertaken the continuance of and continue for their own account the business and affairs of the Company and this was published in the Official Gazette of the Government in Cyprus. Surely this is also beneficial to the estate of the deceased which will get all that the deceased was entitled to on the date of his death in accordance with the partnership contract instead of a long, costly and prejudicial liquidation. Take note, however, that the accounts of the Company are audited most regularly by recognized Auditors and the deceased had the opportunity, during his last stay in Cyprus and some time before his death, to examine and find them quite all right. 10

I am always at your disposal and ready to give every possible help in achieving a lawful, just and amicable settlement of the inheritance rights on the property of the deceased in Cyprus.

I have the honour to be,

(Sgd.) P. L. CACOYANNIS. 20

No. 24.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos,  
7th May  
1947.

**EXHIBIT 24.—LETTER, Sir P. L. Cacoyannis to T. Papalopoulos.**

Limassol,  
7th May, 1947.

Mr. Thrasyvoulos Papalopoulos,  
Karditsa,  
Thessalia, Greece.

Dear Colleague,

I confirm my letter to you dated 22nd January, 1947, to which I have received no reply.

It is with regret that I was informed that, although Messrs. Ioannis and Costas Patiki had long before arrived in Athens, it has not yet been possible to settle the question of the tobacco and of money remittances of the Company A. G. Patiki & Co., and so avoid debiting the estate of the deceased in Cyprus with the value of such tobacco and money remittances. 30

I cannot understand where the whole question has come to a standstill, taking into consideration that no one can doubt that all the above belong exclusively to the Company A. G. Patiki & Co. to which the above-mentioned deceased was partner by 1/5th.

If the said tobacco and money remittances do not become the ownership of A. G. Patiki & Co. in time and as a consequence the property in Cyprus is debited with the equivalent value, surely deceased's estate 40

will suffer irreparable damage because in such a case the property which will be left here, after the deduction of the income tax and estate duty already paid, will be virtually liquidated and the estate duty in Greece will almost reduce to nothing the value of the said tobacco and remittances.

For all the above reasons I unhesitatingly think that it is to the interest of the estate the immediate settlement of the question of the tobacco and remittances by recognising them as being the exclusive property of the Firm A. G. Patiki & Co. a thing which, as I understand, you do not dispute.

- 10 Very shortly I leave Cyprus for England and will be back about the middle of August and I shall write to you extensively about the estate of the deceased in Cyprus which I, as the temporary administrator, have under my full protection. If after what I'll write to you, you wish to come to Cyprus, I'll let you know very willingly what orders, documents and certificates you are required to bring with you. Anyhow, at the beginning of July we have the Court vacations in Cyprus which will continue up to the 15th September. Consequently if you decide to come to Cyprus you should not be here before next September.

(Sgd.) P. L. CACOYANNIS.

*Plaintiff's  
Exhibits.*

No. 24.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
topoulos,  
7th May  
1947,  
*continued.*

- 20 **EXHIBIT 25.—LETTER, Sir P. L. Cacoyannis to T. Papalopoulos.**

(Translation)

Sir Panayiotis L. Cacoyannis, Kt.LL.B.,  
Advocate.

Limassol,  
22.7.1948.

Mr. Thrasyvoulos Papalopoulos,  
Advocate, of Karditza, now Limassol.

Sir,

- 30 I have pleasure in enclosing you herewith the following documents which you asked Messrs. A. G. Patikis & Co. of Limassol to give you.

1. General Balance sheet, A. G. Patikis & Co. for the year 1945, together with profit & loss account for the year 1945.

2. General Balance Sheet, A. G. Patikis & Co. up to June, 1946, together with Profit & Loss Account up to 30.6.1946.

3. Account of the deceased George A. Patikis up to 31st December, 1945, and account up to 20.7.1948.

4. Table of Taxable income for the first 6 months of the year 1946, and sharing out of this between the partners.

Yours, etc.,

40

(Sgd.) P. L. CACOYANNIS.

No. 25.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos  
(with  
enclosures),  
22nd July  
1948.





BALANCE SHEET OF THE FIRM A. G. PATIKIS & CO., LIMASSOL, AS AT 31ST DECEMBER, 1945.

ASSETS.		LIABILITIES.	
Mortgage Loans .. .. .	£128232. 9. 4½	Brought Forward ..	£120312. 11. 5½
Customers .. .. .	372. 8. 0	RESERVE ACCOUNTS.	
Provisional Accounts .. .. .	£1367. 17. 3	Reserve for Credits written off for Replacement machine .. .. .	£4474. 16. 3
Suppliers .. .. .	25530. 10. 4½	Reserve for materials written off .. .. .	8000. 0. 0
Store .. .. .	55. 0. 0	Reserve Machinery & Access, written off .. .. .	8927. 9. 0
A. G. Patikis & Co. N'sia Office ..	26953. 7. 7½	Reserve Extraor. Undertakings	9987. 11. 8
Documentary Credits .. .. .	24630. 8. 6½	Reserve Furniture & Fitt. written off .. .. .	259. 3. 6
Profit & Loss .. .. .	66. 1. 1½	Reserve Buildings & Rural Props written off .. .. .	638. 14. 3½
	9. 13. 5		2718. 4. 6½
	48. 2. 7½	CAPITAL ACCOUNTS.	35000. 0. 0
		Basile G. Patikis Cap. A/c. ..	5000. 0. 0
		Ioannis G. Patikis .. .. .	5000. 0. 0
		Georghios A. Patikis .. .. .	5000. 0. 0
		Chr. A. Patikis .. .. .	5000. 0. 0
		Costas A. Patikis .. .. .	5000. 0. 0
			25000. 0. 0
			£180312. 11. 5½

Limassol, 19.7.1948.  
 (Sgd.) CHRISTOFOROS DEMETRIOU,  
 Accountant & Auditor.

*Plaintiff's Exhibits.*  
 No. 25.  
 Letter, Sir P. L. Cacoyannis to T. Papolopoulos (with enclosures), 22nd July 1948,  
*continued.*

Plaintiff's  
Exhibits.

No. 25.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos  
(with  
enclosures),  
22nd July  
1948,  
continued.

A. G. PATIKIS & CO., LIMASSOL.  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST DECEMBER, 1945.

DEBITS.		CREDITS.	
To Partners' Accounts Withdrawals	£5000. 0. 0	By Production & Sales Account:	
To Office salaries	1250. 1. 0	" Mixed profits from sales 1.1.45-31.12.45	£70042. 0. 3
To Office Rent	40. 0. 0	" Profit from property	359. 9. 2
To Advertisements, Publications, etc.		" Interest	45.12. 8
Newspapers & Periodicals	£9.13. 4	" Account of Collections written off	16.15. 4
Subscriptions & Publications	186. 5. 8		
Smoking & Advertisements	784. 3. 6½		
Tobacco Licence	1. 2. 0		
To Expenditure of N'sia Office (Salaries, Rent, rates, etc.)	931. 5. 0½		
To Carriage of Cigarettes	322. 6. 2		
To Travelling expenses	176. 1. 3½		
To Maintenance of motor car	156.10. 2½		
To Entertainment Expenses, Messrs. Chr. & C. A. Patikis	92.13. 1½		
To Legal Adviser	158. 0. 0		
To Auditors, Russell & Co.	200. 0. 0		
To Remuneration Mr. Ioa. G. Patikis	100. 0. 0		
To General expenses (printing, stationery, telegrams, etc.)	100. 0. 0		
To Housekeeping expenses	840.18. 6½		
To Commissions and Rebates	195. 4. 2		
To Writing off (Gen. Account 1945)	1715.11. 2½		
To Interest	94. 6. 5		
	1800. 0. 0		
RESERVES:			
1. Replacement of machinery	3000. 0. 0		
2. Writing off Mach. & access.	1000. 0. 0		
3. " " material in stock	2800. 0. 0		
4. " " town & Rural Propert- ties	200. 0. 0		
Net Profit for the year ending 31st Dec. 1945 & shared as follows:	7000. 0. 0		
Ioannis G. Patikis Cur. A/c	£10048. 4. 0		
Basile G. " "	10048. 4. 0		
Chr. A. " "	10048. 4. 0		
Georghios A. " "	10048. 4. 0		
Costas A. " "	10048. 4. 0		
	50241. 0. 0		
	£70463.17. 8		
		Limassol, 19.7.1948.	£70463.17. 8
		(Sgd.) CHR. DEMETRIOU,	
		Acct. & Audr.	

GENERAL BALANCE SHEET OF THE FIRM A. G. PATIKIS & CO., LIMAOSL, CLOSED ON 30TH JUNE, 1946.  
(See pages 169-170)

A. G. PATIKIS & CO.

PROFIT AND LOSS ACCOUNT FOR THE FIRST SIX MONTHS OF THE YEAR 1946, I.E., FROM 1ST JANUARY,  
1946 TO 30TH JUNE, 1946.

DEBITS.		CREDITS.	
To Office Salaries .. .. .	£628. 0. 0	By Production & Sales Account:	
To Office Rent .. .. .	20. 0. 0	" Miscellaneous Profit From Sales 1.1.46 to	£37351.18. 7½
To Adverts, Publications, etc.:		" Profit from property .. .. .	127. 9. 5½
Newspapers & Magazines .. .. .	£3. 3. 6	" Bank interest .. .. .	19.16. 0
Contributions & Publications .. .. .	143. 9. 6		
Smoking and Advertising .. .. .	367. 0. 7½		
Tobacco Licence .. .. .	8.19. 0		
To Expenditure of N'isia Office (Salaries, rent, rates, etc.) .. .. .	522.13. 1½		
To Carriage of cigarettes etc. .. .. .	234. 8. 5½		
To Travelling expenses .. .. .	136. 3. 4½		
To Upkeep of motor car .. .. .	37. 6. 2½		
To Partners' entertainment expens.	32. 6. 7		
To Legal Adviser .. .. .	112. 5. 0		
To Auditing, Russell & Co. .. .. .	100. 0. 0		
To Remuneration, Ioa. Patikis .. .. .	120. 0. 0		
To Gen. Expenditure (Printing, Stationery, telegrams, etc.) .. .. .	50. 0. 0		
To Housekeeping expenses .. .. .	324. 2. 5		
To Commissions and Rebates .. .. .	117. 7. 2½		
To Interest .. .. .	1786. 3. 3½		
To Ruined cigarettes .. .. .	900. 0. 0		
" Net profits distributed as follows:	36.13. 2		
Ioannis G. Patikis Cur/Ac. .. .. .	£6368. 6. 8		
Basile G. Patikis .. .. .	6368. 7. 0		
Christos A. Patikis .. .. .	6368. 7. 0		
George A. Patikis .. .. .	6368. 6. 8		
Costas A. Patikis .. .. .	6368. 6. 8		
	31841.14. 0		
	£37499. 4. 4		£37499. 4. 4

Limassol, 19.6.1948.

(Sgd.) CHR. DEMETRIOU,  
Accountant-Auditor.

Plaintiff's  
Exhibits.

No. 25.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos  
(with  
enclosures),  
22nd July  
1948,  
*continued.*

Plaintiff's  
Exhibits.

No. 25.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos  
(with  
enclosures),  
22nd July  
1948,  
continued.

GEORGHIOS A. PATIKIS (DECEASED) PERSONAL ACCOUNT.

DEBITS.		CREDITS.	
	Reasons for Transactions	Reasons for Transactions	Amounts
1946	To Ottoman Bank :—Payment of Income Tax 1946/45 in accordance with letter of provisional administrator Sir P. L. Cacoyannis dated 16.11.46 by cheque No. 483132 of Ottoman Bank to the order of the comptroller of Land Revenue as per receipt No. 19069 of 18.11.46 ..	July 1 Balance b/f ..	£23213 11 7
Nov. 18	To Ottoman Bank : Payment of Estate Duty imposed provisionally on the estate of the deceased Georghios A. Patikis in accordance with a letter from the provisional administrator Sir P. L. Cacoyannis of the 18.11.46 by cheque No. 483133 on the Ottoman Bank to the order of the Comptroller of Inland Revenue as per receipt No. H607062 (File E.D.481) ..	Nov. 18 By Ottoman Bank : Lodgment by Sir P. L. Cacoyannis for account of the Firm A. G. Patikis & Co. as provisional administrator of the estate of the deceased Georg. A. Patikis ..	4766 13 5
"	To Georghios A. Patikis, Payments A/c: Cash on 11.7.46 to Mr. Basil G. Soteriou for a/c of Takis Krassakopoulos on the 8.7.46 through C. A. Patikis ..	" By Ionian Bank : Lodgment by Sir P. L. Cacoyannis for a/c of the Firm A. G. Patikis & Co. as provisional administrator of the estate of the deceased Georghios A. Patikis ..	2500 0 0
"	Remittance on 28.8.46 to family through Mr. C. A. Patikis ..		
Dec. 31	General Balance Sheet ..		
			£30480 5 3

GEORGHIOS A. PATIKIS (DECEASED) PERSONAL ACCOUNT.

DEBITS.		CREDITS.	
1947	Reasons for Transactions.	1947	Reasons for Transactions.
Jan. 23	To Auditing Fees Russell & Co. for the 1st six months £70, the 1/5th .. ..	Jan. 2	By General balance sheet .. ..
	Amounts		Amounts
	£14 0 0		£17913 0 3
Apr. 29	Ottoman Bank: Payment of Income Tax 1947/46 according to letter of provisional administrator of the property Sir P. L. Cacoyannis of the 28.4.47 by Cheque No. 601772 on the Ottoman Bank to the Order of the Comptroller of Inland Revenue Receipt No. 21963 .. ..		
	2581 9 0		
Oct. 29	To Cash: Amount paid to Mr. Chr. A. Patikis for final settlement of the difference due to the redistribution of the profits from receipts and expenditure from 1st January, 1946, to 5.6.46 as per account of the Auditors Russell & Co. and in accordance with the books of the Firm, for the surviving four partners at £50 each .. ..		
	200 0 0		
Dec. 31	To General Balance Sheet .. ..		
	15117 11 3		
	<u>£17913 0 3</u>		<u>£17913 0 3</u>
		1948	
		Jan. 2	By General Balance Sheet .. ..
			Limassol, 20.7.48.
			(Sgd.) CHR. DEMETRIOU, Accountant-Auditor.
			£15117 11 3

*Plaintiff's Exhibits.*  
No. 25.  
Letter,  
Sir P. L. Cacoyannis  
to T. Papa-  
lopoulos  
(with  
enclosures),  
22nd July  
1948,  
*continued.*

Plaintiff's Exhibits.

No. 25.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papalopoulos  
(with enclosures),  
22nd July  
1948,  
continued.

GEORGHIOS A. PATIKIS (DECEASED) CURRENT ACCOUNT.

1945				
Aug. 31	To Cash : Our lodgment plus income ..	£127. 7. 5		
Oct. 22	" Counter entry 23.5.45 for settlement of stock of cigarette paper ..	53. 1. 0		
Nov. 16	" Ottoman Bank : Payment of 1944 income tax ..	5265. 0. 0		
Nov. 16	" Settlement of income tax for bachelor partners for 1944. Receipt No. 12176. 2/1078 ..	300. 0. 0		
Dec. 28	" Our Lodgment ..	100. 0. 0		
" 31	" Balance brought down ..	22538. 3. 0		
				<u>£28383. 11. 5</u>

1945			
Jan. 2	Balance b/f ..		£16842. 12. 4
Apr. 19	1/5th share from sale of building plot of Athanasi Demetri (£32.10/-) ..		6. 10. 0
May 14	Share of profit from Bond No. 3061 Cyprus Govt. premium Bonds 1944 Issue ..		4. 0. 0
" 23	1/5th share for settlement of stock of damaged cigarette paper 450 bobbins ..		53. 1. 0
Jul. 18	Apportionment of profit of bond No. 3035 Cyprus Govt. Loan 1944 ..		4. 0. 0
Oct. 24	Lodgment through Mr. Athos T. Patikis ..		50. 0. 0
" 26	Share of £66.0.0 from sale of pipes ..		13. 4. 1
Nov. 16	" " £10 interest from bond of Mnel. Papadopoulos ..		2. 0. 0
Dec. 31	Interest on capital £5000 @ 6% for 1945 ..		300. 0. 0
" 31	Interest on interest bearing account £2000 @ 3% for 1945 ..		60. 0. 0
" 31	Settled amount as annual payment for 1945 ..		1000. 0. 0
" 31	1/5th share of net profits for the year 1945 ..		10048. 4. 0
			<u>£28383. 11. 5</u>
1946			
Jan. 2	By General Balance Sheet (balance b/d) ..		£22538. 3. 0

19.7.48.  
CHRISTOFOROS DEMETRIOU,  
Accountant-Auditor.

**A. G. PATIKIS & CO., LIMASSOL.**

**TABLE OF TAXABLE INCOME FOR THE FIRST SIX MONTHS OF THE YEAR 1946 (YEAR TAXED 1947).**

**APPORTIONMENT OF TAXABLE INCOME AMONGST THE PARTNERS.**

Net profit for the period 1st Jan, 1946, up to 30th June, 1946 .. .. .	£31842. 0. 0
<i>Plus</i> :—Gifts (including advertisements)	£62. 0. 0
<b>Household expenses</b> .. .. .	<b>£117</b>
<i>Less</i> :—Amount representing rent debited to this a/c and credited to income from property .. .. .	<b>£16</b>
Education Tax included in taxes & insurance premiums .. .. .	101. 0. 0
Electric engine included in repair of electrical installations .. .. .	140. 0. 0
Amount allocated for old motor sold for £80 and demanded for taxation .. .. .	120. 0. 0
	15. 0. 0
	438. 0. 0
	£32280. 0. 0
<i>Less</i> :—Amount allocated by Government for wear & tear of properties, furniture, machinery, electric engine, motor car .. .. .	194. 0. 0
	£32086. 0. 0

Partners	Proportion of taxable income up to 5.6.46	Proportion of taxable income from 6.6.46 to 30.6.46	Allocation of Interest Remuneration	Total amounts
B. G. Patikis ..	£5530	£1108	£180	£6818. 0. 0
Ioan. G. " ..	5531	1108	180	6869. 0. 0
Geo. A. " (deceased on 5.6.46) ..	5531	180	180	5711. 0. 0
Chr. A. Pat. ..	5531	1108	180	6819. 0. 0
C. A. Patikis ..	5531	1108	180	6819. 0. 0
	£27654	£4432	£900	£33036. 0. 0

Limassol, 20.7.1948.  
(Sgd.) CHR. DEMETRIOU,  
Accountant-Auditor.

*Plaintiff's Exhibits.*  
No. 25.  
Letter,  
Sir P. L. Cacoyannis  
to T. Papa-  
lopoulos  
(with  
enclosures),  
22nd July  
1948,  
*continued.*



*Plaintiff's  
Exhibits.*

**EXHIBIT 26.—LETTER, Sir P. L. Cacoyannis to T. Papalopoulos.**

No. 26.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos,  
30th July  
1948.

Limassol,

30th July, 1948.

Mr. Thrasyvoulos Papalopoulos, Advocate of Karditsa, Guardian of minor  
Demetra, adopted daughter of the deceased Georghios A. Patiki,  
Limassol.

Sir,

By this letter I confirm all my letters sent to you dated 19.12.1946,  
22.1.1947, 7.5.1947, 6.1.1948, 21.1.1948, 16.7.1947 and 22.7.1948.

2. After the delivery to you of all the relative documents and accounts 10  
as well as of a copy of the statement which was submitted by me to the  
Commissioner of Estate Duty, I would like you to inform me in writing and  
in detail, under your above-mentioned capacity, of all your claims on the  
estate of the deceased Georghios A. Patiki in Cyprus on the date of his  
death, i.e. 5th June, 1946, the date when the surviving partners of the  
Firm A. G. Patiki & Co. having exercised their rights by virtue of the  
partnership contract dated 16.9.1923, had undertaken the continuance of  
the business of the Firm A. G. Patiki & Co. for their own account and  
responsibility and as a matter of fact since then they have continued this 20  
business as mentioned above. You were informed of the above by my letters  
and particularly by my letters dated 19.12.1946 and 22.1.1947. Also, as  
you have already been informed, my statement of the property of the  
deceased was made on the strength of the said document and of the  
remaining partners' statement that the Firm A. G. Patiki & Co. continues  
for the account and responsibility of the surviving partners from the date  
of the death of Georghios A. Patiki, i.e. from 5.6.1946.

3. As you know, because of the differences which you had in Greece  
in respect of the tobacco and money remittances found there, the settlement  
of these differences has been delayed for about two years and due to this  
delay no progress for the final liquidation and arrangement of the estate 30  
in Cyprus could be made, taking into consideration that the non-delivery  
of the tobacco and/or the non-payment of the money remittances to the  
Firm A. G. Patiki & Co. created, as you know, a right in favour of the  
Firm for debiting the estate of the said deceased with their equivalent value  
on the strength of a document dated 4th May, 1946, duly signed by the  
said deceased.

4. Also take notice that the arrangement of the inheritance rights in  
the property of the above-mentioned deceased is indispensable before the  
arrangement of the estate duty, considering that the statement made is not 40  
the final one and the Commissioner of the Estate Duty will surely want to  
know particulars on all the amounts of the balance-sheet as well as on the  
inheritance rights of each heir.

5. I do not see the reason why the arrangement of the inheritance  
rights is delayed, considering that all the accounts of the Firm were approved

by the deceased some time before his death and furthermore they were audited by the Auditors of the Firm who are recognized Auditors by the Commissioner of Income Tax and Estate Duty, and copies thereof were sent by me to the Commissioner of Estate Duty for the period ending 5.6.1946.

*Plaintiff's  
Exhibits.*

No. 26.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos,  
30th July  
1948,  
*continued.*

6. I repeat that I shall be much obliged if you will inform me of anything you know about the estate of the said deceased either if it is found in Cyprus or in Greece or anywhere else so that I may ascertain which estate is liable to pay income tax or estate duty in Cyprus.

10 7. Also, as you know, every sum of money which represents estate of the deceased either in movable or immovable property has, with my consent, been with the Firm A. G. Patiki & Co. since 5.6.1946 at the disposal of the beneficiaries, after taking into consideration that the said Firm always had and has far bigger sums deposited with the Banks without interest and there was no other reason to keep any sum to which the estate of the deceased was entitled on the date of his death. Moreover, you, as soon as you were informed by me that no interest was being paid by the Banks on the deposits at sight, approved my action to withdraw on 18.11.1946 from the Banks the sums deposited to the credit of the deceased amounting to £7266.13.5  
20 and deposit same with the said Firm from which I withdrew on the same day £7814.5.0, on 20.11.1946 £4325 and on 29.4.1947 £2581.9.0 for the payment of income tax and estate duty. But if, for any reason, you wish the said Firm to deposit such sum of money into any Bank in the name of the deceased, if this is possible, or in my name as temporary administrator, pending the settlement of the Estate Duty and inheritance rights, I am sure that this will be done immediately.

8. If I do not have, within three days from to-day, your reply on the above, I regret I am bound, as Temporary Administrator, to proceed alone with the necessary supplementary statements in respect of the estate duty.

30 As a matter of fact I promised the Commissioner of Estate Duty on the telephone today that I shall meet him very shortly in order to discuss with him the Balance-Sheet of the Firm A. G. Patiki & Co. as made up to the 5.6.1946 and other relevant matters.

Yours faithfully,

(Sgd.) P. L. CACOYANNIS.

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*Plaintiff's  
Exhibits.*

**EXHIBIT 27.—LETTER, Sir P. L. Cacoyannis to T. Papalopoulos.**

No. 27.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos,  
3rd  
August  
1948.

Limassol,  
3rd August, 1948.

Mr. Thrasyvoulos Papalopoulos, Advocate of Karditsa, Guardian of minor  
Demetra, adopted daughter of the deceased Georghios A. Patiki,  
Limassol.

Dear Sir,

I have the honour to acknowledge receipt of your letter dated 1st August, 1948, and to inform you that my action to withdraw from the Banks the sums of money standing to the credit of the deceased Georghios 10  
A. Patiki and their payment towards the income tax and estate duty is absolutely in agreement with the respective order of the District Court Limassol, a certified copy of which I sent you together with my letter dated 19.12.1946. Consequently I very much regret because, although you recognized the correctness of this action of mine and although no consent on your part is necessary, you come altogether unreasonably by your letter under reply to dispute its correctness. I cannot understand the difference if sums of money which were paid for the income tax and the estate duty were withdrawn from the Banks and the Firm A. G. Patiki & Co. or if they would have been wholly withdrawn from the Firm 20  
A. G. Patiki & Co. considering that the Banks did not pay any interest on such deposits.

2. To-day I saw the Manager of the Ottoman Bank who told me that he can accept a deposit in my name as Temporary Administrator of the deceased Georghios Ath. Patiki but not in the name of the deceased and I shall see that a deposit is made with the above-named Bank, as above, not only for the total amount which originally I withdrew from the Ionian Bank Ltd. and from the Ottoman Bank but for a bigger amount which I shall withdraw from the Firm A. G. Patiki & Co., which firm has always been willing to comply with my instructions and which had always 30  
at the disposal of the heirs of the deceased Georghios A. Patiki any sum to which he was entitled on the date of his death according to the partnership contract. Also please note that the said Ottoman Bank does not undertake to pay any interest on the deposit to be made as mentioned above.

3. I regret to stress to you that before discussing any matter or difference on the accounts which were delivered to you or on any subject or inheritance right affecting the estate of the deceased Georghios A. Patiki on the date of his death, 5.6.1946, I am bound to insist on your submitting to me, under your above-mentioned capacity, in writing and 40  
in detail, your claims, differences and disputes on the accounts so that I may examine and study them before our meeting for discussing same. But if you wish me to give you any explanation on the accounts which were delivered to you or on the estate of the said deceased, I shall do it with great pleasure.

