

Reg

Company No 702316

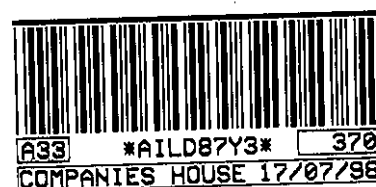
R.N. SMITH HOLDINGS LIMITED
AND SUBSIDIARY COMPANIES

REPORT AND ACCOUNTS

YEAR ENDED 31st OCTOBER 1997

SAGARS

Chartered Accountants



R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES**DIRECTORS' REPORT**

The directors submit their report and accounts for the year ended 31st October 1997.

RESULTS AND DIVIDENDS

The group trading profit for the year after taxation was £17,130.

No dividend is recommended.

REVIEW OF THE BUSINESS AND POST BALANCE SHEET EVENTS

The principal activities of the company and its subsidiaries, all incorporated in England, are:-

R N Smith Holdings Ltd	- Holding and service company
R Smith (Windermere) Ltd	- Motor engineers and garage proprietors
Honeywise Ltd	- Property dealers and developers
Lakeland Finance Co Ltd	- Dormant
Rayrigg Motors Ltd	- Dormant
Biskey Howe Investments	- Dormant
Windermere Engineering Co Ltd	- Dormant
R Smith (Bowness) Ltd	- Dormant
Newby Bridge Service Station Ltd	- Dormant

Turnover has increased during the year by £1,731,045 to £15,041,106. Gross profit has remained static, emphasising the difficulties being experienced in the motor trade.

Following a major refurbishment of the group's Windermere showroom and the negotiation of new contracts with major suppliers, the directors are pleased to report that results for the current year show an encouraging improvement over those for 1997, indicating that profits will return to the levels achieved in 1996.

DIRECTORS

The directors in office during the year were as follows:

R G Smith - Joint Chairman
 D N Smith - Joint Chairman
 Mrs A M Spiby

None of the above had any beneficial interest in the company's shares at any time during the year.