4. For your information in the statement of the estate which I submitted to the Commissioner of Estate Duty, a copy of which I delivered to you, the sum of £30584.3.2 is mentioned as standing to the credit of the deceased on the date of his death. This represents the following sums :—

Share in Capital .. .. .	£5000. 0. 0
Share in Loan .. .. .	2000. 0. 0
Current Account, copy of which was given to you .. ..	£23213.11. 7
Share in gold sold to the Govt. .. .. .	£370.11. 4
	<hr/>
	£30584. 3. 2
	<hr/> <hr/>

*Plaintiff's Exhibits.*  
No. 27.  
Letter,  
Sir P. L. Cacyoyannis to T. Papalopoulos, 3rd August 1948,  
*continued.*

10

5. The sums of money which were deposited by me as temporary administrator and the sums of money which were withdrawn and the current account of the deceased was debited, appear in the copy of the current account which was served on you and which account begins with a balance of £23213.11.7, to the credit of the deceased on the 1st July, 1946.

6. I repeat that the deceased Georghios A. Patiki approved all the accounts of the Firm A. G. Patiki & Co. up to the 29th April, 1946, as he expressly stated to me and as it appears in his letter to the Custodian of  
20 Enemy Property dated 29.4.1946, which was drawn up by me on his instructions and was signed by him, copy of which I enclose to you.

(See page 76.)

7. As regards the reserves of the Firm A. G. Patiki & Co. I have given instructions to the Firm A. G. Patiki & Co. to call upon its accountant and auditors in order to fix the amount of the annual depreciations on the immovables, machinery etc. and after deducting the amounts of such depreciations from the total amount of the reserves I shall submit to the Commissioner of Estate Duty a supplementary statement thereof though  
30 him which expressly mentions such reserves.

Yours respectfully,

(Sgd.) P. L. CACOYANNIS,

Temporary Administrator of the  
Estate of G. A. Patiki, deceased.

P.S. For your information I have given instructions to the Firm A. G. Patiki & Co. to transfer all the sums of money with which the deceased Georghios A. Patiki is credited in the books of the Company to a page under the heading Estate of the Deceased Georghios Ath. Patiki of Greece and after making this transfer, I shall send you a note of the  
40 total amount so transferred to such page.

(Sgd.) P. L. CACOYANNIS.

*Plaintiff's  
Exhibits.*

EXHIBIT 28.—LETTER, Sir P. L. Cacoyannis to T. Papalopoulos.

No. 28.  
Letter,  
Sir P. L.  
Cacoyannis  
to T.  
Papa-  
lopoulos,  
3rd  
September  
1948.

Mr. Thrasyvoulos Papalopoulos,  
Advocate and Judicial Guardian of  
the minor Demetra, Limassol.

Sir,

I received your letter dated the 28th August, 1948, addressed to me as Advocate of the Firm A. G. Patiki & Co. and in reply I refer you to my previous letters to you on behalf of the said Firm the contents of which are persisted in by my clients the Firm of A. G. Patiki & Co. and at the same time reserves all its rights and defences. 10

For your information the Firm A. G. Patiki & Co. has lodged on the 31.8.48 in separate accounts with the Ottoman Bank the following amounts as per paragraph 7 of my letter to you dated 26th August, 1948, i.e.—

(A) Account B. £10265.7.6, balance of a sum due to the heirs of the movable property of the deceased Georghios A. Patiki by the said Firm pursuant to the partnership agreement dated 16.9.1923 after deducting every sum paid in Cyprus for the account of the deceased and his estate after 5.6.1946.

(B) Account C. £2466.9.5, sum representing the share of the 20 deceased Georghios A. Patiki in the value of the immovable property of the Firm on 5.6.1946 in accordance with the books of the Firm A. G. Patiki & Co.

(C) Account D. £7000.0.0 sum representing the 1/5th share of the reserves of the Firm A. G. Patiki & Co. as per the balance-sheet of 30.6.1946 and which is claimed as belonging to the Firm A. G. Patiki & Co. as it continues among the surviving partners for their account and at their own responsibility after the 5.6.1946, as stated in my previous letters to you.

The above lodgment of the amount of £7000 was made by the Firm 30 in order to remove any wrong impression that the Firm A. G. Patiki & Co. is putting forward claims in order to retain money which it does not claim in good faith as belonging to it under the partnership agreement dated 16.9.1923.

With regard to the reason why in my capacity as temporary administrator of the estate of Georghios A. Patiki I did not declare the 1/5th share of the reserves as being property of the deceased Georghios A. Patiki, I will reply to you in my capacity as administrator of the estate of the aforesaid deceased.

(Sgd.) P. L. CACOYANNIS, 40  
Advocate.

**EXHIBIT 8.—PRELIMINARY AGREEMENT FOR DIVISION OF  
PARTNERSHIP ASSETS.**

No. 39.428.

**PRELIMINARY AGREEMENT FOR DIVISION.**

In Athens to-day Saturday the 27th day of September, 1947, at the Central Office of the Commercial Bank of Greece (office of advocate M. Georghios Simitis) at Sophocleous Street No. 11 where I was called to draft the present document, the undermentioned who are known to me and under no legal disability appeared before me, Clearchos Georghiou Kantiani,  
 10 notary public and resident of Athens, stationed in Athens, and in the presence of my colleague Ioannis Demetriou Koutsoyiannopoulos, a notary public and resident of Athens who is known to me and under no legal disability, who has been engaged to assist me: On the one hand Messrs (1) Ioannis Georghiou Patikis, tobacco manufacturer, resident of Limassol (Cyprus), temporarily residing in Athens; and (2) Constantinos Athanassiou Patikis, tobacco manufacturer, resident of Limassol (Cyprus), temporarily residing in Athens, acting in this respect—as they have stated—for themselves individually and on the instruction of and for the account of Messrs. (1) Christos Athanasiou Patikis, tobacco manufacturer,  
 20 resident of Limassol (Cyprus), and (2) Vassilios Georghiou Patiki, tobacco manufacturer, resident of Trikkala;

And on the other hand Mr. Thrasyvoulos Georghiou Papalopoulos, advocate, resident of Karditsa, temporarily residing in Athens, acting, as he stated, as judicial guardian of the minor Demetra, adopted daughter of Georghios Patikis,

Who have agreed as follows:

1. That Georghios Athanasiou Patikis who died in Athens on the 5th June, 1946, late resident of Trikkala, whose estate has been inherited *ab intestato* solely by his minor adopted daughter Demetra Georghiou Patiki,  
 30 was member of the "A. G. Patikis and Co." tobacco company, the head office of which was in Limassol (Cyprus) and which had a sub-office at Trikkala under the same firm name. The first contracting parties were also members of this company. As the company's representative and manager at Trikkala the deceased partner Georghios Patikis was purchasing tobacco for the account of and with the money of the company. However he made these purchases formally in his name and so at his death tobacco of various qualities and old crops was found in his name in the stores at Trikkala, as shown in the books of the inspection committee of Tobacco at Trikkala, amounting to about 50,000 okes, as well as lodgments in the Bank of Athens  
 40 and the Commercial Bank, coming from remittances of the above company for quantities of tobacco which had been exported and belonging to the above company having been converted into drachmas in accordance with the law in force or otherwise by Georghios Patikis himself or not converted into drachmas and found at the same banks in English pound notes.

2. That the above tobacco and remittances with the banks in Greece were not apparently the property of the deceased Georghios Patikis but the property of the above Company "A. G. Patikis and Co." is borne

*Plaintiff's  
Exhibits.*

No. 8.  
Preliminary  
Agreement  
for  
Division of  
Partner-  
ship Assets,  
27th  
September  
1947.

*Plaintiff's  
Exhibits.*

No. 8.  
Preliminary  
Agreement  
for  
Division of  
Partner-  
ship Assets,  
27th  
September  
1947,  
*continued.*

out also from the books of the company kept at Trikala and from the letter of the deceased partner Georghios Patikis dated the 4th May, 1946, addressed to the Company and written in Limassol, copy of which is attached to my statement No. 38.466 of the year 1946, in which are recorded in detail the remittances and tobacco; as regards the tobacco this is also borne out from the investigation carried out recently by the Inspector of the Board of Tobacco of Volos who ascertained that it had been purchased for the account of this company.

3. That since the death of Georghios A. Patikis, partner as aforesaid of the company "A. G. Patikis and Co.", the above-mentioned partnership property, i.e., tobacco and lodgements (remittances) with Banks, referred to in the letter of Georghios Patikis to the Company "A. G. Patikis and Co." dated the 4th May, 1946, and as found at his death, came into the joint ownership of the members of the company, i.e., the first contracting parties and to the minor Demetra Georghiou Patiki who is represented by the second contracting party, the heir of her deceased adoptive father, so that each one of them (the first contracting parties) became joint owner in undivided shares of the one-fifth in the tobacco and lodgments, the equal of each one's share in the aforesaid company, and the minor Demetra G. Patiki also joint-owner of one-fifth in undivided shares, the equal of the share of her adoptive father Georghios Patiki in the same company. 10

4. That the contracting parties agree and pledge to divide out of Court under a notarial deed the above quantities of tobacco as well as the deposits (remittances) in the Banks in Greece as follows: (a) of the afore-mentioned tobacco found in the stores in Trikala after being weighed within fifteen days from to-day in Trikala by the first contracting party Vassilios Patikis acting on the authority of the other first contracting parties and the second, in his capacity, being entitled to engage another expert in tobacco at the weighing, one-fifth of each quality separately, in okes, to go to the minor Demetra G. Patiki, an agreement in duplicate about the weighing being drawn up in detail and the whole quantity to be set apart in the same stores or to be removed to other stores at the absolute choice of the second contracting party and in accordance with any restrictions by the Tobacco Board; the remaining okes, i.e., the four-fifths of the whole quantity to the first four contracting parties— one-fifth share to each; (b) of the deposits at the banks (remittances), i.e. (i) the remittance relating to bill of lading No. 62456 for £2019.19.6 with the commercial Bank of Greece which after the transfer of the lawful retention to the Greek State and the relative compulsory contribution was reduced to £1364.15.0 the respective account purporting to be debited with 19,000 drachmas; and (ii) the remittance with the Commercial Bank of Greece relating to Bill of Lading No. 62,478 of 11th March, 1941, which after the contributions to the Greek State was reduced to £1207.3.1 the respective account purporting to be debited with 103.500—7185—985 drachmas, should go to the minor Demetra G. Patiki in respect of the one-fifth and to each one of the first contracting parties one-fifth as well; and (c) of the deposit with the Bank of Athens (Head Office) which was transferred from its sub-office at Piraeus amounting to 38.900.252 drachmas being the balance as at 30th June, 1947, together with interest thereafter, 50

which (deposit) is derived from the remittance for £2155.1.0 relating to Bill of Lading for 350 bundles shipped in April, 1946, which was compulsorily converted into drachmas (19.920) to the pound sterling and after the receipt by Georghios Patikis on the 4th June, 1946, of 5,000,000 drachmas, one-fifth to be taken by the minor and one-fifth by each one of the remaining contracting parties as well. It is also agreed between the contracting parties that as a result of the settlement of the partnership property (tobacco and deposits, the subject of this agreement) to be carried out in the manner set out above and the division thereof, in view

10 of the fact that the remittance for £1575.8.8 relating to the shipment of 220 bundles which was converted compulsorily into drachmas at the rate of 19,920 drachmas to the pound by the Piraeus sub-office of the Bank of Athens and equalled 31,382,865 in drachmas had been received by the deceased Georghios Patikis. (\*) By the afore-mentioned divisions any obligation undertaken by Georghios Patikis by virtue of his letter dated 4th May, 1946, addressed to the company "A. G. Patikis & Co." will have been discharged and the first contracting parties will have no claim whatsoever either as members of the "A. G. Patikis & Co." company or as company against the second contracting party, viz., the minor

20 Demetra G. Patiki since as a result of the settlement and division each will be allotted his share in both the tobacco and deposits referred to in the letter.

*Plaintiff's Exhibits.*

No. 8.  
Preliminary Agreement for Division of Partnership Assets, 27th September 1947,  
*continued.*

5. That the tobacco referred to in this agreement as well as that found in the stores at Trikala are not burdened with any debt to anyone except with expenses paid by the above-mentioned company "A. G. Patikis" being rents for the stores at Trikala, for their maintenance, taxes and other expenses. Vasilios Patikis is bound within fifteen days from to-day to give an account of his expenses to date to Th. Papalopoulos with an additional statement that these have not been included in the

30 accounts so far. The amount shown in the above account will be borne by the minor Demetra G. Patikis in respect of the one-fifth.

6. That any taxes that may be due or to be imposed for the above tobacco as well as professional or other taxes or taxes for the transfer of tobacco will be borne equally by the first contracting parties and by the second contracting party, i.e., the minor Demetra G. Patiki. Should an estate duty tax be asked for the whole quantity of tobacco, although no such obligation exists, it will be borne by the minor Demetra G. Patikis, only heir of her adopted father Georghios Patikis.

8. That the final agreement of division will be drawn up within three

40 months from the date of the giving of the expert opinion of the competent family council of the minor Demetra G. Patiki regarding the division out of Court and its sanction by the competent Court of First Instance, the terms of the present agreement being entered in it in detail.

9. That Ioannis, Constantinos, Christos and Vassilios Patikis are bound to place at the disposal of the other contracting parties the company's books kept at Trikala in support of any objection by her before the Judicial and Administrative Authorities.

\*Translator's note : The passage is a true translation of the original in Greek which appears to be incomplete.



*Plaintiff's  
Exhibits.*

No. 8.  
Preliminary  
Agreement  
for  
Division of  
Partner-  
ship Assets,  
27th  
September  
1947,  
*continued.*

10. That after the ruling of the Family Council and the sanction of its deliberation by the Court, Thrasyvoulos Papalopoulos, in his capacity, is bound within two months from the date of the judgment to attend for the framing of the final contract.

11. That if within three months the order of the Court is not given the present will be considered as not having been made at all. Here the contracting parties, Ioannis Patikis, Constantinos Patikis, for themselves and for the account of their principals Christos Patikis and Vassilios Patikis state expressly that all the contracting parties individually in the drafting of the present agreement in no way consider that through the death of Georghios Patikis there has occurred a dissolution of the company "A. G. Patikis and Co." The company after the death of Georghios Patikis, in accordance with the terms of the company's articles of association is continued among the remaining partners who actually continue its operations, their participation in the present agreement has no other meaning except to represent the company to which actually belong the four-fifths of the above-mentioned items of property; the second contracting party, Thrasyvoulos Papalopoulos, in his capacity, states that he does not recognise the statement because in his opinion the Company "A. G. Patikis & Co." has been dissolved through the death of Georghios Patikis. These have been agreed to and accepted by the contracting parties. In testimony thereof the present document has been drawn up and 72,000 drachmas fees have been collected. Having been read distinctly and audibly and in the hearing of all and having been confirmed was signed by all lawfully.

Contracting parties :

I. G. PATIKIS ; C. A. PATIKIS ;  
THR. G. PAPALOPOULOS.

Notaries Public :

CL. G. KANTIANIS ; I. D. OUTSOYIANNOPOULOS.

True copy—Athens, same date.

Notary Public of Athens.

(Sgd.) KL. KANDIANIS.

30

**EXHIBIT 9.—AGREEMENT FOR DIVISION OF 50,000,000 DRACHMAS.***Plaintiff's  
Exhibits.*

No. 13093.

No. 9.

**DIVISION OF DRACHMAS 50,000,000.**Agreement  
for  
division of  
50,000,000  
drachmas,  
5th June  
1948.

In Trikala at my office in Stournara Street which is the property of Vasilios G. Patiki, to-day Saturday, the 5th day of June, 1948, before me the Notary Public of Trikala Elias S. Kemos, resident and having his office, here, and in the presence of the witnesses who are Greek citizens, of full age, known to me and under no legal disability viz. : Evangelos Spyridonos Eliopoulos, merchant, and Nicolaos Georghiou Avgeri, tailor, residents of Trikala, the undermentioned appeared before me, who are known to me and under no legal disability : Vasilios Georghiou Patikis of the one part, tobacco merchant and resident of Trikala, acting in this case as he has stated, for himself and as attorney of (1) Ioannis Georghiou Patikis, tobacco manufacturer, resident of Trikala, by virtue of Power of Attorney No. 12898 dated 13th December, 1947, copy of which is attached herewith, (2) Christos Athanasiou Patikis, tobacco manufacturer and tobacco merchant, resident of Limassol (Cyprus), by virtue of power of attorney (copy attached herewith) No. 2431 dated 13th October, 1947, prepared by Demetrios Ioanni Atoniades who is in charge of The Royal Hellenic Consulate in Cyprus, and (3) Constantinos Athanasiou Patikis, tobacco manufacturer, resident of Limassol (Cyprus), by virtue of power of attorney (copy attached herewith) No. 39880 dated 28th April, 1948, prepared by the Notary Public of Athens, Klearchos G. Kandiani, holder of identity card No. 217/45 of the First Police Section of Trikala ; and Thrasyvoulos Georghiou Papalopoulos, advocate, resident of Karditsa and temporarily residing here, of the other part, acting, as he has stated, as Judicial Guardian of the minor Demetra, adopted daughter of the deceased Georghios Athanasiou Patikis, holder of identity card No. 4996 of 1946 of the Police Station of Karditsa ; and applied for the drafting of these presents whereby they have declared and agreed as follows : Between Ioannis Georghiou Patikis, Constantinos Athanasiou Patiki, Christos Athanasiou Patikis, Vassilios Georghiou Patiki (first contracting party as referred to above) of the one part, and Thrasyvoulos Georghiou Papalopoulos, of the other part, as judicial guardian of the minor Demetra, adopted daughter of the deceased Georghios Athanasiou Patikis (second contracting party) having been appointed as such by virtue of order No. 104 of 1946 by the Court of Appeal of Larissa affirming deliberation No. 370 of 1946 by the Family Council convened under the chairmanship of the Justice of the Peace of Karditsa in respect of the aforesaid minor Demetra, adopted daughter of the deceased Georghios Patikis and of Vasiliki Patiki, alive and residents of Trikala, certified copy of which order is attached herewith, preliminary agreement of division No. 39428 of 27.9.1947 was drawn up by the notary public of Athens Klearchos Georg. Kandiani which, according to the certified copy attached herewith, reads verbatim as follows :—

(Exhibit 8 follows. See page 99.)

Already the aforementioned two contracting parties—the first one for himself and on the authority and for the account of his aforementioned principals and the second one in his aforementioned capacity, in part

*Plaintiff's  
Exhibits.*

No. 9.  
Agreement  
for  
division of  
50,000,000  
drachmas,  
5th June  
1948,  
*continued.*

execution of the terms agreed upon by virtue of the aforesaid preliminary agreement and, in particular, as to the division of the tobacco referred to therein, having agreed that the time referred to in the preliminary agreement has been extended by mutual consent till this day and the terms contained in this preliminary agreement are recognised by both contracting parties as in force, after the Court of First Instance of Karditsa gave leave to the second contracting party by virtue of order No. 408 of this year which affirmed Deliberation No. 711 of 13th November, 1947, of the Family Council of the aforesaid minor Demetra who is under his guardianship, the adopted daughter of the deceased Georghios Ath. Patikis, the 10 Family Council being constituted under the Chairmanship of the Justice of the Peace of Karditsa, certified copies of which judgment and deliberation are attached herewith, both contracting parties have carried out a division out of Court of the tobacco referred to in the aforementioned preliminary agreement. This tobacco is stored in two stores here under the lease of the Company "A. G. Patikis & Co." referred to in the preliminary agreement and it is agreed that this tobacco belonged to the aforementioned company and are purported to be entered in its books here as coming from purchases made by the Company through the deceased partner 20 Georghios Ath. Patikis but with money and for the account of the said Company. In the books of the Supervising Board of Tobacco here it is formally entered in the name of the aforementioned deceased Georghios Ath. Patiki. This tobacco, on the death of Georghios Patikis came into the joint ownership of the contracting parties. In order to give effect to the division both contracting parties agree that they jointly counted and weighed the tobacco in bundles in the stores and thereafter the division followed in the ratio laid down in the aforementioned preliminary agreement. The first contracting party for himself and his aforesaid principals viz.: Ioannis Georghio Patikis, Christos Ath. Patikis and Constantinos 30 Ath. Patikis received in his possession four-fifths (4/5ths) of the whole quantity of tobacco and in particular the following quantities: (A) Of a quantity of 821 bundles of tobacco "sari" brand, "armatha" and "kefalodemena" he received 656 bundles in all weighing 17636 okes net; and (B) Of 952 bundles "sari" brand of various qualities i.e. packed in "armatha" "tonga" "Kefalodemena," "skarta," and "fillotrimata," he received in all 763 bundles weighing 21981 okes net, i.e. he received in all 1419 bundles weighing 39617 okes net of tobacco. The second contracting party Thrasyvoulos Papalopoulos in his aforementioned capacity received in his possession the following quantities of tobacco 40 (A) Of the aforementioned 821 bundles of tobacco "sari" "brand" of first quality in "Armatha" and "kefalodemena" he received in all 165 bundles weighing 4409 okes net; and (B) Of the aforementioned 952 bundles of tobacco "sari" brand of various qualities i.e. packed in "armatha," "tonga," "kefalodemena," "skarta," and "fillotrimata" he received in all 189 bundles weighing 5496 okes net, i.e., he received in all 354 bundles weighing 9905 okes net. Both contracting parties agree that at the counting of the bundles 1773 bundles were found containing 49,522 okes of tobacco net. The division of the aforementioned tobacco having been made in accordance with the conditions laid down in the aforementioned preliminary agreement, and the contracting parties having 50 received the aforementioned shares of tobacco, they agree that each one of them may hereafter possess, enjoy and dispose of his share as he wishes,

having the right of absolute ownership, and they mutually abandon any infringement of the division set out above for any reason and consider the said division in all respects valid and good. The contracting parties have also stated that each reserves all his rights as set out in the aforementioned preliminary agreement of division so far as it concerns the "A. G. Patikis & Co." company, and in particular Vassilios G. Patikis for himself and his aforesaid principals expressly states that although he and his principals individually contract in the framing of the present contract, he and his principals in no way consider that the death of

10 Georghios Ath. Patiki has resulted in the dissolution of the company "A. G. Patikis & Co" and that it continues in accordance with the conditions of the company's articles of association among the remaining partners who, in fact, continue these operations ; on behalf of the company he received in his possession the above quantities of tobacco and his participation in this contract has no other meaning except the representation of the company to which actually belong the four-fifths (4/5ths) of the above tobacco. The second contracting party Thrasyvoulos Georghiou Papalopoulos in his aforesaid capacity states that he does not recognise the aforementioned statement of the other contracting party

20 Vassilios G. Patikis because, in his opinion, the company "A. G. Patikis & Co." has been dissolved by the death of the partner Georghios Ath. Patiki. Finally the aforesaid contracting parties fixed the value of the tobacco which has been divided to 50,000,000 drachmas. Attached herewith is certificate No. 3415 of 1st May, 1948, by the financial supervisor Z of Athens wherefrom it comes out that Thrasyvoulos G. Papalopoulos, as judicial guardian of the minor Demetra G. Patiki, heir of Georghios Ath. Patikis who died on 5.6.1946, he served declaration of inheritance No. 78248 where he declared, among other things, the divided quantity of tobacco in bundles and okes and that this case of

30 inheritance is at the stage of audit and that the Public Treasury reserves every right for the additional taxes to arise from the audit. Also attached herewith is receipt voucher No. 5012 of 5th June 1948 by the Auditor of the local treasury wherein it is proved that for the present contract 722,500 stamp fees have been paid. There are 755,500 stamp fees payable, the present contract having been stamped as per para. II of Clause 15 of the Code Law for stamp fees as amended by paragraph 1 of Clause 2 of the Royal Decree of 8th January 1948 entitled "To amend and Supplement the Provisions as to Stamp Fees." It has been stamped at half of the scale and drawn up in nine pages of stamps. For fees 630,000 drachmas and

40 in aid of the Advocates' Pension Fund 499,500 drachmas. These have been agreed to and acknowledged by the contracting parties and on their application these presents have been drawn up which have been read lawfully and confirmed have been signed by all and by myself.

*Plaintiff's Exhibits.*

No. 9.  
Agreement for division of 50,000,000 drachmas, 5th June 1948,  
*continued.*

Contracting Parties :

(Sgd.) VASS. G. PATIKIS.  
" THR. PAPALOPOULOS.

Witnesses :

(Sgd.) EV. ELIOPOULOS.  
" NIC. AVGERIS.

Notary Public :

(Sgd.) ELIAS S. KEMOS.

True Copy :

(Sgd.) ELIAS S. KEMOS.

*Plaintiff's  
Exhibits.*

**EXHIBIT 10.—AGREEMENT FOR DIVISION OF 39,682,152 DRACHMAS.**

No. 10.

No. 39,973.

Agreement  
for  
division of  
39,682,152  
drachmas,  
3rd July  
1948.

**DIVISION OF 39,682,152 DRACHMAS.**

In Athens to-day Saturday, the 3rd day of July, 1948, at my Notary's office, situated at Sophocleous Street, No. 9, Stoa Pappou, the ownership of the heirs of Nicolaos Pappou, before me the Notary Public and resident of Athens Klearchos Georghiou Kandianis, stationed here, and in the presence and with the assistance of my colleague Ioannis Demetriou Koutsoyiannopoulos, notary public and resident, of Athens, who is known to me and under no legal disability, the undermentioned who are known to me and under no legal disability appeared before me : Of the one part (1) Ioannis Georghiou Patikis, tobacco manufacturer, resident of Athens (Majestic Hotel) : (2) Constantinos Athanassiou Patikis, tobacco manufacturer, resident of Athens (Grande Bretagne Hotel) acting (1) for himself and (B) as attorney of Mr. Christos Athanassiou Patikis, tobacco manufacturer, resident of Limassol (Cyprus), by virtue of Power of Attorney No. 2431 of 13th October, 1947 (copy attached herewith) drawn up in the presence of Demetrios Ioannou Antoniadou who is in charge of the Royal Hellenic Consulate in Cyprus ; (3) Vassilios Georghiou Patikis, tobacco manufacturer, resident of Trikala, temporarily residing in Athens (Ayia Paraskevi—Ay. Ioannis Street) ; and of the other part Mr. Thrasyvoulos Georghiou Papalopoulos, advocate, resident of Karditsa and temporarily residing here, acting, as he stated, as judicial guardian of the minor Demetra, adopted daughter of the deceased Georghios Athanassiou Patiki, appointed as such by virtue of Order No. 104/1946 of the Court of Appeal of Larissa. The said parties have applied for the drafting of these presents whereby they have agreed and mutually acknowledged the following : Between the parties hereof preliminary agreement No. 39,428 of 27th September, 1947, was drawn up whereby they agreed to divide the movables mentioned therein out of Court. Already the contracting parties agreeing that the time fixed in the said preliminary agreement has been extended by mutual consent to this day and the terms mentioned therein are recognised by both contracting parties as being in force as terms of this contract as well, upon leave being granted to the second contracting party by virtue of order No. 408/1948 of the Court of First Instance of Karditsa (Copy of which is attached herewith), both contracting parties carried out a partial fulfilment of the aforementioned preliminary agreement and a division out of Court of the deposit (referred to in this preliminary agreement) with the Bank of Athens (Head Office) by transfer from its sub-office in Piraeus amounting to 39,682,152 drachmas as per the verified account of this Bank under order of to-day's date, coming from a remittance of £2,155. 1. 0 relating to a bill of lading for 350 bundles, shipped in April, 1946, by Georghios Patikis to the Company " A. G. Patikis & Co." of Limassol (Cyprus). This deposit has been received by the other contracting party Thrasyvoulos Papalopoulos in his aforesaid capacity, with the consent and acquiescence of the first contracting parties this day. Each contracting party received one-fifth of this deposit, i.e. Ioannis Patikis 7,936,430 drachmas, Constantinos Ath. Patikis 7,936,430 for himself and an equal amount (7,936,430) as attorney of Christos Patikis, Vassilios

G. Patikis 7,936,430 drachmas and Thrasyvoulos Papalopoulos as judicial guardian of the minor Demetra G. Patiki 7,936,440. Finally the contracting parties Ioannis Patikis, Constantinos Patikis for himself and as attorney of Christos Patikis and Vassilios Patikis expressly state that all the contracting parties individually in drawing up this contract in no way consider that the company "A. G. Patikis & Co." has been dissolved by the death of Georghios A. Patikis. In accordance with the company's articles of association the company, after the death of Georghios Patikis, continues among the remaining partners who in fact continue its operations and their participation in the present contract has no other meaning than the representation of the company to which belong the 4/5ths of the above mentioned items of property. The second party, Thrasyvoulos Papalopoulos, in his capacity, states that he does not recognise this statement as according to him, the company "A. G. Patikis & Co." has been dissolved as a result of the death of Georghios Patikis.

*Plaintiff's Exhibits.*  
 No. 10.  
 Agreement for division of 39,682,152 drachmas, 3rd July 1948,  
*continued.*

Enclosed herewith is the certificate of the 7th financial Inspector of Athens showing that the remittance divided has been declared for the estate of Georghios Patikis. Fees and takes collected 1,486,000 drachmas. The surplus stamp fees have been paid into the Treasury. Receipt Voucher No. 158/1948 in duplicate issued by the Collector of the Treasury Stylianos Kasimis (573,000 drachmas).

These have been agreed and mutually accepted between the parties. In testimony thereof these presents have been drawn up, read over distinctly and audibly in the hearing of all and confirmed and signed by all lawfully.

Certifying parties.

Notaries Public :

(Sgd.) I. PATIKIS,

(Sgd.) KI. G. KANDIANIS.

K. ATH. PATIKIS

E. KOUTSOYIANNOPOULOS.

V. G. PATIKIS

30

THR. G. PAPALOPOULOS.

Athens on the same date.

True Copy.

(Sgd.) KI. KANDIANIS,

Notary Public of Athens.

*Defendants' Exhibits.*

**EXHIBIT 32.—LETTER, enclosing Statement of Account.**

21.8.1941.

No. 32.  
Letter,  
enclosing  
Statement  
of Account,  
at 3rd May  
1941.

A. G. Patikis & Co.,  
Limassol.

Dear Sirs,

In accordance with your instructions we have verified with your books the List of Ledger Balances as at 3rd May, 1941, and now enclose :—

1. List of Ledger Balances as at 3rd May, 1941.
2. Schedule of Agricultural Properties.
3. Schedule of Urban Properties. 10
4. Schedule of Machinery.
5. Schedule of Sundry Debtors and Debit Balances.

We have the following remarks to make thereon :—

**PARTNERS' ACCOUNTS.**

Capital £25000.

Details are as follows :—

V. G. Patikis	..	..	..	..	..	..	..	£5000. 0. 0	
J. G. Patikis ..	..	..	..	..	..	..	..	5000. 0. 0	
G. A. Patikis	..	..	..	..	..	..	..	5000. 0. 0	
Chr. A. Patikis	..	..	..	..	..	..	..	5000. 0. 0	20
C. A. Patikis	..	..	..	..	..	..	..	5000. 0. 0	
								£25000. 0. 0	
								£25000. 0. 0	

It appears to be customary for the Capital Accounts to remain fixed at the above figures. Profits are shared equally among the partners and the respective shares thereof are credited to Partners' Current Accounts.

Loan Accounts £10000.0.0.

V. G. Patikis	..	..	..	..	..	..	..	£2000. 0. 0	
J. G. Patikis ..	..	..	..	..	..	..	..	2000. 0. 0	
G. A. Patikis	..	..	..	..	..	..	..	2000. 0. 0	
Chr. A. Patikis	..	..	..	..	..	..	..	2000. 0. 0	30
C. A. Patikis	..	..	..	..	..	..	..	2000. 0. 0	
								£10000. 0. 0	
								£10000. 0. 0	

Interest on these Loan Accounts is allowed at 6% p.a. and credited to the respective Current Accounts.

Current Accounts £7468.7.7½.

Details are as follows :—

	V. G. Patikis	..	..	..	..	£1554.13. 6		
	J. G. Patikis	..	..	..	..	2068.14. 3		
	G. A. Patikis	..	..	..	..	1553.12. 5		
	Chr. A. Patikis	..	..	..	..	657.10. 8½		
	C. A. Patikis	..	..	..	..	£191.14. 8		
							£6026. 6. 3½	
	<i>Add</i> : " Gold " Accounts :							
10	V. G. Patikis	..	..	..	..	£183. 0. 0		
	J. G. Patikis	..	..	..	..	358.13. 7		
	G. A. Patikis	..	..	..	..	183. 0. 0		
	Chr. A. Patikis	..	..	..	..	358.13. 7		
	C. A. Patikis	..	..	..	..	358.13. 8		
							£1442. 1. 4	
							£7468. 7. 7½	

*Defendants' Exhibits.*

No. 32.

Letter, enclosing Statement of Account, at 3rd May 1941, *continued.*

A comparison of these figures with the relative balances as at 1st January, 1941, shows little movement in the case of the non-resident partners.

20 RESERVES £11525.14.2½.

Against Bad and Doubtful debts and contingencies £5379.17.7½.

We are informed that Bad Debts have not been written off in the books but that this reserve has been created to cover them.

For Depreciation of :

Stock-in-Trade and Sundry Stores	..	..	..	..	..	£1105.13. 8
Machinery and Spare Parts	..	..	..	..	..	3481.11. 8
Furniture & Fittings	..	..	..	..	..	438.10. 6
Immovable Properties	..	..	..	..	..	1120. 0. 0

The above reserves are the same as at 1.1.1941.

30 A. G. PATIKIS & CO. TRICALLA £1200.0.0.

This account represents value of supplies of Tobacco received from Greece.

SUNDRY CREDITORS.

Lists of Ledger Balances have not been taken out as at 3.5.1941, so that any credit balances appearing on the subsidiary ledgers are absorbed in the general balance on the various control accounts.

STOCK IN TRADE AND SUNDRY STORES £6009.3.7.

This account opens with the stock on hand as at 1.1.1941, and is debited with purchases including banderole and credited with sales and banderole used. As the accounts have not been closed off as at 3rd May, 1941, this balance is nominal only as it now stands.

FURNITURE AND FITTINGS £599.15.6.

This is the same as at 1st January, 1941. A further amount of £64.8.3 is included in the Nicosia Branch account.



*Defendants' Exhibits.* AGRICULTURAL PROPERTIES : £504.1.0½.

URBAN PROPERTIES £8978.6.7½.

No. 32.  
Letter,  
enclosing  
Statement  
of Account,  
at 3rd May  
1941,  
*continued.*

Details of these Properties are shown on Enclosures II and III. We have seen qochans purporting to cover these properties, although some buildings, we are informed, have not yet been registered.

MACHINERY £4815.3.4.

Details of the book values of the various machines are shown on Enclosure IV and are as far as can be ascertained shown at cost price. Reserves for depreciation have been made from time to time.

SUNDRY DEBTORS AND DEBIT BALANCES £15909.5.3½. 10

Details are shown on Enclosure 5. Detailed lists have not been prescribed to us. We have examined the "Precious Objects" purporting to cover the relative account. The Nicosia Branch Account includes cash, debtors and furniture of that Branch. We have not examined the Mortgages and Bonds Receivable.

CASH IN HAND AND AT BANKS £16665.16.2½.

Details are as follows :—

Cash in hand .. .. .	£5409. 5. 0½	
Barclays Bank (D.C. & O.) London .. .. .	2000. 0. 0	
Westminster Bank Ltd., London .. .. .	2000. 0. 0	20
Ottoman Bank, Limassol .. .. .	1500. 0. 0	
Ionian Bank Ltd., Limassol .. .. .	2519.17. 6	
Banque d'Athenes S.A. Limassol .. .. .	1121. 4. 8	
Barclays Bank (D.C. & O.), Limassol .. .. .	749. 3. 2	
Peoples Bank Ltd. .. .. .	1000. 5. 4	
Golden Sovereigns .. .. .	366. 0. 0	
	<hr/>	
	£16665.16. 2½	
	<hr/> <hr/>	

We have counted the cash in hand as at 13th August, 1941, and found it to be in agreement with the balance as shown by a rough Cash Book kept by Mr. Chr. A. Patikis ; we have counted the golden sovereigns. 30

We have satisfied ourselves as to the existence of the balances with the Banks in the Island and abroad by reference to Bank statements or correspondence that passed between the Firm and the Banks.

The accounts with Barclays Bank (D.C. & O.), London, and Westminster Bank Ltd., London, are in the name of one of the partners namely Mr. Chr. A. Patikis, but we are informed are held for account of the Firm.

PROFIT AND LOSS ACCOUNT £13730.17.2.

To this account are debited various overhead expenses and Banderole used. Pending closing of all accounts on stock-taking this account is 40 nominal only.

Yours faithfully,  
For RUSSELL & Co.,  
H. C. LEES.

ENCLOSURE I.

*Defendants' Exhibits.*

## A. G. PATIKIS &amp; CO.

## SUMMARISED LIST OF GENERAL LEDGER BALANCES AS AT 3.5.1941.

No. 32.  
Letter,  
enclosing  
Statement  
of Account,  
at 3rd May  
1941,  
*continued.*

PARTNERS' ACCOUNTS.								
	Capital	..	..	..	..	..	£25000.0. 0	
	Loan	..	..	..	..	..	10000.0. 0	
	Current	..	..	..	..	..	7468.7. 7½	
							<hr/>	£42468. 7. 7½
RESERVES.								
10	Against Bad & Doubtful Debts and Contingencies						5379.17. 7½	
	For Depreciations of :							
	Stock in trade and Sundry Stores	..	..				1105.13. 8	
	Machinery & Spare Parts	..	..	..			3481.11. 8	
	Furniture & Fittings	..	..	..	..		438.10. 6	
	Immovable Property	..	..	..	..		1120. 0. 0	
							<hr/>	11525.14. 2½
	A. G. Patikis & Co., Tricalla	..	..	..				1200. 0. 0
	Stock in Trade & Sundry Stores	..	..	..				6009. 3. 7
	Furniture & Fittings	..	..	..	..		£599.15. 6	
20	Agricultural Properties	..	..	..	..		504. 1. 0½	
	Urban Properties	..	..	..	..		8978. 6. 7½	
	Machinery	..	..	..	..		4815. 3. 4	
	Sundry Debtors & Debit Balances	..	..	..	..		15909. 5. 3½	
	Cash in hand and at Banks	..	..	..	..		16665.16. 2½	
	Profit & Loss Account	..	..	..	..		13730.17. 2	
							<hr/>	
							£61203. 5. 8	£61203. 5. 8
							<hr/> <hr/>	

ENCLOSURE II.

## A. G. PATIKIS &amp; CO.

## SCHEDULE OF AGRICULTURAL PROPERTIES AS AT 3.5.1941.

								Book Value
30	1.	TSIFLIKOU DI GARDEN.						
		Purchase of Field	..	..	..	..	£58.10. 0	
		Garden with house	..	..	..	..	87.10. 0	
		Installation of engine etc.	..	..	..	..	140.11. 5	
		Purchase of field	..	..	..	..	36. 0. 0	
		Value of trees	..	..	..	..	5. 2. 6	
							<hr/>	327.14. 2
	2.	VALUE OF FIELD BOUGHT FROM WIFE OF ABDULE ALL.						
40		Purchase of field	..	..	..	..	140. 0. 0	
		Expenses	..	..	..	..	9.16. 1½	
							<hr/>	149.16. 1½
	3.	VALUE OF FIELD FROM ALIPOTU.						
		Purchase of field	..	..	..	..		26.10. 6
							<hr/>	£504. 1. 0½
							<hr/> <hr/>	

*Defendants' Exhibits.*

A. G. PATIKIS & CO.

SCHEDULE OF URBAN PROPERTIES AS AT 3.5.1941.

No. 32. Letter, enclosing Statement of Account, at 3rd May 1941, <i>continued.</i>		Book Value	
	BUILDING IN AYIOS ANDREAS ST., LIMASSOL.		
	As at 1st July, 1923 .. .. .	£1800. 0. 0	
	SHOP IN ZIG-ZAG STR., LIMASSOL.		
	Purchase Price .. .. .	£96. 8. 0	
	Repairs .. .. .	19.12. 0	
		116. 0. 0	10
	FACTORY BUILDINGS, LIMASSOL.		
	Cost of Building .. .. .	2891.16. 0	
	Cost of Building Plot .. .. .	708. 4. 0	
		3600. 0. 0	
	LAENACA SHOP.		
	Purchase Price .. .. .	250. 0. 0	
	PILAVAKIS STORES AT ZYGL.		
	Purchase Price .. .. .	253. 0. 0	
	STORE, LIMASSOL.		
	Purchase Price .. .. .	180. 0. 0	
	Repairs .. .. .	40.14. 7½	20
	Building Store .. .. .	95. 0. 0	
	Loss of sale of jars .. .. .	4. 0. 0	
		319.14. 7½	
	Less : Compensation from Municipality .. .. .	30. 0. 0	
		289.14. 7½	
	BUILDING PLOT AT ZYGL.		
	Purchase Price .. .. .	100. 0. 0	
	Transfer Fees .. .. .	5. 6. 0	
		105. 6. 0	
	SHOP IN BYZANTION STR., LIMASSOL.		30
	Purchase price .. .. .	253. 0. 0	
	Brokerage .. .. .	0.10. 0	
		253.10. 0	
	Less : Compensation from Municipality .. .. .	70. 0. 0	
		183.10. 0	
	BUILDING IN SPARTA STR., LIMASSOL.		
	Value of Building .. .. .	1491.17. 1½	
	Value of Plot and ½ garden .. .. .	313. 8. 6	
		1805. 5. 7½	40
	STORE FOR MATERIALS BEHIND THE FACTORY, LIMASSOL.		
	Value of building .. .. .	65. 3. 1	
	HOUSE AND PLOT, LIMASSOL.		
	Purchase of house and plot .. .. .	435. 0. 0	
	Purchase of water .. .. .	15. 0. 0	
	Transfer fees .. .. .	8. 7. 0	
	Repairs .. .. .	52. 0. 0½	
		510. 7. 0½	
		£8978. 6. 7½	

## A. G. PATIKIS &amp; CO.

ENCLOSURE 4.

Defendants'  
Exhibits.

## SCHEDULE OF PLANT AND MACHINERY AS AT 3.5.1941.

No. 32.

Letter,  
enclosing  
Statement  
of Account,  
at 3rd May  
1941,  
*continued.*

4 Cigarette Making Machines			
	" Standard " .. .. .	£800. 0. 0	
	"Triumph " .. .. .	1201. 0. 0	
	" Excelsior " .. .. .	252. 8. 8½	
		<hr/>	£2253. 8. 8½
3 Cutting Machines			
10	" Legg " .. .. .	285. 0. 0	
	1 Cutting Machine Muller .. .. .	206. 1. 3½	
		<hr/>	491. 1. 3½
	3 Petter Motors .. .. .		555. 6. 0
2 Sharpening Machines			
	" Himoff " .. .. .	20. 0. 0	
	"Muller " .. .. .	20. 0. 0	
		<hr/>	40. 0. 0
Paper Cutting Machines			
	Cigarette paper .. .. .	40. 4. 5	
20	Other paper .. .. .	30. 0. 0	
		<hr/>	70. 4. 5
3 Tube making machines			
	Mouthpiece " Muller " .. .. .	450. 0. 6	
	1 Mouthpiece " Gilman " .. .. .	20. 0. 0	
	3 Cigarette filling machines .. .. .	678.16. 1	
	1 Machine for cutting tobacco for samples .. .. .	15. 0. 0	
	2 Stapling Machines .. .. .	43. 1. 7	
	2 Dynamos " Ebert " .. .. .	65.16. 6	
	2 Humidifiers .. .. .	8.19. 8	
30	1 Water Pump .. .. .	13. 5. 3	
	Pipes, Pulleys, Installation, etc. .. .. .	110. 2. 1	
		<hr/>	£4815. 3. 4

## A. G. PATIKIS &amp; CO.

ENCLOSURE 5.

## SUNDRY DEBTORS AND DEBIT BALANCES AS AT 3.5.1941.

	Suppliers .. .. .	£2294. 8. 2½
	Spirit, Joint Account with Archondides .. .. .	300.16. 7½
	A. G. Patikis & Co., Nicosia Branch .. .. .	2464. 3. 2
	Provisional Accounts .. .. .	1249.12. 7½
40	Customers .. .. .	5543.16. 6
	Sundry Customers .. .. .	11.14. 8½
	Bad Debtors .. .. .	327.11. 0½
	Bad Bonds .. .. .	974. 5. 7
	Mortgages Receivable .. .. .	1062.17. 5
	Bonds Receivable .. .. .	1462. 3. 6
	Carob Business Accounts .. .. .	113.19. 3½
	A. G. Patikis & Co., Tricalla, Current Account .. .. .	51.12. 5½
	A. G. Patikis & Co., Famagusta Branch .. .. .	35. 2. 5
	Precious Objects Account .. .. .	17 0. 0
50		<hr/>
		£15909. 5. 3½

*Defendants'*  
*Exhibits.*

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944.

**EXHIBIT 31.—BALANCE SHEETS, ETC.**

**A. G. PATIKIS & CO.**

**BALANCE SHEET**

as at 31st December, 1941

**MANUFACTURING AND TRADING ACCOUNT**

for the year ended 31st December, 1941

**PROFIT & LOSS ACCOUNT**

for the year ended 31st December, 1941

and

**RELATIVE ANNEXES**

10

together with

**OUR REPORT THEREON.**

**RUSSELL & Co.**

Chartered Accountants.

Egypt, Sudan, Palestine,

Greece & Cyprus.

Russell & Co.,  
Chartered Accountants.

Barclays Bank Buildings,

Serai Square,

Nicosia, Cyprus.

20

30.7.1942.

Messrs. A. G. Patikis & Co.,  
P.O.B. 7,  
Limassol.

Dear Sirs,

We have pleasure in enclosing the following :

1. Balance Sheet as at 31st December, 1941.
2. Manufacturing and Trading Account for the year ended 31st December, 1941. 30
3. Profit & Loss Account for the year ended 31st December, 1941.
4. Annexes :
  - (A) Details of Partners' Accounts as at 31st December, 1941.
  - (B) Stock-in-trade and Sundry Stores as at 31st December, 1941.

We have examined the enclosed Balance Sheet as at 31st December, 1941, with the books of the Firm and have the following remarks to make thereon :—

PARTNERS' ACCOUNTS £58131.4.4½.  
Capital £25000.0.0.

*Defendants' Exhibits.*

Details are shown on "Annexe a." It appears to be customary for the Capital Accounts to remain fixed at £25000. Interest at the rate of 6% per annum has been calculated on the above Capital Accounts. Profits have been shared equally among the Partners and their respective shares credited to Partners' Current Accounts.

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

Loan £10000.0.0

Interest on these Loan Accounts has been calculated at the rate of 10 3% per annum and credited to Partners' Current Accounts.

RESERVES :

Against Bad and Doubtful Debts and Contingencies £3734.0.0

Details are as follows :

As at 31st December, 1940 .. .. .	£5379.17. 7½
Less : Amounts specifically reserved to 31st December, 1940, and written off in 1941 .. .. .	£1301.16. 7½
Bad Debts written off in 1941 ..	1344. 1. 0
	<hr/>
	2645.17. 7½
	<hr/>
	2734. 0. 0
 <i>Add</i> : Amount transferred from Profit and Loss Account for the year ended 31st December, 1941 .. .. .	 1000. 0. 0
	<hr/>
	£3734. 0. 0
	<hr/> <hr/>

20

The Reserves for depreciation of the various Assets are as at 31st December, 1940, plus amounts created by debit of Profit and Loss Account for the year ended 31st December, 1941.

IMMOVABLE PROPERTY (including Factory Land and Buildings) £9482.7.8.

30 Details are as given on Enclosure II and III respectively submitted with our report to you dated 21st August, 1941. We have seen vouchers purporting to cover these properties, although some buildings, we are informed, have not yet been registered. Some of these properties are registered in the names of individual partners in the Land Registry Office books but they are the property of the Firm.

INVESTMENTS £94.6.5.

The disposals of £53.12.4 represent book value of certain Greek Government and other securities given in aid of the Greek War Fund.

MACHINERY AND SPARE PARTS £4815.3.4.

40 Details are as shown on Enclosure 4 submitted with our report to you dated 21st August, 1941.

*Defendants' Exhibits.* SUNDRY DEBTORS AND DEBIT BALANCES £10160.8.7.

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

Included in this figure are bonds receivable and advances secured by mortgage of immovable property. We have not examined Mortgages and Bonds Receivable.

STOCK-IN-TRADE AND SUNDRY STORES £12676.11.4 $\frac{3}{4}$ .

Details are shown on "Annexe b." We have accepted the certificate of Mr. Chr. Patikis as to the quantities and prices of the stocks, wherein they are stated to have been valued at cost price or on a basis that has been adopted by the Firm heretofore.

We have compared the quantities of Unmanufactured Tobacco, 10 Tobacco in course of Manufacture and Banderole on hand as at 31st December, 1941, with the records kept by the Customs Authorities of these stocks and found them in agreement therewith.

CASH IN HAND AND AT BANKS £34161.3.2 $\frac{3}{4}$ .

Details are as follows :

Bank of Athens, S. A. Limassol .. .. .	£5705.19. 7	
Ottoman Bank, Limassol .. .. .	6443.14. 1	
Ionian Bank Limited, Limassol .. .. .	6232. 2. 3	
People's Bank Limited, Limassol .. .. .	3917. 0. 1	
Barclays Bank (D.C. & O.) Limassol .. .. .	4351.14. 1	20
Barclays Bank (D.C. & O.) London .. .. .	2000. 0. 0	
Westminster Bank Ltd., London .. .. .	2000. 0. 0	
Cash in Hand, Limassol Office .. .. .	2981.17. 5 $\frac{1}{2}$	
Cash in Hand, Nicosia, Branch .. .. .	162.15. 2 $\frac{1}{4}$	
Golden Sovereigns .. .. .	366. 0. 0	
	<hr/>	
	£34161. 3. 2 $\frac{3}{4}$	
	<hr/>	

We have satisfied ourselves as to the existence of the balances with the Banks in the Island and abroad by reference to Bank Statements or correspondence that passed between the Firm and the Banks concerned. We have not counted the cash in Hand.

30

The accounts with Barclays Bank (D.C. & O.) London and Westminster Bank Ltd., London, are in the name of Mr. Chr. A. Patikis but we are informed he is holding them for account of the Firm.

Subject to the foregoing remarks we have obtained all the information and explanations we have required, and we are of the opinion that the enclosed Balance Sheet as at 31st December, 1941, is properly drawn up so as to exhibit a true and correct view of the state of the Firm's affairs, according to the best of our information and the explanations given to us and as shown by the books of the firm.

Yours faithfully,

40

for RUSSELL & Co.,  
(Sgd.) H. C. LEES.

A. G. PATIKIS AND COMPANY.  
BALANCE SHEET AS AT 31ST DECEMBER, 1941.

PARTNERS' ACCOUNTS.	LIABILITIES.	ASSETS.
Capital .. .. .	£25000. 0. 0	FURNITURE & FITTINGS.
Loan .. .. .	10000. 0. 0	As per last Balance Sheet ..
Current .. .. .	23131. 4. 4½	£6664. 4. 0
RESERVES.	£58131. 4. 4½	MOTOR CAR AND SUNDRY TOOLS.
Against Bad and Doubtful Debts and contingencies .. .. .	3734. 0. 0	As per last Balance Sheet ..
For Depreciation of:		Less: Amounts written off ..
Machinery & Spare Parts ..	4481. 11. 8	£280. 0. 0
Stock-in-Trade & Sundry Stores ..	1605. 13. 8	90. 0. 0
Furniture and Fittings ..	487. 13. 3½	IMMOVABLE PROPERTY: Including
Immovable Property .. .. .	1520. 0. 0	Factory land & Buildings as per last Balance Sheet .. .. .
		Less: Disposals .. .. .
		9982. 7. 8
		500. 0. 0
		9482. 7. 8
		INVESTMENTS.
		As per last Balance Sheet ..
		Less: Disposals .. .. .
		147. 19. 0
		53. 12. 4
		94. 6. 5
		MACHINERY & SPARE PARTS.
		As per last Balance Sheet ..
		Less: Spare parts used ..
		5115. 3. 4
		300. 0. 0
		4815. 3. 4
		10160. 8. 7
		SUNDRY DEBTORS & DEBIT BALANCES
		STOCK-IN-TRADE & SUNDRY STORES.
		As certified by Mr. Chr. Patikis ..
		12676. 11. 4½
		CASH IN HAND AND AT BANKS ..
		£34161. 3. 2½
		£72244. 5. 4½
		11828. 19. 1½
		£1200. 0. 0
		1084. 1. 7½
		£72244. 5. 4½

Subject to our report of this date,  
for RUSSELL & Co.,

(Sgd.) H. C. LEES,  
Chartered Accountants.

Nicosia, 30.7.1952.

*Defendants' Exhibits.*  
No. 31.  
Balance Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*



A. G. PATIKIS AND CO.

MANUFACTURING AND TRADING ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1941.

To Materials used:			By Factory cost of Production	
Tobacco .. .. .	£10336. 5. 4		carried down .. .. .	£18114. 14. 3½
Other Materials .. .. .	4537. 6. 4½			
		£14873. 11. 8½		
" Wages and Salaries .. .. .		1892. 15. 5½		
" Fuel and other expenses .. .. .		238. 4. 7		
" Taxes & Insurance .. .. .		159. 5. 4½		
" Factory and Stores Rent .. .. .		280. 8. 3		
" Repairs to Machinery and Spare Parts used .. .. .		670. 8. 2		
		£18114. 14. 3½		£18114. 14. 3½
To Stock on Hand 1st January, 1941		379. 13. 8½	By Sales .. .. .	78665. 8. 0½
" Factory cost of Production brought down .. .. .		18114. 14. 3½	" Stock on Hand .. .. .	370. 11. 0
" Banderole .. .. .		36424. 19. 5		
" Gross Profit carried to Profit and Loss Account .. .. .		24116. 11. 1½		
		£79035. 19. 0½		£79035. 19. 0½

## A. G. PATIKIS &amp; CO.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1941.

To Office Salaries .. .. .	£880. 10. 0	By Gross Profit from Trading Account .. .. .	£24116. 11. 1½
" Office Rent .. .. .	45. 0. 0	By Profit from Properties .. .. .	446. 12. 0
" Advertising etc. .. .. .	774. 3. 6	By Profit from sailing Vessel " Apostolos Andreas " .. .. .	446. 15. 2
" Commissions .. .. .	1389. 11. 5	By Interest .. .. .	272. 5. 1
" Expenses of Nicosia Branch (Salaries, Rents, Taxes etc.) .. .. .	663. 12. 3½		
" Carriages out etc. .. .. .	126. 2. 1½		
" Travelling expenses .. .. .	34. 4. 7		
" Car Running Expenses .. .. .	138. 2. 3		
" Legal and Audit Fees .. .. .	200. 0. 7		
" Sundry General Expenses including Printing & Stationery, telegrams, Telephone, Lighting, etc. .. .. .	356. 4. 8½		
" House Keeping Expenses .. .. .	225. 9. 7		
" Remuneration to J. G. Patikis .. .. .	100. 0. 0		
" Interest .. .. .	1800. 0. 0		
" Depreciation written off Motor Car .. .. .	40. 0. 0		
" Accounts carried to Reserve for Depreciation of: .. .. .			
Machinery .. .. .	£1000. 0. 0		
Stock-in-Trade & Sundry Stores .. .. .	500. 0. 0		
Furniture & Fittings .. .. .	49. 2. 6½		
Immovable Property .. .. .	400. 0. 0		
" Amount carried to Reserve against Bad & Doubtful Debts & Contingencies .. .. .	1949. 2. 6½		
" Bad Debts written off .. .. .	1000. 0. 0		
" Amount written off Mining Assets and Tools .. .. .	689. 15. 3½		
" Net Profit for the year ended 31st December, 1941, allocated as follows: .. .. .	70. 0. 0		
J. G. Patikis .. .. .	£3000. 0. 0		
V. G. Patikis .. .. .	3000. 0. 0		
Chr. A. Patikis .. .. .	3000. 0. 0		
C. A. Patikis .. .. .	3000. 0. 0		
G. A. Patikis .. .. .	3000. 0. 0		
	£15000. 0. 0		
	£25282. 3. 4½		

£25282. 3. 4½

*Defendants' Exhibits.*

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

Defendants'  
Exhibits.

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
continued.

“ANNEXE A.”

A. G. PATIKIS AND CO.

DETAILS OF PARTNERS' ACCOUNTS AS AT 31ST DECEMBER, 1941.

ACCOUNTS	V. G. PATIKIS	J. G. PATIKIS	G. A. PATIKIS	CHR. A. PATIKIS	C. A. PATIKIS	TOTAL
Capital .. ..	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000 0. 0	£25000. 0. 0
Loan .. ..	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	10000. 0. 0
Current .. ..	4939. 19. 2½	5550. 7. 7	4950. 8. 1½	4041. 2. 2½	3649. 7. 0	23131. 4. 4½
	£11939. 19. 2½	£12550. 7. 7	£11950. 8. 1½	£11041. 2. 2½	£10649. 7. 0	£58131. 4. 4½

“ ANNEXE b ” *Defendants’ Exhibits.*

A. G. PATIKIS & CO.

STOCK-IN-TRADE AND SUNDRY STORES AS AT 31ST DECEMBER, 1941.

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

		Okes	
<b>UNMANUFACTURED TOBACCO</b>			
Greek			
	“ Sari ” 1st Quality .. .. .	5009 $\frac{3}{4}$	£1944.12. 7 $\frac{1}{2}$
	“ Sari ” Extra .. .. .	102 $\frac{1}{2}$	28. 4. 8
	“ Armada ” A .. .. .	4248 $\frac{1}{2}$	1435. 0. 8 $\frac{1}{2}$
10	Other Greek Tobacco (bonded) .. .. .	7013	1290.17. 5
	Virginia .. .. .	805	556.11. 6
	Cyprus .. .. .	17828 $\frac{1}{4}$	1608. 9. 8
<b>TOBACCO IN COURSE OF MANUFACTURE</b>			
	Greek .. .. .		240.11. 3
	Virginia .. .. .		169.13. 7
	Cyprus .. .. .		84.14. 0
	Tobacco Dust .. .. .		—
<b>FINISHED CIGARETTES</b>			
	Limassol Shop .. .. .		370.11. 0
20	Nicosia Branch .. .. .		121. 9. 0 $\frac{3}{4}$
	Banderole .. .. .		467. 7. 6 $\frac{1}{2}$
	Cigarette Paper .. .. .		752. 7. 2 $\frac{1}{2}$
	Cigarette Boxes .. .. .		1523.15. 3
	Other Paper .. .. .		1920. 9. 0
	Fuel Oil etc. .. .. .		121.19. 8
	Sundry Materials (Gum, cotton etc.) .. .. .		39.15. 3
			£12676.11. 4 $\frac{3}{4}$

(Sgd.) CHR. A. PATIKIS.

Russell & Co., Nicosia.

30

7.5.1943.

Messrs. A. G. Patikis and Co.,  
P.O.B. 7, Limassol.

Dear Sirs,

We have pleasure in enclosing the following :—

1. Balance Sheet as at 31st December, 1942.
2. Manufacturing and Trading Account for the year ended 31st December, 1942.
3. Profit and Loss Account for the year ended 31st December, 1942.

*Defendants'*  
*Exhibits.*

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

4. Annexes :—

(A) Details of Partners Accounts as at 31st December, 1942.

(B) Stock-in-trade and Sundry Stores as at 31st December, 1942.

We have examined the enclosed Balance Sheet as at 31st December, 1942, with the books of the firm and have the following remarks to make thereon :—

PARTNERS' ACCOUNTS £73,088.5.5½.

Details are as shown on "Annexe A."

*Capital* £25,000.0.0.

10

It appears to be customary for the Capital accounts to remain fixed at £25,000.0.0. Interest at the rate of 6% per annum has been calculated on the above Capital Accounts. Profits have been shared equally among the Partners and their respective shares credited to Partners' Current Accounts.

*Loan* £10000.0.0.

Interest on these Loan Accounts has been calculated at the rate of 3% per annum and credited to Partners' Current Accounts.

*Current* £38088.5.5½.

Proceeds of sales of old stocks and old debts collected have been 20 credited to each Partner's account equally. Certain adjustments have been made in respect of Income Tax paid and some other expenses in these accounts. It is explained to us that such adjustments are in accordance with mutual oral agreement that exists between the partners and consistent with a mode of dealing in which all the Partners have acquiesced.

Each of the partners has been credited with a salary of £720.0.0.

RESERVES £15300.9.8½.

The Reserves are as at 31st December, 1941, plus amounts created by debit and Profit and Loss Account for the year ended 31st December, 1942.

IMMOVABLE PROPERTY £9482.7.8.

30

We have seen qochans purporting to cover these properties, although some buildings, we are informed, have not yet been registered. Some of the properties are registered in the names of individual partners in the Land Registry Office books but they are, we are informed, the property of the Firm.

STOCK-IN-TRADE AND SUNDRY STORES £23416.2.8.

Details are shown on "Annexe B." We have accepted the certificate of Mr. Chr. Patikis as to the quantities and prices of the stocks, wherein they are stated to have been valued at cost price or on a basis that has been adopted by the Firm heretofore.

40

We have compared the quantities of Unmanufactured Tobacco, Tobacco in course of Manufacture and Banderole on hand as at 31st December, 1942, with the records kept by the Customs Authorities of these stocks and found them in agreement therewith.

*Defendants' Exhibits.*

No. 31.

Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

CASH IN HAND AND AT BANKS £41020.2.4.

Details are as follows :

	Bank of Athens, S. A. Limassol .. .. .	£7464.13. 2
	Ottoman Bank, Limassol .. .. .	5583. 6. 1
	People's Bank Limited, Limassol .. .. .	6134. 2. 7
10	Barclay's Bank (D.C. & O.) Limassol .. .. .	4460.17. 3
	Ionian Bank Ltd., Limassol .. .. .	4185.18. 1
	Barclays Bank (D.C. & O.) London .. .. .	2000. 0. 0
	Westminster Bank Ltd., London .. .. .	2000. 0. 0
	Barclays Bank (D.C. & O.) London .. .. .	4000. 0. 0
	Ottoman Bank, London, .. .. .	4000. 0. 0
	Cash in Hand, Limassol Office .. .. .	274.15. 3½
	Cash in Hand, Nicosia Branch .. .. .	119. 9. 4½
	Golden Sovereigns .. .. .	366. 0. 0
	Foreign Currencies .. .. .	431. 0. 0
		<hr/>
20		£41020. 2. 4
		<hr/> <hr/>

We have satisfied ourselves as to the existence of the balances with the Banks in the Island and abroad by reference to Bank Statements or correspondence that passed between the Firm and the Banks concerned.

We have not counted the cash in hand.

The accounts with Barclays Bank (D.C. & O.), London, for £2000.0.0 and Westminster Bank Limited, London, for £2000.0.0 are in the name of Mr. Chr. Patikis ; the account with Barclays Bank (D.C. & O.) London for £4000.0.0 stands in the name of Mr. Chr. Patikis and Mr. C. A. Patikis but we are informed that they are holding them for account of the Firm.

30 Subject to the foregoing remarks we have obtained all the information and explanations we have required, and in our opinion the enclosed Balance Sheet as at 31st December, 1942, is properly drawn up so as to exhibit a true and correct view of the state of the Firm's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Firm.

Yours faithfully,

for RUSSELL & Co.,

(Sgd.) H. C. LEES.

**A. G. PATIKIS & CO.**  
**BALANCE SHEET AS AT 31ST DECEMBER, 1942.**

PARTNERS' ACCOUNTS.	LIABILITIES.	ASSETS.
Capital .. .. .	£25000. 0. 0	<b>FURNITURE AND FITTINGS.</b>
Loan .. .. .	10000. 0. 0	As per last Balance Sheet .. .. .
Current .. .. .	38088. 5. 5½	Additions at Cost .. .. .
	<u>£73088. 5. 5½</u>	
<b>RESERVES.</b>		Less: Depreciation .. .. .
Against Bad & Doubtful Debts and contingencies .. .. .	4734. 0. 0	£664. 4. 0
For Depreciation of: .. .. .		13. 0. 0
Machinery & Spare Parts .. .. .	5981.11. 8	
Stock-in-Trade & Sundry Stores .. .. .	2127. 9. 0	677. 4. 0
Furniture & Fittings .. .. .	537. 9. 0½	13. 0. 0
Immovable Property .. .. .	1920. 0. 0	£664. 4. 0
	<u>£15300. 9. 8½</u>	
<b>SUNDRY CREDITORS &amp; CREDIT BALANCES.</b>		<b>MOTOR CAR &amp; SUNDRY TOOLS.</b>
A. G. Patikis & Co. Tricalla .. .. .	1200. 0. 0	As per last Balance Sheet .. .. .
Sundries .. .. .	155. 2. 5	Less: Amounts written off .. .. .
	<u>£1355. 2. 5</u>	190. 0. 0
		40. 0. 0
		<b>IMMOVABLE PROPERTY, including Factory Land &amp; Buildings:</b>
		As per last Balance Sheet .. .. .
		9482. 7. 8
		<b>INVESTMENTS:</b>
		As per last Balance Sheet .. .. .
		94. 6. 5
		<b>MACHINERY &amp; SPARE PARTS.</b>
		As per last Balance Sheet .. .. .
		4815. 3. 4
		<b>SUNDRY DEBTORS &amp; DEBIT BALANCES .. .. .</b>
		10101.10. 8
		<b>STOCK-IN-TRADE &amp; SUNDRY STORES.</b>
		As certified by Mr. Chr. A. Patikis
		23416. 2. 8
		<b>CASH IN HAND AND AT BANKS .. .. .</b>
		41020. 2. 4
	<u>£89743.18. 1</u>	<u>£89743.18. 1</u>

With our report of this date.  
for RUSSELL & Co.,  
(Sgd.) H. C. LÆES,  
Chartered Accountants.  
Nicosia: 7.5.1943.

A. G. PATIKIS AND CO.  
MANUFACTURING AND TRADING ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1942.

<p>To materials used :</p> <p>Tobacco .. .. £13765.13. 1½</p> <p>Other Materials .. .. 3542. 7. 6</p> <hr style="width: 100%;"/> <p>To Factory Wages &amp; Salaries .. £17308. 0. 7½</p> <p>" Fuel &amp; Other Expenses .. 2476. 8. 7</p> <p>" Taxes &amp; Insurance .. 204.13. 4</p> <p>" Factory &amp; Stores Rent .. 123.13. 1</p> <p>" Repairs to Machinery &amp; Spare Parts used .. 289. 7. 4½</p> <p>363. 8. 6</p> <hr style="width: 100%;"/> <p>£20765.12. 3</p>	<p>By Factory cost of Production carried down .. £20765.12. 3</p> <hr style="width: 100%;"/> <p>£20765.12. 3</p>
<p>To Stock on hand, 1.1.1942 .. 370.11. 0</p> <p>" Factory cost of Production brought down .. 20765.12. 3</p> <p>" Banderole .. 37330.15. 2</p> <p>" Gross Profit carried to Profit &amp; Loss Account .. 30094. 6. 8½</p> <hr style="width: 100%;"/> <p>£88561. 5. 4½</p>	<p>By Sales .. .. 88308.10. 7½</p> <p>By Stock on hand 31.12.1942 .. 252.14. 6</p> <hr style="width: 100%;"/> <p>£88561. 5. 4½</p>

*Defendants' Exhibits.*

No. 31.  
Balance Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*



Defendants'  
Exhibits.

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
continued.

A. G. PATIKIS & CO.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1942.

To Partners' Salaries (£720 each partner) .. .. .	£3600. 0. 0			By Gross Profit from Trading Account .. .. .	£30094. 6. 8½
" Office Salaries .. .. .	784. 0. 0			" Income from Immovable Properties .. .. .	440. 8. 5½
" Advertising etc. .. .. .		£4384. 0. 0		" Profit on Sale of "Zivania" .. .. .	271. 16. 3
" Commissions .. .. .		45. 0. 0		" Bad Debts recovered .. .. .	151. 6. 4
" Expenses of Nicosia Branch (Salaries, Rents, Taxes, etc.) .. .. .		405. 4. 0		" Interest .. .. .	233. 16. 5½
" Carriages out etc. .. .. .		429. 13. 8			
" Travelling Expenses .. .. .		89. 0. 8			
" Car Running Expenses .. .. .		79. 17. 6			
" Legal & Audit Fees .. .. .		68. 12. 8			
" Sundry General Expenses, including Printing & Stationery, Telegrams, Telephones, Lighting, etc. .. .. .		200. 0. 0			
" House Keeping Expenses .. .. .		458. 10. 7½			
" Remuneration to J. G. Patikis .. .. .		217. 14. 4½			
" Depreciation written off Furniture & Fittings .. .. .		100. 0. 0			
" Interest on Partners' Accounts .. .. .		13. 0. 0			
" Depreciation written off Motor Car .. .. .		1800. 0. 0			
" Amount carried to Reserve for Depreciation of: .. .. .		40. 0. 0			
Machinery .. .. .	£1500. 0. 0				
Stock-in-Trade & Sundry Stores .. .. .	521. 15. 1				
Furniture & Fittings .. .. .	49. 15. 6				
Immovable property .. .. .	400. 0. 0				
" Amount carried to Reserve against Bad & Doubtful Debts & Contingencies .. .. .		2471. 10. 7			
" Bad Debts written off .. .. .		1000. 0. 0			
" Nett Profit for the year ended 31st Dec. 1942 allocated as follows:—		597. 11. 8			
J. G. Patikis .. .. .	3650. 0. 0				
V. G. Patikis .. .. .	3650. 0. 0				
Chr. A. Patikis .. .. .	3650. 0. 0				
C. A. Patikis .. .. .	3650. 0. 0				
G. A. Patikis .. .. .	3650. 0. 0				
		18250. 0. 0			
		£31191. 14. 8½			
					£31191. 14. 8½

A. G. PATIKIS & CO.

DETAILS OF PARTNERS' ACCOUNTS AS AT 31ST DECEMBER, 1942.

ACCOUNTS	V. G. PATIKIS	J. G. PATIKIS	G. A. PATIKIS	CHR. A. PATIKIS	COST. A. PATIKIS	TOTAL
Capital ..	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£25000. 0. 0
Loan ..	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	10000. 0. 0
Current ..	8572. 4. 0	9537. 19. 2½	8571. 17. 0	6285. 8. 0	5120. 17. 3	38088. 5. 5½
	£15572. 4. 0	£16537. 19. 2½	£15571. 17. 0	£13285. 8. 0	£12120. 17. 3	£73088. 5. 5½

*Defendants' Exhibits.*  
 No. 31.  
 Balance  
 Sheets, etc.,  
 1941, 1942,  
 1943, 1944,  
*continued.*

Defendants'  
Exhibits.

## A. G. PATIKIS &amp; CO.

## STOCK-IN-TRADE AND SUNDRY STORES AS AT 31ST DECEMBER, 1942.

No. 31.

Balance	UNMANUFACTURED TOBACCO	Okes	£	s.	p.
Sheets, etc., 1941, 1942, 1943, 1944, <i>continued.</i>	Greek—				
	" Sari " 1st Quality .. .. .	4877.100	1974.10.	2½	
	" Armada " A .. .. .	5220.150	2016.	2.	4
	Cyprus .. .. .	62613.300	14626.19.	8½	
	<b>TOBACCO IN COURSE OF MANUFACTURE</b>				
	Cyprus .. .. .	2597.300	620.11.	5	10
	Tobacco Dust .. .. .	323.100			
	<b>FINISHED CIGARETTES</b>				
	Limassol Shop .. .. .		252.14.	6	
	Banderole .. .. .	552.200	518.14.	6½	
	Cigarette Paper .. .. .		927.15.	2	
	Cigarette Boxes .. .. .		1141.12.	7½	
	Other Paper .. .. .		1158.	6.	4
	Fuel Oil, etc. .. .. .		99.	2.	1
	Sundry Materials (Gum, cotton, etc.) .. .. .		79.12.	6	
			<u>£23416.</u>	<u>2.</u>	<u>8</u>
				<u>20</u>	

7.7.1944.

Russell &amp; Co., Nicosia.

Messrs. A. G. Patikis & Co.,  
P.O.B. 7,  
Limassol.

Dear Sirs,

We attach the following :—

- Annexe 1. Balance Sheet as at 31.12.1943.
- Annexe 2. Manufacturing and Trading Account for the year ended 31.12.1943. 30
- Annexe 3. Profit & Loss Account for the year ended 31.12.1943.
- Annexe 4. Details of Partners' Accounts as at 31.12.1943.
- Annexe 5. Stock-in-Trade and Sundry Stores as at 31st December, 1943.

We have examined the enclosed Balance Sheet as at 31.12.1943 with the books of the Firm and have the following remarks to make thereon :—

PARTNERS' ACCOUNTS £102456.4.5½.

Details are as shown on Annexe 4. 40

*Capital* £25000.

Capital Accounts are fixed at £25000. Interest at the rate of 6% per annum is calculated on the Capital Account and credited to Partners' Current Accounts. Profits have been shared equally among the Partners and their respective shares credited to Partners' Current Accounts.

*Loan* £10000.

Interest on these loans has been calculated at the rate of 3% per annum and credited to Partners' Current Accounts.

*Current Accounts* £67456.4.5½.

Proceeds of draws of Government Premium Bonds (three) have been credited to each Partner's account equally. Certain adjustments have been made in respect of Income Tax paid and other expenses in these accounts. Such adjustments appear to be in accordance with mutual oral agreement that exists between the partners consistent with a mode of dealing in which all the partners have acquiesced. Each of the partners have been credited with a salary of £900.

## RESERVES £19301.15.2½.

The Reserves have been increased by debit of Profit and Loss Account for the year ended 31.12.1943.

## IMMOVABLE PROPERTY £9932.7.8.

We are informed that all these properties belong to Firm, although some of them are registered at the Land Registry Office in the name of individual partners.

## STOCK-IN-TRADE AND SUNDRY STORES £19946.11.0.

Details are shown on Annexe 5. We have accepted the certificate of Mr. Chr. Patikis as to the quantities and prices of the stocks, wherein they are stated to have been valued at cost or on a basis that has been adopted by the Firm heretofore.

We have compared the quantities of unmanufactured tobacco, tobacco in course of manufacture and banderole on hand as at 31.12.1943, with the records kept by the Customs Authorities of these stocks and found them in agreement therewith.

## CASH IN HAND AND AT BANKS £71835.8.8.

Details are as follows :

30	Barclays Bank (D.C. & O.) London	..	..	..	..	£2000.	0.	0
	Westminster Bank Ltd.	..	..	..	..	2016.	2.	5
	Barclays Bank (D.C. & O.) Limassol	..	..	..	..	3350.	18.	2
	Ottoman Bank, London	..	..	..	..	4000.	0.	0
	Barclays Bank (D.C. & O.) London	..	..	..	..	4000.	0.	0
	People's Bank Ltd. Limassol	..	..	..	..	5131.	2.	2
	Ottoman Bank, Limassol	..	..	..	..	39862.	14.	5
	Ionian Bank Ltd., Limassol	..	..	..	..	3386.	10.	4
	Bank of Athens S.A., Limassol	..	..	..	..	6965.	19.	7
	Cash in hand, Limassol	..	..	..	..	297.	2.	6
40	Cash in hand, Nicosia Branch	.	..	..	..	10.	18.	4
	Golden Sovereigns	..	..	..	..	366.	0.	0
	Foreign Currencies	..	..	..	..	431.	0.	0
	Jewels, etc.	..	..	..	..	17.	0.	0
						<hr/>		
						£71835.	8.	8
						<hr/> <hr/>		

*Defendants' Exhibits.*

No. 31.

Balance Sheets, etc., 1941, 1942, 1943, 1944, *continued.*

*Defendants'*  
*Exhibits.*

We have satisfied ourselves as to the existence of the balances with the Banks in the Island and abroad by reference to Bank statements or correspondence that passed between the Firm and the Banks concerned.

No. 31.

Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

We have not counted the cash in hand.

The accounts with Barclays Bank (D.C. & O.) London for £2000.0.0 and Westminster Bank Ltd., London, for £2016.2.5 are in the name of Mr. Chr. Patikis; the account with Barclays Bank (D.C. & O.) London for £4000 stands in the name of Mr. Chr. Patikis and Mr. C. A. Patikis, but we are informed that all these amounts are held for account of the Firm.

10

Subject to the foregoing remarks we have obtained all the information and explanations we have required and in our opinion the enclosed Balance Sheet as at 31.12.1943, is properly drawn up so as to exhibit a true and correct view of the state of the Firm's affairs according to the best of our information and the explanations given to us as shown by the books of the Firm.

Yours faithfully,

for RUSSELL & Co.,

(Sgd.) H. C. LEES.

A. G. PATIKIS AND CO.  
BALANCE SHEET AS AT 31.12.1943.

LIABILITIES.		ASSETS.	
<b>PARTNERS' ACCOUNTS :</b>		<b>FURNITURE AND FITTINGS :</b>	
Capital .. .. .	£25000. 0. 0	As per last Balance Sheet ..	£664. 4. 0
Loan .. .. .	10000. 0. 0	<b>MOTOR CAR &amp; SUNDRY TOOLS :</b>	
Current .. .. .	67456. 4. 5½	As per last balance Sheet ..	£150. 0. 0
	£102456. 4. 5½	Less : Disposals .. .. .	19. 0. 0
<b>RESERVES :</b>			131. 0. 0
Against Bad & Doubtful Debts and contingencies .. .. .	4734. 0. 0	Less : Amount written off ..	40. 0. 0
For depreciation of :			91. 0. 0
Machinery & Spare Parts ..	7981. 11. 8	<b>IMMOVABLE PROPERTY :</b>	
Stock in hand & Sundry Stores	3627. 9. 0	(Including Factory Land & Bldgs.)	
Furniture & Fittings .. .. .	638. 14. 3½	As per last Balance Sheet ..	9482. 7. 8
Immovable Property .. .. .	2320. 0. 0	Additions at cost .. .. .	450. 0. 0
	19301. 15. 2½		9932. 7. 8
<b>SUNDRY CREDITORS &amp; CREDIT BALANCES :</b>		<b>INVESTMENTS :</b>	
A. G. Patikis & Co., Tricalla ..	1200. 0. 0	As per last Balance Sheet ..	94. 6. 5
Sundries .. .. .	487. 1. 6½	Additions at cost .. .. .	470. 0. 0
	1687. 1. 6½		564. 6. 5
		<b>MACHINERY &amp; SPARE PARTS :</b>	
		As per last balance sheet .. ..	4815. 3. 4
		<b>SUNDRY DEBTORS &amp; DEBIT BALANCES</b>	15595. 19. 7½
		<b>STOCK-IN-TRADE &amp; SUNDRY STORES</b>	19946. 11. 0
		<b>CASH IN HAND AND AT BANKS ..</b>	71835. 8. 8
			£123445. 1. 5½

With our report of this date.  
For RUSSELL & Co.,  
(Sgd.) H. C. LEES  
Chartered Accountants.  
Nicosia : 7. 7. 1944.

Defendants' Exhibits.  
No. 31.  
Balance Sheets, etc., 1941, 1942, 1943, 1944, continued.

Defendants' Exhibits.  
No. 31.  
Balance  
Sheets, etc.  
1941, 1942,  
1943, 1944,  
continued.

"ANNEXE 2."

A. G. PATIKIS & CO.

MANUFACTURING AND TRADING ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1943.

To Materials Used:					
Tobacco .. .. .	£18185.14. 4				
Other Materials .. .. .	2530. 6. 2½				
		£20716. 0. 6½			
To Factory Wages & Salaries .. .. .		3012. 3. 8			
" Fuel & Other Expenses .. .. .		247. 5. 0½			
" Taxes & Insurance .. .. .		148. 2. 7			
" Factory & Stores Rent .. .. .		329.10. 2			
" Repairs to Machinery & Spare Parts used .. .. .		383. 5. 2½			
		<u>£24836. 7. 8½</u>			
" Stock on hand on 1st January, 1943 .. .. .		252.14. 6			
" Factory cost of production brought down .. .. .		24836. 7. 8½			
" Banderole .. .. .		65599. 4. 2½			
" Gross Profit carried to Profit & Loss Account .. .. .		49523. 2. 6			
		<u>£140211. 9. 5</u>			
By Factory Cost of Production .. .. .				£24836. 7. 8½	
By Sales .. .. .				139353. 4. 5½	
" Stock on hand 31st December, 1943 .. .. .				858. 4. 8½	
				<u>£140211. 9. 5</u>	

"ANNEXE 3."

## A. G. PATIKIS &amp; CO.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1943.

To Partners' Salaries (€900 each Part.) .. .. .	€4500. 0. 0				
" Office Salaries .. .. .	897. 0. 0				
" Office Rent .. .. .		€5397. 0. 0			
" Advertising (etc.) (including donations) .. .. .		40. 0. 0			
" Commission .. .. .		622. 11. 7			
" Expenses of Nicosia Branch (Salaries, rents, taxes, etc.) .. .. .		453. 10. 5½			
" Carriages out, etc. .. .. .		381. 8. 8			
" Travelling Expenses .. .. .		47. 9. 6½			
" Legal and Audit Fees .. .. .		121. 19. 0			
" Sundry General Expenses including Printing & Stationery, Telegrams & Telephones, Lighting, etc. .. .. .		200. 0. 0			
" Housekeeping expenses .. .. .		391. 11. 4½			
" Remuneration to J. G. Patikis .. .. .		179. 14. 1			
" Interest on Partners' Accounts .. .. .		100. 0. 0			
" Depreciation written off Motor Car .. .. .		1800. 0. 0			
" Income Tax 1942.. .. .		40. 0. 0			
" Amount carried to Reserve for Depreciation of: .. .. .		10928. 0. 0			
Machinery .. .. .	2000. 0. 0				
Stock-in-Trade & Sundry Stores .. .. .	1500. 0. 0				
Furniture & Fittings .. .. .	101. 5. 3				
Immovable Property .. .. .	400. 0. 0				
" Bad Debts written off in 1943 .. .. .		4001. 5. 3			
" Net Profit for the year ended 31st Dec. 1943 allocated as follows: .. .. .		133. 16. 5½			
J. G. Patikis .. .. .	5077. 0. 0				
V. G. Patikis .. .. .	5077. 0. 0				
Chr. G. Patikis .. .. .	5077. 0. 0				
C. A. Patikis .. .. .	5077. 0. 0				
G. A. Patikis .. .. .	5077. 0. 0				
		25385. 0. 0			
		€50223. 7. 5			
		€49523. 2. 6			
		382. 15. 6½			
		112. 8. 8			
		91. 17. 8			
		113. 2. 3½			

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Defendants'  
Exhibits.No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
continued.



*Defendants' Exhibits.*  
 No. 31.  
 Balance  
 Sheets, etc.,  
 1941, 1942,  
 1943, 1944.  
*continued.*

“ANNEXE 4.”

A. G. PATIKIS & CO.

DETAILS OF PARTNERS' ACCOUNTS AS AT 31ST DECEMBER, 1943.

ACCOUNTS	V. G. PATIKIS	J. G. PATIKIS	G. A. PATIKIS	CHR. A. PATIKIS	COST. PATIKIS	TOTAL
Capital ..	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£25000. 0. 0
Loan ..	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	10000. 0. 0
Current ..	14976. 7. 0	15921. 9. 2	14960. 8. 0	11409. 5. 0½	10188. 15. 3	67456. 4. 5½
	£21976. 7. 0	£22921. 9. 2	£21960. 8. 0	£18409. 5. 0½	£17188. 15. 3	£102456. 4. 5½

" ANNEXE 5."

*Defendants'  
Exhibits.*

A. G. PATIKIS &amp; CO.

## CERTIFICATE.

ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 1943.

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

I hereby certify that the Stock in Trade and Sundry Stores as at 31st December, 1943, amounted to £19946.11.0 (nineteen thousand, nine hundred and forty six pounds, eleven shillings) as shown by the attached schedule signed by me.

10 I further certify that the above stocks existed on the 31st December, 1943, and were the property of the firm and were valued at cost price or on a basis that has been adopted by the Firm heretofore.

I further certify that, to the best of my knowledge and belief all transactions relating to or affecting the business of the Firm during the above year have been properly recorded in the books as at 31st December, 1943, and that no Reserves or Suspense Accounts exist that are not separately shown on the face of the Balance Sheet as at 31st December, 1943.

Russel &amp; Co., Nicosia.

25th May, 1945.

20 Messrs. A. G. Patikis & Co.,  
Limassol.

Dear Sirs,

In accordance with your instructions, for purposes of Income Tax we have prepared the following, enclosed herewith.

1. Balance Sheet as at 31.12.1944.
2. Manufacturing and Trading Account for the year ended 31.12.1944.
3. Profit and Loss Account for the year ended 31.12.1944.
4. Computation of Chargeable Income for 1944.
- 30 5. Copy of Stock Certificate as at 31st December, 1944, together with statement showing details of stock-in-trade and sundry stores.
6. Statement of Wear and Tear allowances.
7. List of Bad Debts written off.
8. Details of Partners' Accounts as at 31.12.1944.
9. Details of Partners' Current Accounts as at 31.12.1944.

We have examined the enclosed Balance Sheet as at 31.12.1944, with the books of the Firm and have the following remarks to make thereon.

*Defendants' Exhibits.* PARTNERS' ACCOUNTS £112812.9.6.

Details are shown on Annexe 8.

No. 31.

Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

PARTNERS' CURRENT ACCOUNTS :

Details are shown on Annexe 9.

RESERVES £28000.

The Reserves have been increased by debit of Profit and Loss Account for the year ended 31.12.1944.

IMMOVABLE PROPERTY £9932.7.8.

We are informed that all these properties belong to the Firm, although some of them are registered at the Land Registry Office in the name of 10 Individual Partners.

STOCKS IN TRADE AND SUNDRY STORES £22903.17.0.

Details are shown on Annexe 5. We have accepted the Certificate of Mr. Chr. A. Patikis in support of this figure.

We have compared the quantities of Unmanufactured Tobacco, Tobacco in course of Manufacture and Banderole on hand as at 31.12.1944 with the records kept by the Customs Authorities of these stocks and found them in agreement therewith.

CASH IN HAND AND AT BANKS £88568.0.3.

Details are as follows :

Barelays Bank (D.C. & O.) London	..	..	..	..	£2000. 0. 0	
Westminster Bank Ltd.	..	..	..	..	2025. 2. 1	
Barelays Bank (D.C. & O.) Limassol	..	..	..	..	4095.19. 7	
Ottoman Bank, London	..	..	..	..	4000. 0. 0	
Barelays Bank (D.C. & O.), London	..	..	..	..	3999.19. 5	
People's Bank Ltd., Limassol	..	..	..	..	12153.11. 1	
Ottoman Bank, Limassol	..	..	..	..	42296. 4. 8	
Ionian Bank Ltd., Limassol	..	..	..	..	3734. 2. 5	
Bank of Athens S.A., Limassol	..	..	..	..	9239.15. 6	
Cash in Hand, Limassol	..	..	..	..	4200.10. 7½	30
Cash in Hand, Nicosia Branch	..	..	..	..	8.13. 7½	
Golden Sovereigns	..	..	..	..	366. 0. 0	
Foreign Currencies	..	..	..	..	431. 0. 0	
Jewels, etc.	..	..	..	..	17. 0. 0	
					<hr/>	
					£88568. 0. 3	
					<hr/>	

We have satisfied ourselves as to the existence of the Balances with the Banks in the Island and abroad by reference to Bank Statements or correspondence passed between the Firm and the Banks concerned.

We have not counted the Cash in Hand.

The accounts with Barclays Bank (D.C. & O.) London for £2000 and Westminster Bank Ltd., London for £2025.2.1 are in the name of Mr. Chr. A. Patikis ; the account with Barclays Bank (D.C. & O.) London for £3999.19.5 stands in the name of Mr. Chr. Patikis and Mr. C. A. Patikis, but we are informed that all these amounts are held for account of the Firm.

*Defendants' Exhibits.*  
No. 31.  
Balance Sheets, etc., 1941, 1942, 1943, 1944, *continued.*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.12.1944.

*Local Partners' Entertainment Expenses* £149.5.0.

We are informed that these expenses are in respect of disbursements made by the local partners during 1944 in connection with the business and are refunded to them as and when they occur.

*Bad Debts Written Off* £432.3.0.

Details are shown on Annexe 7.

MANUFACTURING AND TRADING ACCOUNT FOR THE YEAR ENDED 31.12.1944.

We have verified sales as follows :—

*Credit Sales* : (Including sales to Controller of Supplies.)

By reference to copies of invoices.

*Cash Sales* :

As no invoice is issued or written receipt given, we have relied upon the figures as they appear in the books and paragraph four of the Stock Certificate (Annexe 5).

GENERALLY.

Subject to the foregoing remarks we have obtained all the information and explanations we have required and in our opinion the enclosed Balance Sheet as at 31st December, 1944, is properly drawn up so as to exhibit a true and correct view of the state of the Firm's affairs according to the best of our information and the explanations given to us and as shown by the books of the firm.

Yours faithfully,

RUSSELL & CO.

Defendants' Exhibits.

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
continued.

"ANNEXE 1."

A. G. PATIKIS & CO.  
BALANCE SHEET AS AT 31ST DECEMBER, 1944.

LIABILITIES.		ASSETS.	
Capital .. .. .	£25000. 0. 0	IMMOVABLE PROPERTY :	
Loan .. .. .	10000. 0. 0	As per last Balance Sheet .. .. .	£9832. 7. 8
Current .. .. .	77812. 9. 6		
	£112812. 9. 6	FURNITURE & FITTINGS :	
RESERVES :		As per last Balance Sheet .. .. .	664. 4. 0
Against Bad & Doubtful Debts		MOTOR CAR AND SUNDRY TOOLS :	
and Contingencies (as per		As per last Balance Sheet .. .. .	£91. 0. 0
last Balance Sheet) .. .. .	4734. 0. 0	Less : Amount written off .. .. .	40. 0. 0
For Depreciation of :			51. 0. 0
Machinery & Spare Parts as		MACHINERY AND SPARE PARTS :	
per last Balance Sheet .. .. .	£7981. 11. 8	As per last Balance Sheet .. .. .	4815. 3. 4
Transferred from Profit and		INVESTMENTS :	
Loss Account .. .. .	1000. 0. 0	As per last Balance Sheet .. .. .	564. 6. 5
Stock in hand and Sundry		Add : 100 Cyprus Government Premium	
stores as per last Balance		Bonds .. .. .	1000. 0. 0
Sheet .. .. .	3627. 9. 0		
Transferred from Profit and		STOCKS IN TRADE AND SUNDRY STORES :	
Loss Account .. .. .	2500. 0. 0	(As certified by Mr. Chr. A. Patikis) .. .. .	22903. 17. 0
Furniture & Fittings as per		SUNDRY DEBTORS AND DEBIT BALANCES .. .. .	14792. 2. 2½
last Balance Sheet .. .. .	638. 14. 3½	CASH IN HAND AND AT BANKS .. .. .	88568. 0. 3
Immovable Property as per			
last Balance Sheet .. .. .	2320. 0. 0		
Transferred from Profit and			
Loss Account .. .. .	198. 4. 6½		
For Replacement of :			
Machinery (from Profit			
and Loss Account) .. .. .	5000. 0. 0		
SUNDRY CREDITORS & CREDIT			
BALANCES :			
A. G. Patikis & Co., Triccala .. .. .	1200. 0. 0		
Sundries .. .. .	1278. 11. 7½		
	2478. 11. 7½		
With our Report of this date.			
RUSSELL & CO.	£143291. 1. 4½		
Chartered Accountants.			
Nicosia : 25.5.1945.			

A. G. PATIKIS & CO.

MANUFACTURING AND TRADING ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1944.

To Tobacco consumed .. ..	£28785. 9. 8	By Factory Cost of Production carried down .. ..	£86535. 9. 4
" Materials used .. ..	1912. 8. 4		
" Factory Wages and Salaries ..	£30697. 18. 3		
" Fuel, Electricity & other expenses	4195. 14. 3½		
" Taxes & Insurance .. ..	522. 1. 1½		
" Factory & Stores Rent .. ..	223. 8. 4		
" Repairs to Machinery & Spare Parts used .. ..	322. 0. 0		
	574. 7. 1		
	<u>£36535. 9. 4</u>		<u>£36535. 9. 4</u>
" Stock on hand on 1.1.1944 ..	858. 4. 8½	By Sales .. ..	178021. 17. 4
" Factory cost of Production brought down .. ..	36535. 9. 4	" Stock on hand as at 31st December, 1944 .. ..	3552. 3. 8½
" Banderole .. ..	92392. 6. 6		
" Gross Profit carried to Profit and Loss Account .. ..	51788. 0. 3		
	<u>£181574. 1. 3½</u>		<u>£181574. 1. 3½</u>

Defendants' Exhibits.  
No. 31.  
Balance Sheets, etc., 1941, 1942, 1943, 1944, continued.

Defendants'  
Exhibits.

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
continued.

" ANNEXE 3."

A. G. PATIKIS & CO.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1944.

To Partners' Salaries (Upkeep Allowance £1000 each partner) .. .. .	£5000. 0. 0	By Gross Profits from Trading Account .. .. .	£51788. 0. 3
" Office Salaries .. .. .	1160. 0. 0	" Income from Immovable Property (net) .. .. .	296. 3. 8½
" Office Rent .. .. .	40. 0. 0	" Interest (Bank) .. .. .	49. 0. 7
" Advertising etc. (Including Donations) .. .. .	1185. 4. 0	" Interest from Clients .. .. .	5. 7. 4½
" Cigarettes for Advertising .. .. .	701. 5. 6	" Commissions and Discounts .. .. .	5. 11. 8
" Expenses Nicosia Branch (Salary, Rent & Taxes) .. .. .	298. 17. 0½	" Bad Debts recovered .. .. .	81. 1. 4½
" Carriages Out, etc. .. .. .	62. 5. 7		
" Travelling Expenses .. .. .	142. 4. 0		
" Legal Fees .. .. .	720. 0. 0		
" Audit Fees .. .. .	100. 0. 0		
" Sundry Expenses (including Printing, Stationery, Telegrams, Postages, etc.) .. .. .	498. 17. 2½		
" Housekeeping Expenses .. .. .	165. 14. 4		
" Local Partners' Entertainment Expenses .. .. .	149. 5. 0		
" Remuneration to J. G. Patikis .. .. .	100. 0. 0		
" Interest on Partners' Current Accounts .. .. .	1800. 0. 0		
" Bad Debts written off .. .. .	432. 3. 0		
" Depreciation written off .. .. .	40. 0. 0		
" Car .. .. .			
" Amount carried to reserve for depreciation of: .. .. .			
Machinery .. .. .	1000. 0. 0		
Stock in Trade & Sundry Stores .. .. .	2500. 0. 0		
Immovable Property .. .. .	198. 4. 6½		
" Amount carried to Reserve for Replacement of Machinery .. .. .	3698. 4. 6½		
" Net Profit for the year ended 31st Dec., 1944, allocated as follows: .. .. .	5000. 0. 0		
John G. Patikis .. .. .	6186. 5. 0		
Basile G. Patikis .. .. .	6186. 5. 0		
Chr. A. Patikis .. .. .	6186. 5. 0		
George A. Patikis .. .. .	6186. 5. 0		
Cost A. Patikis .. .. .	6186. 5. 0		
	30931. 5. 0		
	<u>£52225. 5. 8½</u>		

## A. G. PATIKIS AND CO.

## COMPUTATION OF CHARGEABLE INCOME FOR 1944.

Defendants'  
Exhibits.

	Net Profit for the year ended 31st December, 1944, as per accounts	£30931	No. 31.
	<i>Add</i> : Amount carried to Reserve for Replacement of Machinery ..	£5000	Balance
	Amounts carried to Reserve for Depreciation of :		Sheets, etc.,
	Machinery .. .. .	1000	1941, 1942,
	Stock in Trade & Sundry Stores .. .. .	2500	1943, 1944,
	Immovable Property .. .. .	198	<i>continued.</i>
10	Depreciation Written off Motor Car .. .. .	40	
	Bad Debts written off .. .. .	432	
	Housekeeping Expenses .. .. .	£166	
	<i>Less</i> : Amount debited by credit from Income from		
	Immovable Property .. .. .	32	
		134	
	Donations (included in Advertising) .. .. .	605	
		<u>9909</u>	
		40840	
	<i>Less</i> : Wear & Tear Allowance For :		
20	Building .. .. .	150	
	Furniture .. .. .	12	
	Machinery .. .. .	152	
	Motor Car .. .. .	19	
	Bad Debts claimed for Income Tax purposes .. .. .	230	
		<u>563</u>	
	Net Chargeable Income .. .. .	<u>£40277</u>	

## DIVISION OF CHARGEABLE INCOME AMONGST THE PARTNERS.

Partners	Share of Chargeable Income	Salary	Interest	All/ce	Total
30 V. G. Patikis ..	£8056	£1000	£360		£9416
J. G. Patikis ..	8055	1000	360	£100	9515
G. A. Patikis ..	8056	1000	360		9416
Chr. A. Patikis ..	8055	1000	360		9415
C. A. Patikis ..	8055	1000	360		9415
	<u>£40277</u>	<u>£5000</u>	<u>£1800</u>	<u>£100</u>	<u>£47177</u>

Russell &amp; Co.

" ANNEXE 5."

## STOCK CERTIFICATE.

I hereby certify, to the best of my knowledge and belief as follows :—

- 40 1. That the Stocks on Hand as at 31st December, 1944, amounted to £22903.17.0 (Twenty-two thousand nine hundred and three pounds, seventeen shillings only).
2. That the basis of valuation is the same as heretofore used.
3. That the figure of £22903.17.0 represents the total value at cost or market price whichever was the lower as on that date.
4. That the total proceeds of all sales of the business have been properly recorded as such in the books produced to Messrs. Russell & Co.



*Defendants' Exhibits.*

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

5. That the amounts recorded as purchases in such books for the period under review are restricted to the cost of goods either sold and included in the sales referred to in paragraph 4 above or forming part of the stocks in trade as at 31.12.1944 above referred to at £22903.17.0.

6. That no Reserves or Suspense Accounts other than those disclosed on the face of the Balance Sheet as at 31st December, 1944, signed by Messrs. Russell & Co., exist in the books produced to them.

7. That all transactions affecting the business for the period under review have been properly recorded in the books and vouchers produced to Messrs. Russell & Co. 10

8. That all Assets and Liabilities have been properly taken up in such books as at 31st December, 1944.

(Signature) CHR. A. PATIKIS.

(Designation) Manager.

Date : 3rd May, 1945.

“ ANNEXE 5.”

A. G. PATIKIS & CO.

STOCK-IN-TRADE AND SUNDRY STORES AS AT 31.12.1944.

UNMANUFACTURED TOBACCO.

<i>Greek</i>	Okes		20
“ sari ” first quality .. .. .	1276	£517. 0. 2	
“ Armada ” A .. .. .	1516.350	585.12. 6½	
Greek Tobacco purchased through Greek Consulate in transit .. .. .	7734.100	2148. 8. 0½	
Greek Tobacco purchased through Greek consulate in stores .. .. .	2438.100	758.11. 3	
Greek tobacco purchased through Greek Consulate bonded .. .. .	604.100	318.18. 1½	
<i>Cyprus</i> .. .. .	42531.200	11814. 4. 3	
	56101.050	£16142.14. 7½	30

TOBACCO IN COURSE OF MANUFACTURE.

<i>Cyprus</i> .. .. .	2792.200	775.13. 8	
Greek (“ Sari ” 1st Qual.) .. .. .	148.100	60. 0. 0	
Greek (through Greek Consulate) .. .. .	100.300	40. 0. 2	
Tobacco Dust .. .. .	606.000	—	
	3647.200	875.14. 1	

FINISHED CIGARETTES.

Limassol Shop .. .. .	819.345	3552. 3. 8½	40
Banderole at 29/8 .. .. .	562	839.17. 5	
Cigarette Paper .. .. .		324. 9. 1	
Cigarette Boxes .. .. .		482.12. 8	
Other Paper .. .. .		486. 0. 0	
Fuel, Oil, etc. .. .. .		65. 7. 1	
Sundry Materials (Gum, cotton, etc.) ..		134.17. 4	
		£22903.17. 0	

" ANNEXE 6."

Defendants'  
Exhibits.

## A. G. PATIKIS &amp; CO.

## STATEMENT OF WEAR AND TEAR ALLOWANCE FOR 1944.

No. 31.

Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944,  
*continued.*

		Description						
BUILDINGS 3%.								
	As at 1st January, 1944	..	..	..	..	..	£5000	
	Less : Wear & Tear Allowance 1944	..	..	..	..	..	150	£150
	As at 31st December, 1944	..	..	..	..	..	£4850	
FURNITURE 5%.								
10	As at 1st January, 1944	..	..	..	..	..	343	
	Less : Wear and Tear Allowance 1944	..	..	..	..	..	12	12
	As at 31st December, 1944	..	..	..	..	..	£231	
MACHINERY 8%.								
	As at 1st January, 1944	..	..	..	..	..	1902	
	Less : Wear and Tear Allowance 1944	..	..	..	..	..	152	152
	As at 31st December, 1944	..	..	..	..	..	£1750	
MOTOR CAR 25%.								
	As at 1st January, 1944	..	..	..	..	..	78	
	Less : Wear & Tear Allowance	..	..	..	..	..	19	19
20	As at 31st December, 1944	..	..	..	..	..	£59	
								£333

" ANNEXE 7."

## A. G. PATIKIS AND CO.

## LIST OF BAD DEBTS WRITTEN OFF 1944.

		Name	Amount	Date of last payment.
		Yousouf Zia Hadji Teufik Nicosia (Agricultural Debt Settlement Board decision) .. .. .	£125. 3. 3	29.11.1944
		Xenophon Mavrovouniatis, Amiandos .. .. .	11.17. 5	2.12.1942
30		N. Demisdjian, Larnaca, .. .. .	2. 5. 0	11.11.1936
		John Loukides, Limassol .. .. .	70.17. 6	5. 3.1942
		John Georghiades, Amiandos (Agricultural Debt Settlement Board Decision) .. .. .	3. 6. 6	Bill Receivable drawn 10.3.1938
		Sundry Clients, Nicosia .. .. .	3. 6. 6	Discounts allowed
		J. C. Muller & Co., Dresden, Germany .. .. .	0. 6. 2	26.3.1940
		Sundry Materials destroyed .. .. .	15. 0. 0	19.12.1939 from profits from S/V " Apostolos
40		Hadjioannou & Tseriotis Sailing Vessel " Apostolos Andreas " Current Account .. .. .	200. 0. 0	Andreas "
			£432. 3. 0	

Defendants'  
Exhibits.

No. 31.  
Balance  
Sheets, etc.,  
1941, 1942,  
1943, 1944.  
continued.

" ANNEXE 8."

A. G. PATIKIS & CO.

DETAILS OF PARTNERS' ACCOUNTS AS AT 31.12.1944.

ACCOUNTS	V. G. PATIKIS	J. G. PATIKIS	G. A. PATIKIS	CHR. A. PATIKIS	C. A. PATIKIS	TOTAL
Capital ..	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£25000. 0. 0
Loan ..	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	10000. 0. 0
Current ..	17060. 6. 4	17955. 11. 5	17025. 12. 4	13292. 14. 4	12478. 4. 7	77812. 9. 6
	£24060. 6. 4	£24955. 11. 5	£24025. 12. 4	£20292. 14. 4	£19478. 4. 7	£112812. 9. 6

A. G. PATIKIS & CO.

DETAILS OF PARTNERS' ACCOUNTS AS AT 31.12.1944.

	J. G. PATIKIS	G. A. PATIKIS	V. G. PATIKIS	C. A. PATIKIS	CHR. A. PATIKIS
	£15921. 9. 2	£14960. 8. 0	£14976. 7. 0	£10188.15. 3	£11409. 5. 0½
Balance as at 1.1.1944 ..	£74. 5. 3	22.16. 0	22.16. 0	22.16. 0	22.16. 0
<i>Add:</i>		6. 8. 4	6. 8. 4	6. 8. 4	6. 8. 4
Rents .. .. .					
Profit from materials old stock .. .. .		300. 0. 0	300. 0. 0	300. 0. 0	300. 0. 0
Profit from sale of land .. .. .		60. 0. 0	60. 0. 0	60. 0. 0	60. 0. 0
Readjustment of Bachelor's tax .. .. .		1000. 0. 0	1000. 0. 0	1000. 0. 0	1000. 0. 0
Interest on capital 6% .. .. .		6186. 5. 0	6186. 5. 0	6186. 5. 0	6186. 5. 0
Interest on loan 3% .. .. .					
Allowance .. .. .					
Upkeep Allowance .. .. .					
Profit of Current year .. .. .	7949.14. 8	7575. 9. 4	7575. 9. 4	7775. 9. 4	7775. 9. 4
	<u>£23871. 4. 1</u>	<u>£22535.17. 4</u>	<u>£22551.16. 4</u>	<u>£17964. 4. 7</u>	<u>£19184.14. 4½</u>
<i>Less:</i>					
Land Tax .. .. .	36.12. 5				28.14. 0½
Drawings .. .. .					240. 0. 0
Income Tax .. .. .	5879. 0. 0	5510. 5. 0	5491.10. 0	5486. 0. 0	5623. 6. 0
	<u>5915.12. 5</u>	<u>£17025.12. 4</u>	<u>£17060. 6. 4</u>	<u>£12478. 4. 7</u>	<u>5892. 0. 0½</u>
Balance as at 31.12.44	<u>£17955.11. 5</u>				<u>£13292.14. 4</u>

Defendants' Exhibits.  
No. 31.  
Balance Sheets, etc., 1941, 1942, 1943, 1944, continued.



**EXHIBIT 37.—BALANCE SHEETS, ETC.***Defendants'*  
*Exhibits.***A. G. PATIKIS & CO.**No. 37.  
Balance  
Sheets, etc.,  
1945.**BALANCE SHEET AS AT 31ST DECEMBER, 1945.****MANUFACTURING AND TRADING ACCOUNT FOR THE YEAR ENDED  
31ST DECEMBER, 1945.****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1945.**

Together with relative Annexes and our Report thereon.

Russell & Co., Chartered Accountants,  
Egypt, Sudan, Palestine, Greece and Cyprus.

10 Russell &amp; Co.,

Chartered Accountants.

Barclays Bank Buildings,  
Serai Square,  
Nicosia,  
Cyprus.

7.6.1946.

Messrs. A. G. Patikis &amp; Co.,

Limassol.

Dear Sirs,

In accordance with your instructions, we have prepared from your  
20 books the accounts of your Company, in respect of the year ended  
31st December, 1945, for purposes of Income Tax, and attach hereto :—

- Annexe 1. Balance Sheet as at 31.12.1945 (with comparative figures at 31.12.1944 to the nearest £).
- Annexe 2. Manufacturing and Trading Account for the year ended 31.12.1945 (with comparative figures as at 31.12.1944, to the nearest £).
- Annexe 3. Profit and Loss Account for the year ended 31.12.1945 (with comparative figures as at 31.12.1944 to the nearest £).
- 30 Annexe 4. Computation of Chargeable Income for 1945.
- Annexe 5. Copy of Stock Certificate as at 31.12.1945, together with statement showing details of Stocks-in-Trade and Sundry Stores.
- Annexe 6. Statement of Wear and Tear Allowances.
- Annexe 7. Analysis of Commissions paid.
- Annexe 8. Details of Partners' Accounts as at 31.12.1945.
- Annexe 9. Details of Partners' Current Accounts as at 31.12.1945.

*Defendants'*  
*Exhibits.*

We have the following comments to make :—

No. 37.  
Balance  
Sheets, etc.,  
1945,  
*continued.*

PARTNERS' ACCOUNTS £139692.15.6.

Details are shown on Annexe 8.

PARTNERS' CURRENT ACCOUNTS £104692.15.6.

Details are shown on Annexe 9.

RESERVES £35000.

The Reserves have been increased by transfers from Profit and Loss Account amounting to the total of £7000.

IMMOVABLE PROPERTY £9932.7.8.

We are informed that all these properties belong to the Firm, though 10 some of them are registered at the Land Registry Office in the name of individual partners.

STOCKS IN TRADE AND SUNDRY STORES £24630.8.6½.

Details are shown on Annexe 5. We have accepted the Certificate of Mr. Chr. A. Patikis in support of this figure.

We have compared the quantities of Unmanufactured Tobacco, Tobacco in course of Manufacture and Banderole on hand as at 31.12.1945 with the records kept by the Customs Authorities of these stocks and found them to be in agreement therewith.

CASH IN HAND AND AT BANKS £110899.14.1½.

20

Details are as follows :

Barclays Bank (D.C. & O.) London	..	..	..	..	£2000. 0. 0	
Westminster Bank Limited	..	..	..	..	2025. 2. 1	
Barclays Bank (D.C. & O.) Limassol	..	..	..	..	4095.19. 7	
Ottoman Bank, London	..	..	..	..	4000. 0. 0	
Barclays Bank (D.C. & O.) London	..	..	..	..	3999.19. 5	
People's Bank Limited, Limassol	..	..	..	..	12026.17. 7	
Ottoman Bank, Limassol	..	..	..	..	67013. 0. 4	
Ioanian Bank Limited, Limassol	..	..	..	..	6447. 1. 6	
Bank of Athens S.A. Limassol	..	..	..	..	6939.16. 3	30
Cash in Hand, Limassol	..	..	..	..	1438. 5. 4	
Cash in Hand, Nicosia Branch	..	..	..	..	99.11. 0½	
Golden Sovereigns	..	..	..	..	366. 0. 0	
Foreign Currencies	..	..	..	..	431. 0. 0	
Jewels, etc.	..	..	..	..	17. 0. 0	
					<hr/>	
					£110899.14. 1½	
					<hr/>	

We have satisfied ourselves as to the existence of the Balances with the Banks in the Island and abroad by reference to Bank Statements or correspondence passed between the Firm and the Banks concerned.

We have not counted the Cash in Hand.

The accounts with Barclays Bank (D.C. & O.) London for £2000 and Westminster Bank Limited London for £2025.2.1 are in the name of Mr. Chr. A. Patikis; the account with Barclays Bank (D.C. & O.) London for £3999.19.5 stands in the name of Mr. Chr. A. Patikis and Mr. C. A. Patikis, but we are informed that all these amounts are held for account of the Firm.

*Defendants'*  
*Exhibits.*

—  
No. 37.  
Balance  
Sheets, etc.,  
1945,  
*continued.*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.12.1945.

*Local Partners' Entertainment Expenses* £158.0.0.

- 10 We are informed that these expenses are in respect of disbursements made by the local partners during 1945 in connection with the business and are refunded to them as and when they occur.

MANUFACTURING AND TRADING ACCOUNT FOR THE YEAR ENDED  
31.12.1945.

We have verified sales as follows :

*Credit Sales* (including sales to Controller of Supplies).

By reference to copies of Invoices.

*Cash Sales*

- 20 As no invoices are issued or written receipts given, we have relied upon the figures as they appear in the books and upon paragraph four to the Stock Certificate (Annexe 5).

GENERALLY.

Subject to the foregoing remarks, we have obtained all the information and explanations we have required and in our opinion the enclosed Balance Sheet as at 31.12.1945, is properly drawn up so as to exhibit a true and correct view of the state of the Firm's affairs according to the best of our information and the explanations given to us and as shown by the books of the Firm.

Yours faithfully,

30

(Sgd.) RUSSELL & CO.





A. G. PATIKIS & CO.

MANUFACTURING AND TRADING ACCOUNT FOR THE YEAR ENDED 31.12.1945 (WITH COMPARATIVE FIGURES AS AT 31.12.1944 TO THE NEAREST £).

	31.12.44	31.12.45
£28786 Tobacco Consumed ..	£32931.11. 8½	
1912 Materials used ..	7134.14. 0	£40066. 5. 8½
4196 Factory Wages & Salaries ..		6841. 2. 0
522 Fuel, Electricity & Other Expenses ..		632. 3. 7
224 Taxes & Insurance ..		267.10. 8½
322 Factory & Stores Rent ..		338. 0. 0
574 Repairs to Machinery & Spare Parts used		918. 4. 2
<u>£36536</u>	<u>£49063. 6. 8</u>	<u>£49063. 6. 8</u>
858 Stock on hand as at 1.1.1945 ..		3552. 3. 8½
36536 Factory Cost of Production br. down ..		49063. 6. 8
92392 Banderole ..		124228.17. 1
51788 Gross Profit carried to Profit & Loss Account ..		70042. 0. 3
<u>£181574</u>	<u>£246886. 8. 2½</u>	<u>£246886. 8. 2½</u>
31.12.44	31.12.45	
£36536 Factory Cost of Production carried down	£49063. 6. 8	
<u>£36536</u>	<u>£49063. 6. 8</u>	
178022 Sales ..		244736.11. 2½
3552 Stock on hand as at 31.12.45 ..		2149.17. 0
<u>£181574</u>	<u>£246886. 8. 2½</u>	



“ ANNEXE 4.” *Defendants’  
Exhibits.*

No. 37.  
Balance  
Sheets, etc.,  
1945,  
*continued.*

Russell & Co.,  
Nicosia.

A. G. PATIKIS & CO.

COMPUTATION OF CHARGEABLE INCOME FOR 1945.

	Net Profit for the year ended 31st December, 1945, as per accounts ..	£50241
	<i>Add</i> : Amount carried to Reserve for Replacement of Machinery ..	£3000
	Amounts carried to Reserve for Depreciation of :	
10	Machinery .. .. .	1000
	Stock-in-Trade & Sundry Stores .. .. .	2800
	Immovable Property .. .. .	200
	Investments written off .. .. .	94
	Housekeeping Expenses .. .. .	£195
	<i>Less</i> : Amount, representing Rent, debited to above by credit of Income from Immovable Property .. .. .	32
		163
	Donations (included in Advertising) .. .. .	85
	School Tax (included in Taxes and Insurance) .. .. .	120
		7462
20	<i>Less</i> : Wear & Tear Allowance for :	£57703
	Buildings .. .. .	146
	Furniture .. .. .	12
	Machinery .. .. .	140
	Motor car .. .. .	15
		313
		£57390

DIVISION OF CHARGEABLE INCOME AMONG THE PARTNERS.

	Partners	Share of Chargeable Income	Salary	Interest	Allowance	Total
30	V. G. Patikis .. .. .	£11478	£1000	£360	—	£12838
	J. G. Patikis .. .. .	11478	1000	360	£100	12938
	G. A. Patikis .. .. .	11478	1000	360	—	12838
	Chr. A. Patikis .. .. .	11478	1000	360	—	12838
	C. A. Patikis .. .. .	11478	1000	360	—	12838
		£57390	£5000	£1800	£100	£64290

*Defendants'*  
*Exhibits.*

“ ANNEXE 5.”

No. 37.  
Balance  
Sheets, etc.,  
1945,  
*continued.*

Russell & Co., Nicosia.

A. G. PATIKIS & CO.

31.12.1945

STOCK CERTIFICATE.

I hereby certify, to the best of my knowledge and belief as follows :

1. That the Stocks on Hand as at 31.12.1945 amounted to £24,630.8.6½ (twenty four thousand six hundred and thirty pounds, eight shillings, and six and a half piastres).

2. That the basis of valuation is the same as heretofore used. 10

3. That the figure of £24,630.8.6½ represents the total value at cost or market price whichever was the lower as on that date.

4. That the total proceeds of all sales of the business have been properly recorded as such in the books produced to Messrs: Russell & Co.

5. That the amounts recorded as purchases in such books for the period under review are restricted to the cost of goods either sold and included in the sales referred to in paragraph 4 above or forming part of the stocks in trade as at 31.12.1945 above 20 referred to at £24630.8.6½.

6. That no reserves or Suspense accounts other than those disclosed on the face of the Balance Sheet as at 31.12.1945, signed by Messrs. Russell & Co., exist in the books produced to them.

7. That all transactions affecting the business for the period under review have been properly recorded in the books and vouchers produced to Messrs. Russell & Co.

8. That all Assets and Liabilities have been properly taken up in such books as at 31.12.1945.

CHR. PATIKIS,

Signature.

30

Manager.

Designation.

23.5.1946.

Russell &amp; Co.

No. 37.  
Balance  
Sheets, etc.,  
1945,  
*continued.*

## A. G. PATIKIS &amp; CO.

## STOCK IN TRADE AND SUNDRY STORES AS AT 31.12.1945.

UNMANUFACTURED TOBACCO.		<i>Okes.</i>		
<i>Greek.</i>				
	"Sari" first quality .. ..	3916	£2937. 0. 0	
	"Armada" A .. ..	2090.200	1451.14. 6½	
10	Greek tobacco purchased through Greek Consulate in Store .. ..	1279.200	398. 1. 3	
	Greek tobacco purchased through Greek Consulate in bond .. ..	4541.200	1261.10. 5	
	<i>Virginia Tobacco</i> .. ..	1409.050	692.16. 3	
	<i>Cyprus</i> .. ..	34276	9521. 2. 2	
		<u>47512.250</u>	—————	£16262. 5. 1½
TOBACCO IN COURSE OF MANUFACTURE.				
	<i>Cyprus</i> .. ..	2806.050	873. 0. 3	
20	Greek ("Sari" 1st Quality) ..	215.100	87. 2. 3	
	Greek (through Greek Consulate) ..	69	26.12. 7	
	<i>Virginia</i> .. ..	134.200	101.12. 4	
	Tobacco dust .. ..	416	—	
		<u>3640.350</u>	—————	£1088. 7. 8
FINISHED CIGARETTES.				
	Limassol Shop .. ..	581.060		2149.17. 0
	BANDEROLE (at £1.14.3 per oke) ..	776		1332. 2. 6
MATERIALS.				
	Cigarette Paper .. ..		£2000.12. 0	
30	Other paper .. ..		956. 0. 0	
	Cigarette boxes .. ..		702. 6. 0	
	Fuel, Oil, etc. .. ..		30. 7. 7	
	Sundry (Gum, Cotton, etc.) ..		108.10. 2	
			—————	£3797.16. 0
				<u>£24630. 8. 6½</u>

"ANNEXE 6."

Defendants'  
Exhibits.  
No. 37.  
Balance  
Sheets, etc.,  
1945,  
continued.

Russell &amp; Co. Nicosia.

A. G. PATIKIS &amp; CO.

## STATEMENT OF WEAR AND TEAR ALLOWANCES FOR 1945.

BUILDINGS 3%.									
As at 1st January, 1945	..	..	..	..	..	..	..	£4850	
Less : Wear & Tear Allowance 1945	..	..	..	..	..	..	..	146	£146
								<hr/>	
As at 31.12.1945	..	..	..	..	..	..	..	£4704	
								<hr/> <hr/>	
FURNITURE 5%.									
As at 1.1.1945	..	..	..	..	..	..	..	231	10
Less : Wear & Tear Allowance 1945	..	..	..	..	..	..	..	12	12
								<hr/>	
As at 31.12.1945	..	..	..	..	..	..	..	219	
								<hr/> <hr/>	
MACHINERY 8%.									
As at 1.1.1945	..	..	..	..	..	..	..	1750	
Less : Wear & Tear Allowance 1945	..	..	..	..	..	..	..	140	140
								<hr/>	
As at 31.12.1945	..	..	..	..	..	..	..	1610	
								<hr/> <hr/>	
MOTOR CAR 25%.									
As at 1.1.1945	..	..	..	..	..	..	..	59	
Less : Wear & Tear Allowance 1945	..	..	..	..	..	..	..	15	15
								<hr/>	
As at 31.12.1945	..	..	..	..	..	..	..	£44	20
								<hr/> <hr/>	
									£313
									<hr/> <hr/>

"ANNEXE 7."

A. G. PATIKIS &amp; CO.

## DETAILS OF COMMISSIONS AND DISCOUNTS FOR 1945.

D. Haggipavlu (Famagusta)	..	..	..	..	..	..	..	£408. 0. 6	
Th. Maratheftis (Larnaca)	..	..	..	..	..	..	..	242.17. 3	
Menelaos Stavrou (Paphos)	..	..	..	..	..	..	..	188.10. 1½	
G. Agrotis (Paphos)	..	..	..	..	..	..	..	414.13. 7	
Argyriou Brothers (Polis tis Chrysochou)	..	..	..	..	..	..	..	126. 0. 4	
Kypros Paraskeva (Famagusta)	..	..	..	..	..	..	..	291.16. 3	30
Discount	..	..	..	..	..	..	..	49.14. 6	
								<hr/>	
								£1721.13. 3½	
Deduct Overages from Retail Sales	..	..	..	..	..	..	..	6. 2. 1	
								<hr/>	
As per Profit and Loss Account	..	..	..	..	..	..	..	£1715.11. 2½	
								<hr/> <hr/>	

A. G. PATIKIS & CO.

DETAILS OF PARTNERS' ACCOUNTS AS AT 31.12.1945.

ACCOUNTS	V. G. PATIKIS	J. G. PATIKIS	G. A. PATIKIS	CHR. A. PATIKIS	C. A. PATIKIS	TOTAL
Capital .. ..	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£25000. 0. 0
Loan .. ..	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	10000. 0. 0
Current .. ..	22600. 4. 5	22926. 2. 5	22721. 3. 0	18749. 9. 3	17695. 16. 2	104692. 15. 6
	£29600. 4. 5	£29926. 2. 5	£29721. 3. 0	£25749. 9. 3	£24695. 16. 2	£139692. 15. 6

*Defendants' Exhibits.*  
 No. 37.  
 Balance Sheets, etc., 1945,  
*continued.*



Defendants' Exhibits.  
No. 37.  
Balance Sheets, etc., 1945,  
continued.

"ANNEXE 9."

A. G. PATIKIS & CO.

DETAILS OF PARTNERS' CURRENT ACCOUNTS AS AT 31.12.1945.

	V. G. PATIKIS	J. G. PATIKIS	G. A. PATIKIS	CHR. A. PATIKIS	C. A. PATIKIS
Balance as at 1.1.1945 ..	£17060. 6. 4	£17955.11. 5	£17025.12. 4	£13292.14. 4	£12478. 4. 7
<i>Add:</i>		52. 5. 5½			
Rents ..		8. 0. 0	8. 0. 0	7.17. 0	8. 0. 0
Share of Profit from 2 Bonds drawn ..	8. 0. 0				
Share of Profit from sale of 2 casks (included in Debtors & debit balances ..)	13. 4. 1	13. 4. 2	13. 4. 1	13. 4. 1	13. 4. 1
Share of profit from sale of land (included in Debtors & Debit balances) ..	6.10. 0	6.10. 0	6.10. 0	6.10. 0	6.10. 0
Interest from Debtors ..	2. 0. 0	2. 0. 0	2. 0. 0	2. 0. 0	2. 0. 0
Interest on Loan & Cap. Accounts ..	360. 0. 0	360. 0. 0	360. 0. 0	360. 0. 0	360. 0. 0
Allowance ..	1000. 0. 0	1000. 0. 0	1000. 0. 0	1000. 0. 0	1000. 0. 0
Upkeep A/c ..	10048. 4. 0	10048. 4. 0	10048. 4. 0	10048. 4. 0	10048. 4. 0
Share of Profit of Cur. Year ..	11437.18. 1	11590. 3. 7½	11437.18. 1	11437.15. 1	11437.18. 1
	£28498. 4. 5	£29545.15. 3½	£28463.10. 5	£24730. 9. 5	£23916. 2. 8
<i>Less:</i>					
Life Insurance Premium		36.17. 7½		280. 0. 0	545.10. 6
Land Tax ..		615. 0. 0		28.12. 2	
Drawings ..	351.15. 0		177. 7. 5	240. 0. 0	361. 1. 0
Income Tax ..	5546. 5. 0	5718.15. 0	5565. 0. 0	5432. 8. 0	5313.15. 0
Repairs to Immov. Prop-erty ..	5898. 0. 0	249. 0. 0			
	5898. 0. 0	6619.12. 7½	5742. 7. 5	5981. 0. 2	6220. 6. 6
	£22600. 4. 5	£22926. 2. 5	£22721. 3. 0	£18749. 9. 3	£17695.16. 2

## EXHIBIT 21.—BALANCE SHEET, ETC.

INVENTORY OF THE FIRM A. G. PATIKIS & CO., LIMASSOL,  
CARRIED OUT ON THE 31ST DECEMBER, 1945.

*Plaintiff's  
Exhibits.*  
No. 21.  
Balance  
Sheet, etc.,  
31st  
December  
1945.

## ASSETS.

<i>Cash :</i>				
	Cash in safe and cheques	.. .. .		£1438. 5. 4.
<i>Gold Account :</i>				
	English Gold sovereigns, 366 @ 20/-	.. .. .		366. 0. 0
<i>Foreign Currency Fund :</i>				
10	Value of 423 English pounds	.. .. .	£423. 0. 0	
	,, ,, 8 Egyptian ,,	.. .. .	8. 0. 0	
			<hr/>	431. 0. 0
<i>Barclays' Bank (D.C. &amp; O.) London :</i>				
	Lodgment in name of Mr. Chr. Patikis for a/c of A. G. Patikis & Co.	.. .. .		2000. 0. 0
<i>Westminster Bank Ltd., London :</i>				
	ditto	.. .. .		2025. 2. 1
<i>Barclays' Bank (D.C. &amp; O.) Limassol :</i>				
	Balance of account on first demand	.. .. .		4095.19. 7
20	<i>Ottoman Bank, London :</i>			
	do. on first demand	.. .. .		4000. 0. 0
<i>Barclays' Bank (D.C. &amp; O.) London :</i>				
	Lodgment in the name of Chr. & K. Patikis for a/c of A. G. Patikis & Co.	.. .. .		3999.19. 5
<i>Limassol People's Bank, Ltd. a/c :</i>				
	Balance of account on 1st demand	.. .. .		12026.17. 7
<i>Ionian Bank Ltd. Limassol :</i>				
	ditto	.. .. .		6447. 1. 6
<i>Ottoman Bank, Limassol :</i>				
30	ditto	.. .. .		67013. 0. 4
<i>Bank of Athens, A. E. Limassol :</i>				
	ditto	.. .. .		6939.16. 3
<i>Fund of Sub-Office in Nicosia :</i>				
	Cash in hand on the 31.12.45	.. .. .		99.11. 0½
	Carried Forward	.. .. .		<hr/> £110882.14. 1½

Plaintiff's  
Exhibits.

## ASSETS (continued)

No. 21.	Brought Forward	..	..	..	..	£110882.14. 1½	
Balance Sheet, etc., 31st December 1945, <i>continued.</i>							
	<i>Articles of Value :</i>						
	From Mr. Mich. Fournaris :						
	2 Turkish £5 coins	}	..	..	..	17. 0. 0	
	2 Greek Gold coins						
	2 Turkish „ „						
	2 Gold christening crosses						
	1 chain						
	<i>Mortgage Loans :</i>						10
	Mortgages in safe :						
	All Djenab Osman, Plataniskia, 13.5.23	..	..	..	..	£10. 0. 0	
	Gabriel Georghiades, Lefkara, 1.10.32	..	..	..	..	60. 0. 0	
	Zenon Cl. Lanitis, L'sol, 25.7.34	..	..	..	..	302. 8. 0	
						<hr/>	372. 8. 0
	<i>Customers :</i>						
	Christoforos Hourrides, L'ssol	..	..	..	..	£17.11. 1	
	Theocharis Maratheftis & Son L'ca	..	..	..	..	388.16. 8	
	Menelaos Stavrou, Paphos	..	..	..	..	762. 2. 6	
	Argyriou Bros	..	..	..	..	199. 6. 6	20
						<hr/>	1367.17. 3
	<i>Temporary Accounts :</i>						
	Haggipavlou Building sites	..	..	..	..	£15. 8. 0½	
	Athan. Demitri „ „	..	..	..	..	1. 4. 8½	
	Ioannis Christodoulou	..	..	..	..	9. 1. 7½	
	Motor car Buick Sedan	..	..	..	..	51. 0. 0	
	Stelios Stavrides	..	..	..	..	5. 0. 0	
	Costas Theodosiou	..	..	..	..	3. 0. 0	
	Leonidas Grivas L'sol, Purchase of tobacco	..	..	..	..	25393. 2. 0	
	Nicolaos Zacharakis	..	..	..	..	25. 0. 0	30
	Christoforos Demetriou	..	..	..	..	60. 0. 0	
	Ioannis Patsalides	..	..	..	..	2.13. 3	
	Renos Archontides	..	..	..	..	4. 0. 0	
	Penel. A. Djezopoulou	..	..	..	..	12. 0. 0	
						<hr/>	25581.10. 4½
	Carried Forward	..	..	..	..		£138221.10. 0

## ASSETS (continued)

*Plaintiff's Exhibits.*

	Brought Forward .. .. .			£138221.10. 0	
<i>Store :</i>					No. 21. Balance Sheet, etc., 31st December 1945, <i>continued.</i>
	Unmanufactured tobacco :				
	Greek Tobacco :				
	Greek tobacco through Consu- late Lot C. Bonded Parcel 129 4541/200 okes : ..	£1261.10. 5			
10	Tobacco (Trik.) Parcel 144 = 3916 okes .. .. .	2937. 0. 0			
	Armada I tobacco (Trik.) Tobacco 75 = 2090/200 okes .. .. .	1451.14. 6½			
	Greek tobacco through Consu- late Lot B parcel 33 1279/200 okes .. ..	398. 1. 3			
				£6048. 6. 5½	
	Virginia Tobacco Bar. 4 1409/050 okes .. ..		692.16. 3		
	Cyprus Tobacco Parcel 1380 34276 okes .. ..		9521. 2. 2		
20		(a)		£16262. 5. 1½	
	<i>Tobacco in course of Manufacture :</i>				
	Tobacco in course of manufacture :				
	Cyprus 2806.053 okes × 56 cp. .. .. .	873. 0. 3			
	First Sari 215,100 okes × 72¼ <sub>40</sub> ..	87. 2. 3			
	Virginia 134.200 okes × 136 cp. .. .. .	101.12. 4			
	Greek Consulate B 69 = 69½	26.12. 7			
30	Dust 416 okes .. .. .			1088. 7. 8	
	Limassol Tobacconist Shop 581/060 okes ..			2149.17. 0	
	Various paper .. .. .			956. 0. 0	
	Factory Commission .. .. .			30. 7. 7	
	Various materials .. .. .			108.10. 2	
	Cigarette Paper .. .. .			2000.12. 0	
	Boxes .. .. .			702. 6. 0	
	Banderoles 776 okes @ £1.4.3 .. .. .			1332. 2. 6	
				24630. 8. 6½	
	Carried Forward .. .. .			£162851.18. 6½	

<i>Plaintiff's Exhibits.</i>		ASSETS (continued)				
	Brought Forward	..	..	..	..	£162851.18. 6½
No. 21.	<i>Urban Properties :</i>					
Balance Sheet, etc., 31st December 1945. <i>continued.</i>	Building at Ay. Andreou Str.	..	..	..	£1916. 0. 0	
	Factory Building	..	..	..	3600. 0. 0	
	Larnaca Shop	..	..	..	250. 0. 0	
	Zyghi Store	..	..	..	253. 0. 0	
	Limassol Store, Byzantion St.	..	..	..	289.14. 7½	
	Building Site at Zyghi	..	..	..	105. 6. 0	
	Limassol Shops, Byzantion St.	..	..	..	183.10. 0	10
	Building site, Sparti St.	..	..	..	1805. 5. 7½	
	Property of Michael Pissarides	..	..	..	450. 0. 0	
	Store in Factory Yard	..	..	..	65. 3. 1	
	House in Church building site	..	..	..	510. 7. 0½	
						9428. 6. 7½
	<i>Agricultural Properties :</i>					
	Garden at Chiflikoudia	..	..	..	327.14. 2	
	Field of Abdul Aziz Ali's wife	..	..	..	149.16. 1½	
	Field at Alipota	..	..	..	26.10. 6	
						504. 1. 0½ 20
	<i>Machinery :</i>					
	1 Cigarette making machine " Standard "	..	..	..	£800. 0. 0	
	1 ditto Triumph	..	..	..	1201. 0. 0	
	1 ditto Excelsior	..	..	..	252. 8. 8½	
	3 tobacco cutting „ Legg	..	..	..	285. 0. 0	
	1 ditto Muller	..	..	..	206. 1. 3½	
	3 Motors Petters	..	..	..	555. 6. 0	
	1 Sharpening for tobacco knives Hanieff	..	..	..	20. 0. 0	
	1 ditto Muller	..	..	..	20. 0. 0	
	1 Reel cutting machine	..	..	..	40. 4. 5	30
	1 Paper cutting machine Muller	..	..	..	30. 0. 0	
	1 Tube making machine Muller	..	..	..	450. 0. 6	
	1 ditto Gulman	..	..	..	20. 0. 0	
	3 Filling machines Muller	..	..	..	678.16. 1	
	1 Cutting machine for tobacco samples	..	..	..	15. 0. 0	
	2 Stapling machines	..	..	..	43. 1. 7	
	2 Dynamos Ebert	..	..	..	65.16. 6	
	2 Hand humidifiers	..	..	..	8.19. 8	
	1 Water Pump	..	..	..	13. 5. 3	
	Value of Pulley, etc.	..	..	..	110. 2. 1	
						4815. 3. 4
	Carried Forward	..	..	..	..	40

## ASSETS (continued)

*Plaintiff's  
Exhibits.*

	Brought Forward	..	..	..	..				No. 21. Balance Sheet, etc., 31st December 1945, <i>continued.</i>
	<i>A. G. Patikis &amp; Co. Sub-office Nicosia :</i>								
	Balance 31.12.45	..	..	..	..			66. 1. 1½	
	<i>Bonds :</i>								
	47 Cyprus Govt. Bonds 1943	×	£10	..	..	£470. 0. 0			
	98 " " " 1944	×	10	..	..	980. 0. 0			
	42 " " " 1945 A	×	£5	..	..	210. 0. 0			
	42 " " " " B	×	£5	..	..	210. 0. 0			
10						<hr/>		1870. 0. 0	
	<i>Furniture &amp; Fittings :</i>								
	Factory Furniture & Fittings	..	..	..	..	£147. 5. 3½			
	House " " "	..	..	..	..	193.19. 3			
	Office " " "	..	..	..	..	198.19. 6			
	Tobacco shop " "	..	..	..	..	59.11. 2½			
	Sub-Office N'sia " "	..	..	..	..	64. 8. 3			
						<hr/>		664. 4. 0	
	<i>Documentary Credits :</i>								
	Documentary Cr. No. 860 at Bank of Athens \$5000					7.16. 0			
20	Ditto, No. 881	..	..	..	..	1.17. 5			
						<hr/>		9.13. 5	
	<i>Profit &amp; Loss :</i>								
	Insurance Premiums—Balance of Use 1946	..						48. 2. 7½	
	<i>Suppliers :</i>								
	Chalanos Bros. Famagusta	..	..	..	..			55. 0. 0	
	Total Assets	..	..	..	..			<hr/> <hr/>	£180312.11. 5½

<i>Plaintiff's Exhibits.</i>		LIABILITIES.			
		<i>Customers :</i>			
No. 21. Balance Sheet, etc., 31st December 1945, <i>continued.</i>	Ali Djenab Osman against mortgage bond	..	..	£8.16. 2	
	Demos Haji Pavlou Famagusta	..	..	160. 4. 7	£169. 1. 0
		<i>Provisional Accounts :</i>			
	Kousella Building Sites	..	..	£79.16. 2½	
	Zenon Cl. Lanitis mortgage bond	..	..	249. 5. 0	
	Kyriacos N. K. Pattichis	..	..	2.10. 0	
	Leonidas Grivas	..	..	105.10. 0	10
	Zoitsa Pelendridou's building site	..	..	97. 5. 8½	
	Alciviades Diamantides	..	..	59.10. 5	
	Sir Panay. L. Cacoyannis	..	..	200. 0. 0	
				£793.17. 7	
		<i>Suppliers :</i>			
	Emmanuel Kaloyirou	..	..	£1399.13. 3½	
	Stylios Saryiakis, Cairo	..	..	1.18. 3½	
	Andreas Kyriacopoulos, Alexandria	..	..	6.10. 7½	1408. 2. 5½
				£2039. 1. 0	20
	ditto	..	..	1200. 0. 0	3239. 1. 0
		<i>Bank of Athens, Documentary Credits :</i>			
	Bank of Athens A/D 860 \$5000	..	..	£7.16. 0	
	„ „ „ A/D 881	..	..	1.17. 5	9.13. 5
		<i>Partners' Gold Accounts :</i>			
	Ioannis G. Patikis, Gold Account	..	..	£358.13. 7	
	Chr. A. Patikis	..	..	358.13. 7	
	Basil G. Patikis	..	..	183. 0. 0	30
	George A. Patikis	..	..	183. 0. 0	
	Costas A. Patikis	..	..	358.13. 8	
				1442. 1. 4	
		<i>Partners' Current Accounts :</i>			
	Chr. A. Patikis, Current Account	..	..	£18390.15. 5	
	Ioannis G. Patikis	..	..	22567. 8. 7	
	George A. Patikis	..	..	22538. 3. 0	
	Basilis G. Patikis	..	..	22417. 4. 5	
	Costas A. Patikis	..	..	17337. 2. 3	
				103250.14. 2	40
Carried Forward				£110312.11. 5½	

## LIABILITIES (continued)

Plaintiff's  
Exhibits.

Brought Forward .. .. .	£110312.11. 5½	No. 21. Balance Sheet, etc., 31st December 1945, <i>continued.</i>
<i>Partners Interest Bearing Accounts :</i>		
Basilis G. Patikis Int. Bear. A/c. .. .. .	£2000. 0. 0	
Ioannis G. Patikis Do. .. .. .	2000. 0. 0	
Georghios A. Patikis Do. .. .. .	2000. 0. 0	
Chr. A. Patikis Do. .. .. .	2000. 0. 0	
Costas A. Patikis Do. .. .. .	2000. 0. 0	
	<hr/>	
	10000. 0. 0	
<b>10 Reserve Accounts :</b>		
Reserve for Writing off Credits .. .. .	£4474.10. 3	
"    " replacement of machinery .. .. .	8000. 0. 0	
"    " writing off store material .. .. .	8927. 9. 0	
"    "    "    " machinery access. .. .. .	9981.11. 8	
"    "    "    " extr. activities .. .. .	259. 3. 6	
"    "    "    " furnit. & fittings .. .. .	638.14. 3½	
"    "    "    " Building sites & Agricult. lands .. .. .	2718. 4. 6½	
	<hr/>	
	35000. 0. 0	
<b>20 Capital Accounts :</b>		
Basilis G. Patikis Cap A/c .. .. .	£5000. 0. 0	
Ioannis G. Patikis ,, ,, .. .. .	5000. 0. 0	
Georghios G. Patikis ,, .. .. .	5000. 0. 0	
Chr. A. Patikis ,, ,, .. .. .	5000. 0. 0	
Costas A. Patikis ,, ,, .. .. .	5000. 0. 0	
	<hr/>	
	25000. 0. 0	
	<hr/>	
	£180312.11. 5½	
	<hr/> <hr/>	

True Copy from Inventory and Balance sheet books.

Limassol, 6th May, 1946.

30

(Sgd.) CH. DEMETRIADES,  
Chief Accountant, Bank of Athens.



Plaintiff's  
Exhibits.

No. 21.  
Balance  
Sheet, etc.,  
31st  
December  
1945,  
continued.

ACCOUNTS FOR PRODUCTION AND SALES OF THE TOBACCO MANUFACTORY OF A. G. PATIKIS AND CO.,  
LIMASSOL, FROM THE 1ST JANUARY TO THE 31ST DECEMBER, 1945.

To MATERIALS USED: Manufactured Tobacco 85191 ok.	£32931.11. 8½	By Cost of Production, carried over	£49063. 6. 8
1. VARIOUS MATERIALS:			
Boxes .. .. .	£3635. 0. 5		
Cigarette Paper .. .. .	2282. 6. 1		
Var. materials .. .. .	222. 0. 0		
Paper " .. .. .	995. 7. 3		
	7134.14. 0		
2. WAGES & SALARIES:			
Wages from 1.1.45 to 31.12.45 .. .. .	£4894.12. 0		
Salaries for production .. .. .	1946.10. 0		
	6841. 2. 0		
3. FUEL & OTHER EX.:			
Fuel .. .. .	38. 9. 3		
Product. expenses .. .. .	593.14. 4		
	632. 3. 7		
4. TAXES & INS. PREM.:			
Taxes (Balance) .. .. .	170. 0. 0		
Insurance Premiums .. .. .	97.10. 8½		
	267.10. 8½		
5. RENT OF FACTORY & STORE:			
Rent for 1945 .. .. .	378. 0. 0		
Less: Rent of Office .. .. .	40. 0. 0		
	338. 0. 0		
6. REPAIRS TO MACHINES & ACCESSORIES:			
Repairs in 1945 .. .. .	75. 2. 0		
Purchased & used .. .. .	843. 2. 2		
	918. 4. 2		
	£49063. 6. 8		
	£49063. 6. 8		
Balance 1st Jan. 1945 819/345 okes .. .. .	£3552. 3. 8½		
Cost of production of factory 82130 okes b/f .. .. .	49063. 6. 8	By Sales: from 1.1.45-31.12.45 82368/285 okes	£245038.19. 5
Government Banderoles .. .. .	124228.17. 1	Less: Balance of A/c for settling invoices .. .. .	302. 8. 2½
	£176844. 7. 8½		£245341. 7. 7½
	70042. 0. 3		2149.17. 0
Misc. profit transferred to Pr. & Loss .. .. .	82949.345 okes	Stock in tobacconist shop 681/060 okes .. .. .	82949.345 okes
	£246886. 8. 2½		£247491. 4. 7½
		Limassol, 6.5.1946.	
		(Sgd.) CH. DEMETRIADES.	

## A. G. PATIKIS &amp; CO., LIMASSOL.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST DECEMBER, 1945.

To Account of withdrawals by partners .. .. .	£5000. 0. 0	By Accounts "Production & Sales"	
" Office Salaries .. .. .	1230. 1. 0	Miscellaneous profits from sales	1.1.45-
" Office Rent .. .. .	40. 0. 0	.. .. .	.. .. .
" Advertisements, publications, etc., Newspapers & Periodicals .. .. .	£9 13. 4	Profits from property .. .. .	.. .. .
" Subscriptions & Publicat. .. .. .	186. 5. 8	Interest .. .. .	.. .. .
" Smoking & adverts. .. .. .	734. 3. 6½	Receipts from accounts written off .. .. .	.. .. .
" Tobacco Licence .. .. .	1. 2. 0		
" Expenses sub-off. N'sia (Salaries, rent, taxes, &c.) .. .. .	931. 5. 0½		
" Carriage of cigarettes, &c. .. .. .	392. 6. 2		
" Travelling expenses .. .. .	176. 1. 3½		
" Maintenance of Motor Car .. .. .	156. 10. 2½		
" Entertainment allowance Chr. A. Patikis .. .. .	92. 13. 1½		
" Legal adviser .. .. .	158. 0. 0		
" Auditors' fees, Russel & Co. .. .. .	200. 0. 0		
" Remuneration of Ioannis Patikis .. .. .	100. 0. 0		
" Gen. Expenses (i.e., printing, telegr., etc.) .. .. .	100. 0. 0		
" Household expenses .. .. .	840. 18. 6½		
" Commissions & Discounts .. .. .	195. 4. 2		
" Depreciation (Gen. A/C 1945) .. .. .	1715. 11. 2½		
" Interest .. .. .	94. 6. 5		
	1800. 0. 0		
	£13222. 17. 8		
RESERVE:			
1. For replacing machinery .. .. .	£3000. 0. 0		
2. For writing off machin. accessories .. .. .	1000. 0. 0		
3. For writing off Store materials .. .. .	2800. 0. 0		
4. For writing off urban & agricult. properties .. .. .	200. 0. 0		
Carried Forward .. .. .	7000. 0. 0		
	£20222. 17. 8		
		Carried Forward .. .. .	£70463. 17. 8

Plaintiff's Exhibits.

No. 21.

Balance Sheet, etc., 31st December 1945.  
*continued.*

A. G. PATIKIS & CO., LIMASSOL.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST DECEMBER, 1945.

Brought Forward .. .. .	£20222.17. 8	Brought Forward .. .. .	£70463.17. 8
Net profits for the year ending 31st December, 1945, distributed as follows :			
Ioannis G. Patikis Current A/c ..	£10048. 4. 0		
Vasilios G. Patikis do. ..	10048. 4. 0		
Chr. A. Patikis do. ..	10048. 4. 0		
Georghios A. Patikis do. ..	10048. 4. 0		
Costas A. Patikis do. ..	10048. 4. 0		
	<u>50241. 0. 0</u>		
	<u>£70463.17. 8</u>		<u>£70463.17. 8</u>

True copy from Profit & Loss Books.  
Limassol, 6th May, 1946.  
(Sgd.) H. DEMETRIADES,  
Principal Auditor of the Bank of Athens.

## EXHIBIT 13.—BALANCE SHEET, ETC.

## GENERAL BALANCE SHEET OF THE FIRM A. G. PATIKIS &amp; CO., LIMASSOL, CLOSED ON 30TH JUNE, 1946.

ASSETS.		LIABILITIES.	
CA H:			
t Limassol	£965.13. 0½	Provisional Accounts	£1966. 2. 3
" Nicosia	240. 2. 1	Suppliers	8. 9. 2
Gold	£1205.15. 1½	A. G. Patikis & Co. Trikkala	£1974.11. 5
Foreign Currency	183. 0. 0	Current A/cs.	7214. 6. 2
Articles of Value	431. 0. 0	"	1200. 0. 0
	17. 0. 0	Bank of Athens Documentary Cred.	11.13. 6
Barclays Bk. (D.C. & O.) London	£2000. 0. 0		
Westminster Bank Ltd.	2025. 2. 1	PARTNERS ACCOUNTS:	
Barclays Bk. (D.C. & O.) L'ssol	4095.19. 7	Ioannis J. Patikis, Gold	£358.13. 7
Ottoman Bank London	4000. 0. 0	Ch. A Patikis	358.13. 7
Barclays Bank (D.C. & O.) London	3999.19. 5	Basil. J. Patikis	183. 0. 0
Limassol People's Bank L'ssol	12351.17. 7	Costas A. Patikis	358.13. 8
Ionian Bank, Limassol	6454.10. 4	George A. Patikis	370.11. 4
Ottoman	99473.13. 6		1629. 12. 8
Bank of Athens	7749. 5. 7	PARTNERS CURRENT ACCOUNTS:	
	£142150. 9. 1	George A. Patikis Cur./Ac.	£23213.11. 7
	£143987. 4. 2½	Basil J. Patikis	28079.13. 6
Furniture and Fittings	664. 4. 0	Costas A. Patikis	23863. 1. 0
Car and Accessories	51. 0. 0	Christos A. Patikis	25336. 2. 1
Urban Properties	£9428. 6. 7½	Ioannis J. Patikis	28924.13. 4½
Rural Properties	504. 1. 0½		
Machinery	9932. 7. 8	PARTNERS INTEREST BEARING A/cs.	
	4815. 3. 4	Basil. J. Patikis Int./Ac.	£2000. 0. 0
Carried Forward	£159449.19. 5½	Ioannis J. Patikis	2000. 0. 0
(Initials)		George A. Patikis	2000. 0. 0
		Christos A. Patikis	2000. 0. 0
		Costas A. Patikis	2000. 0. 0
		Carried Forward	10000. 0. 0
			£151447. 6. 3½

Plaintiff's Exhibits.

No. 13.  
Balance Sheet, etc.,  
30th June 1946.



STOCKTAKING OF THE FIRM A. G. PATIKIS & CO., LIMASSOL, *Plaintiff's Exhibits.*  
HELD ON THE 30TH JUNE, 1946.

		ASSETS.	No. 13. Balance Sheet, etc., 30th June 1946, <i>continued.</i>
	<i>Cash :</i>		
	Cash in safe and cheques .. .. .		£965.13. 0½
	<i>Gold deposit :</i>		
	English sovereigns 183 at 20/- .. .. .		183. 0. 0
	<i>Foreign currencies fund :</i>		
	Value of 423 U.K. pounds .. .. .	£423. 0. 0	
10	„ „ 8 Egyptian pounds .. .. .	8. 0. 0	
			431. 0. 0
	<i>Barclays Bank (D.C. &amp; O.) London :</i>		
	Lodgment in the name of Mr. Chr. Patikis for account of A. G. Patikis & Co. .. .. .		2000. 0. 0
	<i>Westminster Bank Ltd. London :</i>		
	Ditto .. .. .		2025. 2. 1
	<i>Barclays Bank (D.C. &amp; O.) Limassol :</i>		
	Balance on first demand .. .. .		4095.19. 7
	<i>Ottoman Bank, London :</i>		
20	Ditto .. .. .		4000. 0. 0
	<i>Barclays Bank (D.C. &amp; O.) London :</i>		
	Lodgment in the name of Chr. A. Patikis for account of A. G. Patikis & Co. .. .. .		3999.19. 5
	Limassol People's Bank, Limassol, balance on first demand .. .. .		12351.17. 7
	Ionian Bank Ltd., Limassol, balance on first demand .. .. .		6454.10. 4
	Ottoman Bank, Limassol, balance on first demand		99473.13. 6
30	Bank of Athens Ltd., Limassol, balance on first demand .. .. .		7749. 5. 7
	<i>Cash at Nicosia sub-office :</i>		
	Cash in hand on 30.6.46 .. .. .		240. 2. 1
	<i>Articles of Value :</i>		
	From the late Fournaris .. .. .		
	2 Turkish Five pound coins .. .. .		
	2 Greek gold coins .. .. .		
	2 Turkish gold coins .. .. .		
	2 Gold christening crosses .. .. .		
	1 chain .. .. .	total value	
			17. 0. 0
40	(Initials)	Carried forward ..	£143987. 4. 2½

Plaintiff's  
Exhibits.

## ASSETS (continued)

No. 13. Balance Sheet, etc., 30th June 1946, <i>continued.</i>		Brought Forward ..		£143987. 4. 2½	
	<i>Mortgage Loans :</i>				
	Mortgage documents in safe				
	(1) Gavriel Georghiades Lefkara 1.10.32 ..		£60. 0. 0		
	(2) Zenon Cl. Lanitis Limassol 25.7.34 ..		302. 8. 0		
					362. 8. 0
	<i>Customers :</i>				
	Kokos Her. Skyrianides Limassol .. ..		20. 6. 6		
	Christoforos Hourides .. ..		17.11. 1		10
	Theocharis Maratheftis & Sons L'ca .. ..		324.17. 1		
	Argyriou Bros. Polis Chrysochou .. ..		147. 3. 6		
	Nicolaos Kouvas, Limassol .. ..		1.18. 8		
	George Arrotis, Paphos .. ..		306. 3. 6		
	Menelaos Stavrou .. ..		1149.14. 6½		
	Demos D. Haji Pavlou (Fam.) Ltd. .. ..		511. 2. 4		
					2478.18. 2½
	<i>Temporary Accounts :</i>				
	Building sites of Hajipavlu .. ..		£15. 8. 0½		
	„ „ Athan. Dimitri .. ..		1. 4. 8½		20
	Buick Sedan car .. ..		51. 0. 0		
	Nicolaos Zacharakis .. ..		28. 0. 0		
	Chr. Demetriou .. ..		25. 0. 0		
	Ioanis Patsalides .. ..		2.13. 3		
	Renos Archontides .. ..		4. 0. 0		
	Ioannis Christodoulou, gardener .. ..		6.16. 7½		
	Penelope Dedzopoulou .. ..		12. 0. 0		
					146. 3. 1½
	<i>Suppliers :</i>				
	Ghalanou Bros, Famagusta .. ..				55. 0. 0 30
	<i>Store :</i>				
	Unmanufactured tobacco :				
	Greek Tobacco.				
	Greek tobacco through the Con- sulate, parcel 82 2912/100 okes ..		£808.19. 2		
	Trikkala tobacco 7958/200 okes ..		5983.17. 6½		
	First Armada Trikkala 5263/100 okes .. ..		3833.11. 7½		
	Greek tobacco through consulate				40
	Lot B. parcel 19 737/300 okes ..		229.10. 4		
			£10855.19. 2		
	Cyprus tobacco 77207/100 okes ..		25735.15. 0		
	Virginia tobacco par. 26 2153/200 okes ..		1050.14. 7		
			(a) £37642. 9. 0		
	(Initials)	Carried Forward ..	£37642. 9. 0		£147029.13. 6½

## ASSETS (continued)

Plaintiff's  
Exhibits.

		Brought Forward	.. (a) £37642. 9. 0	£147029.13. 6½	No. 13. Balance Sheet, etc., 30th June 1946, continued.
<i>Store (continued) :</i>					
<i>Tobacco for processing :</i>					
<i>Tobacco in course of Manufacture :</i>					
	Cyprus tobacco 2027/300 okes	..	£630.17. 1		
	Greek „ 169/300 okes	..	£117.17. 5½		
	Virginia „ 110 okes	..	£54. 1. 6		
	Dust .. .. 146/200 okes	..			
				802.16. 3½	
	Limassol Tobacconist Shop 97/140 okes	.. ..		316.15. 5½	
10	Factory Supplies .. .. .	.. ..		13. 0. 0	
	Various materials .. .. .	.. ..		74.10. 2	
	Cigarette paper .. .. .	.. ..		1414. 0. 0	
	Boxes .. .. .	.. ..		1334. 2. 0	
	Banderoles 1361 okes at £1.14.3	.. ..		2336. 7. 6	
	Machinery accessories .. .. .	.. ..		84. 0. 0	
	Various paper materials .. .. .	.. ..		367. 0. 0	
	Cardboard for cigarette mouthpieces	.. ..		858. 0. 0	
					45243. 0. 8
<i>Urban properties :</i>					
20	Building in St. Andreou .. .. .	.. ..		£1916. 0. 0	
	Factory building .. .. .	.. ..		3600. 0. 0	
	Larnaca shop .. .. .	.. ..		250. 0. 0	
	Zygi store .. .. .	.. ..		253. 0. 0	
	Limassol Store Byzantiou St.	.. ..		289.14. 7½	
	Zyghi building site .. .. .	.. ..		105. 6. 0	
	Limassol Shops Byzantiou St.	.. ..		183.10. 0	
	Building at Sparti St. .. .. .	.. ..		1805. 5. 7½	
	Building Mich. Pissarides .. .. .	.. ..		450. 0. 0	
	Store in Factory Yard .. .. .	.. ..		65. 3. 1	
30	House on Church building site	.. ..		510. 7. 0½	
					9428. 6. 7½
<i>Agricultural Properties :</i>					
	Garden at Tsiflikoudia .. .. .	.. ..		£327.14. 2	
	Field of wife of Abdul Aziz Ali	.. ..		149.16. 1½	
	Field at Alipots .. .. .	.. ..		26.10. 6	
					504. 1. 0½
<i>Machinery :</i>					
	1 Cigarette maker " Standard "	.. ..		800. 0. 0	
	1 „ „ " Triumph "	.. ..		1201. 0. 0	
40	1 „ „ " Excelsior "	.. ..		252. 8. 8½	
	3 Tobacco cutters Legg .. .. .	.. ..		285. 0. 0	
	1 „ „ Muller .. .. .	.. ..		206. 1. 3½	
	3 Motors Setters .. .. .	.. ..		555. 6. 0	
	1 Grinder Hainiff for tobacco knife	.. ..		20. 0. 0	
	1 „ Muller „ „ „	.. ..		20. 0. 0	
	Carried Forward .. .. .	.. ..		£3339.16. 3	£202205. 2. 4½



Plaintiff's  
Exhibits.

## ASSETS (continued)

No. 13.	Brought Forward	£3339.16. 3	£202205. 2. 4½
Balance Sheet, etc., 30th June 1946, continued.			
<i>Machinery (cont.):</i>			
1 Cutter for reels .. .. .		40. 4. 5	
1 " " paper .. .. .		30. 0. 0	
3 Tube makers Muller .. .. .		450. 0. 0	
1 " " Gulman .. .. .		20. 0. 0	
3 Fillers Muller .. .. .		678.16. 1	
1 Cutter for Tobacco .. .. .		15. 0. 0	
2 Swing machines Brehmer .. .. .		43. 1. 7	10
2 Dynamos Ebert .. .. .		65.16. 6	
2 Sprays (hand) .. .. .		8.19. 8	
1 Water pump .. .. .		13. 5. 3	
Value of yard roller, etc. .. .. .		110. 2. 1	
			4815. 3. 4
Balance of a/c of 30.6.46 .. .. .			238.16. 4
<i>Premium Bonds :</i>			
47 Govt. Loan Bonds 1943 @ £10 .. .. .		470. 0. 0	
98 " " " 1944 10 .. .. .		980. 0. 0	
42 " " " 1945 A £5 .. .. .		210. 0. 0	20
42 " " " 1945 B £5 .. .. .		210. 0. 0	
			1870. 0. 0
<i>Furniture and Fittings :</i>			
Furniture & Fitting of Factory .. .. .		£147. 5. 3½	
" " " " House .. .. .		193.19. 3	
" " " " Office .. .. .		198.19. 6	
" " Tobacco Shop .. .. .		59.11. 2½	
" " N'sia sub-office .. .. .		64. 8. 3	
			664. 4. 0
<i>Documentary Credits :</i>			
Doc. Credit No. 954 in Bank of Athens .. .. .		£1546.15. 8	30
" " No. 964 " " " " .. .. .		3.14. 7	
" " No. 955 " " " " .. .. .		4.16. 5	
" " No. 962 " " " " .. .. .		3. 2. 3	
			1558. 9. 5
<i>Profit and Loss :</i>			
Insurance premiums. Balance brought forward 1946 .. .. .			95.10. 4
			£211447. 6. 3½

## LIABILITIES.

Plaintiff's  
Exhibits.

<i>Provisional Accounts :</i>						
	Kousella building sites	..	..	..	£4.16. 2½	
	Zenon Cl. Lanitis, mortgage bond	..	..	..	249. 5. 0	
	Kimon Christodoulides, Aigialousa	..	..	..	160. 1. 7	
	Kyriacos N. K. Pattichis	..	..	..	2.10. 0	
	Leonidas Grivas	..	..	..	119.10. 0	
	Zoitsa Pelendrides Building Sites	..	..	..	109. 5. 8½	
	Sir Panay. L. Cacoyannis	..	..	..	300. 0. 0	
10	A/c for sale of old motor factory	..	..	..	80. 0. 0	
	Alcibiades Diamantides	..	..	..	72.10. 5	
	Kypros K. Paraskevas, Famagusta	..	..	..	168. 2. 7	
	A/c of profit for distribution to employees and labourers	..	..	..	700. 0. 0	
					<hr/>	£1966. 2. 3
<i>Suppliers :</i>						
	Stylios Sarpounis, Cairo	..	..	..	1.18. 3½	
	Andreas Kirycopoulos, Alex.	..	..	..	6.10. 7½	
					<hr/>	8. 9. 2
20	A. G. Patikis & Co. Trikkala. Cur./Ac.	..	..	..	£7214. 6. 2	
	" " " " " "	..	..	..	1200. 0. 0	
					<hr/>	8414. 6. 2
<i>Bank of Athens Documentary Credits :</i>						
	Bank of Athens, Doc./Cr. No. 964	..	..	..	£3.14. 7	
	" " " 955	..	..	..	4.16. 5	
	" " " 962	..	..	..	3. 2. 3	
					<hr/>	11.13. 6
<i>Partners' Accounts :</i>						
30	Ioannis G. Patikis, Gold A/c.	..	..	..	£358.13. 7	
	Christos A. Patikis " "	..	..	..	358.13. 7	
	Basil G. Patikis " "	..	..	..	183. 0. 0	
	Costas A. Patikis " "	..	..	..	358.13. 8	
	George A. Patikis " "	..	..	..	370.11. 4	
					<hr/>	1629.12. 8
<i>Partners' Current Accounts :</i>						
	George A. Patikis, Cur./Ac.	..	..	..	£23213.11. 7	
	Basil G. Patikis " "	..	..	..	28079.13. 6	
	Costas A. Patikis " "	..	..	..	23863. 1. 0	
	Christos A. Patikis " "	..	..	..	25336. 2. 1	
40	Ioannis G. Patikis " "	..	..	..	28924.13. 4½	
					<hr/>	129417. 2. 0½
<i>Partners' Interest Bearing A/cs. :</i>						
	Basil G. Patikis, Int./Bear./A/c.	..	..	..	2000. 0. 0	
	Ioannis G. Patikis " "	..	..	..	2000. 0. 0	
	George A. Patikis " "	..	..	..	2000. 0. 0	
	Chr. A. Patikis " "	..	..	..	2000. 0. 0	
	Costas A. Patikis " "	..	..	..	2000. 0. 0	
					<hr/>	10000. 0. 0
(Initials)	Carried Forward	..	..	..		£151447. 6. 3½

*Plaintiff's  
Exhibits.*

LIABILITIES (continued)

No. 13.		Brought Forward ..	£151447. 6. 3½	
Balance Sheet, etc., 30th June 1946, <i>continued.</i>	<i>Reserve Accounts :</i>			
	Reserve for writing off bad debts .. .. .	£4474.16. 3		
	Reserve for replacement of machinery .. ..	8000. 0. 0		
	Reserve for writing off raw materials for the factory	8927. 9. 0		
	Reserve for writing off machinery & accessories ..	9981.11. 8		
	Reserve for extraordinary undertakings .. ..	259. 3. 6		
	Reserve for furniture & fittings .. .. .	638.14. 3½		
	Reserve for building sites & agricult. properties ..	2718. 4. 6½		
			35000. 0. 0	10
	<i>Capital Accounts :</i>			
	Basil G. Patikis, Capital A/c. .. .. .	£5000. 0. 0		
	Ioannis G. Patikis ,, .. .. .	5000. 0. 0		
	George A. Patikis ,, .. .. .	5000. 0. 0		
	Christos A. Patikis ,, .. .. .	5000. 0. 0		
	Costas A. Patikis ,, .. .. .	5000. 0. 0		
			25000. 0. 0	
			£211447. 6. 3½	

The present balance sheet was closed on the 30th June 1946 in relation to the deceased George A. Patikis up to the 5th June, 1946, the date of his death. 20

The partners :  
(Signatures).

The Accountant :  
(Signature).

It is declared to Thrasyvoulos Papalopoulos, advocate, resident of Karditsa, judicial guardian of the minor Demetra G. Patiki heir of her deceased adoptant father G. Patikis, partner of the firm A. G. Patikis & Co. that the present balance sheet prepared on the 30th June, 1946, after the death of G. Patikis is a true copy from the official books of the firm in Limassol under the firm name A. G. Patikis & Co. 30

Athens, the 25th September, 1947.

The declaring managers of the Firm,

(Sgd.) ? PATIKIS.  
,, COSTAS A. PATIKIS.

## EXHIBIT 38.—BALANCE SHEETS, ETC.

*Defendants'*  
*Exhibits.*

Russell & Co., Nicosia.  
Messrs. A. G. Patikis & Co.,  
Limassol.

11.1.1947.

No. 38.  
Balance  
Sheets, etc.,  
30th June  
1946.

Dear Sirs,

In accordance with your verbal instructions, we have carried out an audit of your books of account for the period 1st January, 1946, to 30th June, 1946, and submit therewith the following statements and accounts:—

- 10
1. Balance Sheet as at 30.6.1946 (with comparative figures as at 31.12.1945 to the nearest £).
  2. Manufacturing and Trading Account for the period 1.1.1946 to 30.6.1946.
  3. Profit & Loss Account for the period 1.1.1946 to 30.6.1946.
  4. Copy of Stock Certificate as at 30.6.1946.
  5. Details of Stocks on Hand as at 30.6.1946.
  6. Details of Partners' Accounts as at 30.6.1946.

We comment thereon as follows :

## BALANCE SHEET AS AT 30.6.1946.

## 20 LIABILITIES.

Sundry Creditors £9451.6.4.

Sundry Credit Balances £194.2.2.

Included under this head is an amount of £80 representing the proceeds of the sale of an electric motor purchased in 1923 and which is shown under Machinery and Spare Parts. The necessary transfer to the Asset Account has been made subsequently.

The balance, namely £114.2.2, represents amounts collected on account of sale of certain land.

## ASSETS.

## 30 Immovable Property £9932.7.8.

We are informed that all these properties belong to the Firm, though some of them are registered at the Land Registry Office in the name of individual partners. We understand that they are valued at cost.

Investments £1870.

This amount represents the cost of Cyprus Government Premium Bonds 1943, 1944 and 1945 issues.

## STOCKS IN TRADE AND SUNDRY STORES £45243.0.8.

Details are shown on Annexe 5. We have accepted the certificate of Mr. Chr. A. Patikis in support of this figure.

*Defendants' Exhibits.*  
 No. 38.  
 Balance  
 Sheets, etc.,  
 30th June  
 1946,  
*continued.*

We have compared the quantities of Unmanufactured Tobacco, Tobacco in course of Manufacture and Banderole on Hand as at 30.6.1946 with the records kept by the Customs Authorities of these stocks and found them to be in agreement therewith.

CASH IN HAND AND AT BANKS £143987.4.2½.

Details are as follows :

Barclays Bank (D.C. & O.) London	..	..	..	..	£2000. 0. 0	
Barclays Bank (D.C. & O.) London	..	..	..	..	3999.19. 5	
Westminster Bank, London	..	..	..	..	2025. 2. 1	
Ottoman Bank, London	..	..	..	..	4000. 0. 0	10
Barclays Bank (D.C. & O.) Limassol	..	..	..	..	4095.19. 7	
Ottoman Bank, Limassol	..	..	..	..	99473.13. 6	
Ionian Bank, Limassol	..	..	..	..	6454.10. 4	
Bank of Athens, S.A. Limassol	..	..	..	..	7749. 5. 7	
The People's Bank Limassol, Ltd.	..	..	..	..	12351.17. 7	
Cash in Hand, Limassol	..	..	..	..	965.13. 0½	
Cash in Hand, Nicosia	..	..	..	..	240. 2. 1	
Golden Sovereigns	..	..	..	..	183. 0. 0	
Foreign Currencies	..	..	..	..	431. 0. 0	
Jewels, etc.	..	..	..	..	17. 0. 0	20
Total					£143987. 4. 2½	

We have satisfied ourselves as to the existence of the balances with the Banks in the Island and abroad by reference to Bank Statements or correspondence passed between the Firm and the Banks concerned.

We have not counted the Cash in Hand.

The accounts with Barclays Bank (D. C. & O.) London for £2000 and Westminster Bank, London, for £2025.2.1 are in the name of Mr. Chr. A. Patikis; the account with Barclays Bank (D. C. & O.) London for £3999.19.5 stands in the name of Mr. Chr. A. Patikis and Mr. C. A. Patikis, but we are informed that all these amounts are held for account of the 30 Firm.

#### MANUFACTURING AND TRADING ACCOUNT FOR THE PERIOD 1ST JANUARY 1946 TO 30TH JUNE, 1946.

##### REPAIRS TO ELECTRICAL INSTALLATION.

The cost, namely £120 of a new Electric Motor has been charged to this account. The necessary transfer to Machinery and Spare Parts has been made subsequently.

##### TAXES AND INSURANCE.

The amount of £248.4.3 includes £140 of School Tax for the year ended 31.8.1946 and Professional Tax amounting to £50 for the year 40 ended 31.12.1946.

We have verified sales as follows :—

CREDIT SALES.

By reference to copies of invoices.

CASH SALES.

As no invoices are issued or written receipts given we have relied upon the figures as they appear in the books and upon paragraph four of the Stock Certificate (Annexe 4).

*Defendants'  
Exhibits.*

No. 38.  
Balance  
Sheets, etc.,  
30th June  
1946,  
*continued.*

PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1.1.1946 TO 30.6.1946.

HOUSEKEEPING EXPENSES £117.7.2½.

- 10 We are informed that these expenses are in respect of disbursements made by the local partners during the period under review in connection with the maintenance of their household in Limassol and are charged to the accounts in accordance with past procedure.

LOCAL PARTNERS' ENTERTAINMENT EXPENSES £112.5.0.

We are informed that these expenses are in respect of disbursements made by the local partners during the period under review in connection with the business and are refunded to them as and when they occur.

GENERALLY.

- 20 No depreciation has been provided on the fixed Assets for the period 1st January, 1946 to 30th June, 1946.

Subject to the foregoing remarks, we have obtained all the information and explanations we have required and in our opinion the enclosed Balance Sheet as at 30th June, 1946, is properly drawn up so as to exhibit a true and correct view of the state of the Firm's affairs according to the best of our information and the explanations given to us and as shown by the books of the Firm.

Yours faithfully,

RUSSELL & CO.



A. G. PATIKIS & CO.

MANUFACTURING AND TRADING ACCOUNT FOR THE PERIOD 1.1.1946 TO 30.6.1946.

Tobacco Consumed .. ..	£19810. 1. 8½	Factory Cost of Production carried down .. ..	£29645. 5. 1½
Materials used .. ..	3908. 1. 5		
Factory Wages & Salaries .. ..	£23718. 3. 4½		
Fuel, Electricity, Sundry Repairs Carriages in & other expenses .. ..	4245. 19. 3½		
Repairs to Electrical Installation .. ..	388. 3. 5		
Taxes & Insurance .. ..	349. 12. 4½		
Factory & Stores Rent .. ..	248. 4. 3		
Repairs to Machinery & Spare Parts used .. ..	223. 8. 0		
	471. 13. 8		
	<u>£29645. 5. 1½</u>		<u>£29645. 5. 1½</u>
Stock on Hand as at 1.1.1946 .. ..	2149. 17. 0	Sales .. ..	142520. 8. 1½
Factory Cost of Production brought down .. ..	29645. 5. 1½	Stock on hand as at 30.6.1946 .. ..	316. 15. 5½
Banderole .. ..	73722. 5. 0		
Gross Profit carried to Profit and Loss Account .. ..	37319. 16. 5½		
	<u>£142837. 3. 7</u>		<u>£142837. 3. 7</u>

Defendants' Exhibits.

No. 38.  
Balance  
Sheets, etc.,  
30th June  
1946,  
continued.



Defendants'  
Exhibits.

No. 38.  
Balance  
Sheets, etc.,  
30th June  
1946,  
continued.

“ANNEXE 3.”

A. G. PATIKIS & CO.  
PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1.1.1946 TO 30.6.1946.

Office Salaries .. .. .	£628. 0. 0	Gross Profit from Trading Account ..	£37319.16. 5½
Office Rent .. .. .	20. 0. 0	Income from Immovable Property (net) .. .. .	127. 9. 5½
Advertising etc. (including Donations)	158.12. 3	Bank interest .. .. .	19.16. 0
Cigarettes for Advertising .. .. .	403.14. 0½		
Expenses of Nicosia Branch (Salaries, rent, taxes, travelling expenses) ..	234. 8. 5½		
Carriages out .. .. .	136. 3. 4½		
Travelling Expenses & Upkeep of Motor Car .. .. .	149. 8. 3½		
Legal Retaining Fee .. .. .	100. 0. 0		
Russell & Co. Audit Fee (1945) ..	120. 0. 0		
Sundry Expenses (including Printing, Stationery, Telegrams, Postage, Bank Charges, etc.) .. .. .	321. 3. 2		
Commissions for Tobacco Purchases	388. 1. 7		
Commissions and Discounts .. ..	1786. 3. 3½		
Housekeeping Expenses .. .. .	117. 7. 2½		
Local Partners' Entertainment Expenses .. .. .	112. 5. 0		
Remuneration to J. G. Patikis .. ..	50. 0. 0		
Interest on Partners' Capital and Loan Accounts .. .. .	900. 0. 0		
Net Profit for the period 1.1.1946 to 30.6.1946 allocated as follows:			
John G. Patikis .. .. .	£6588. 4. 8		
Basil G. Patikis .. .. .	6588. 5. 0		
George A. Patikis (Deceased 5.6.46) .. .. .	5488.14. 8		
Chr. A. Patikis .. .. .	6588. 5. 0		
Costas A. Patikis .. .. .	6588. 4. 8		
	31841.14. 6		
	£37467. 2. 2		

Russell &amp; Co.

A. G. PATIKIS &amp; CO.

30.6.1946.

No. 38.  
Balance  
Sheets, etc.,  
30th June  
1946,  
*continued.*


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 STOCK CERTIFICATE.

I hereby certify to the best of my knowledge and belief as follows :—

1. That the Stocks on Hand as at 30.6.1946 amounted to £45243.0.8 (Forty five thousand, two hundred and forty three pounds and eight piastres) and that they are the property of the firm free of all charges.
- 10     2. That the basis of valuation is the same as heretofore used.
3. That the figure of £45243.0.8 represents the total value at cost or market price whichever was the lower as on that date.
4. That the total proceeds of all sales of the business have been properly recorded as such in the books produced to Messrs. Russell & Co.
5. That the amounts recorded as purchases in such books for the period under review are restricted to the cost of goods either sold and included in the sales referred to in paragraph 4 above or forming part of the stocks in trade as at 30th June, 1946, above referred to at £45243.0.8.
- 20     6. That no Reserves or Suspense Accounts other than those disclosed on the face of the Balance Sheet as at 30.6.1946, signed by Messrs. Russell & Co., exist in the books produced to them.
7. That all transactions affecting the business for the period under review have been properly recorded in the books and vouchers produced to Messrs. Russell & Co.
8. That all Assets and Liabilities have been properly taken up in such books as at 30.6.1946.

CHR. A. PATIKIS,

Signature.

Date : 3.12.1946.

Partner.

Designation.

*Defendants'*  
*Exhibits.*

No. 38.  
Balance  
Sheets, etc.,  
30th June  
1946,  
*continued.*

Russell & Company, Nicosia.

A. G. PATIKIS AND CO.

STOCK IN TRADE AND SUNDRY STORES AS AT 30.6.1946.

UNMANUFACTURED TOBACCO.

<i>Greek</i>	<i>Okes</i>		
"Sari" first quality .. ..	7952.200	£5983.17. 6½	
"Armada" A .. ..	5263.100	3833.11. 7½	
Greek Tobacco purchased through Greek Consul, in Store .. ..	737.300	229.10. 4	10
Greek tobacco purchased through Greek Consul, in bond .. ..	2912.100	808.19. 2	
<i>Virginia Tobacco</i> .. ..	2153.200	1050.14. 7	
<i>Cyprus</i> .. ..	77207.100	25735.15. 0	
	<u>96226.200</u>	<u>£37642. 9. 0</u>	

TOBACCO IN COURSE OF MANUFACTURE.

Cyprus .. ..	2027.300	630.17.1	
Greek .. ..	169.300	117.17.5½	
Virginia .. ..	110.000	54. 1.6	20
Tobacco Dust .. ..	146.200	—	
	<u>2454.000</u>	<u>802.16. 3½</u>	

FINISHED CIGARETTES.

Limassol Shop .. ..	97.140	316.15. 5½	
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BANDEROLE (at £1.14.3 per oke) ..	1361.	2336. 7. 6	
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MATERIALS.

Cigarette Paper .. ..		1414. 0. 0	
Other paper .. ..		367. 0. 0	
Cardboard .. ..		858. 0. 0	30
Cigarette boxes .. ..		1334. 2. 0	
Fuel, Oil, etc. .. ..		13. 0. 0	
Sundry (Gum, etc.) .. ..		74.10. 2	
Engine Spare Part .. ..		84. 0. 0	
		<u>4144.12. 2</u>	

£45243. 0. 8

A. G. PATIKIS & CO.

DETAILS OF PARTNERS' ACCOUNTS AS AT 30.6.1946.

	BASIL G. PATIKIS	J. G. PATIKIS	Late G. A. PATIKIS	CHR. A. PATIKIS	C. A. PATIKIS	TOTAL
Capital ..	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£5000. 0. 0	£25000. 0. 0
Loan ..	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	2000. 0. 0	10000. 0. 0
Current Accounts	28262.13. 6	29283. 7. 2½	23584. 3. 2	25694.15. 8	24221.14. 8	131046.14. 8½
	£35262.13. 6	£36283. 7. 2½	£30584. 3. 2	£32694.15. 8	£31221.14. 8	£166046.14. 8½

*Defendants' Exhibits.*

No. 38.  
Balance  
Sheets, etc.,  
30th June  
1946,  
*continued.*

Plaintiff's Exhibits.

No. 14.  
Current Account,  
G. A. Patiki,  
30th June 1946.

EXHIBIT 14.—CURRENT ACCOUNT, G. A. Patiki.

GEORGE A. PATIKIS (DECEASED) CURRENT ACCOUNT (1946).

May 4	By Cash	.. .. .	£4500. 0. 0	Jan. 21	From General Balance Sheet	.. .. .	£22538. 3. 0
" 4	" "	.. .. .	10. 0. 0	March 21	Distribution of interest of Mortgage Loans of Ali Osman Djenab	.. .. .	0.13. 8
" 7	" £17, £16, £40	.. .. .	73. 0. 0	" 22	Distribution between partners of £75, building sites of Kouseia	.. .. .	15. 0. 0
" 16	" Cost of Bank of Athens	.. .. .	7. 0. 0	May 8	(Wireman) From a/c of Ioannis G. Patiki	.. .. .	200. 0. 0
" 28	" "	.. .. .	20. 0. 0	June 29	Interest on £5000 capital 6% to the first half-year of 1946	.. .. .	150. 0. 0
June 5	" "	.. .. .	5. 0. 0	" 29	Interest on interest bearing a/cs £2000 3% for first half-year 1946	.. .. .	30. 0. 0
" 28	" Settlement of taxes of bachelor Partners for 1945	.. .. .	300. 0. 0	" 29	His share 1/5th on the net profits of the first half year 1946	.. .. .	6368. 6. 8
" 29	" Settlement of taxes of bachelor Partners for 1946	.. .. .	300. 0. 0				
" 29	" Settlement of profits of the first half year 1946 till date of death, i.e., 5.6.46	£6368.6.8 x 25	879.12.0				
		181					
" 30	" Balance c/o	.. .. .	23213.11.7				
			£29302. 3. 7				
				1946			
				Jul. 1	By Balance c/o	.. .. .	£23213.11.7

(Signed)..... Accountant-Auditor.

## EXHIBIT 40.—THREE LODGMENT SLIPS.

*Defendants' Exhibits.*

Ottoman Bank, Limassol, 31.8.1948.

Current Account.

Credit : A. G. Patikis &amp; Co.

Lodged by Do.

A/c B .. .. . £10265.7.6

£10265.7.6No. 40.  
Three  
Lodgment  
Slips,  
31st  
August  
1948.

Ten thousand two hundred and sixty five pounds 7/6.

Ottoman Bank, Limassol Branch.

10 Initialed. (Sgd.) ILLEGIBLE,  
Cashier. \_\_\_\_\_ Manager.

Ottoman Bank, Limassol, 31.8.48.

Current Account.

Credit A. G. Patikis &amp; Co.

Lodged by Do.

A/c C .. .. . £2466.9.5

£2466.9.5

Two thousand four hundred and and sixty six pounds 9/5.

Ottoman Bank,

20 Limassol Branch.

Initialed. (Sgd.) ILLEGIBLE,  
Cashier. \_\_\_\_\_ Manager.

Ottoman Bank, Limassol, 31.8.48.

Current Account.

Credit A. G. Patikis &amp; Co.

Lodged by Do.

A/c D .. .. . £7000.0.0

£7000.0.0

Seven thousand pounds.

30 Ottoman Bank.

Limassol Branch.

Initialed. (Sgd.) ILLEGIBLE,  
Cashier. \_\_\_\_\_ Manager.

**In the Privy Council.**

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**ON APPEAL**  
**FROM THE SUPREME COURT OF CYPRUS.**

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BETWEEN

**A. The Firm A. G. PATIKI & CO., of Limassol ;**  
**B. (1) IOANNIS G. PATIKI ; (2) VASILIOS G. PATIKI ;**  
**(3) CHRISTOS A. PATIKI ; and (4) CONSTANTINOS**  
**A. PATIKI of Limassol as partners of the Firm A. G.**  
**PATIKI & CO., of Limassol and/or personally (Defendants)      *Appellants***

AND

**DEMETRA GEORGHIOU PATIKI of Athens, minor by her next**  
**friend and judicial and natural guardian THRASYVOULOS**  
**PAPALOPOULOS of Karditsa (Plaintiff)      *Respondent.***

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**RECORD OF PROCEEDINGS**

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**INCE & CO.,**  
**10/11 LIME STREET,**  
**LONDON, E.C.3,**  
***Appellants' Solicitors.***

**BISCHOFF & CO.,**  
**4 GREAT WINCHESTER STREET,**  
**LONDON, E.C.2,**  
***Respondent's Solicitors.***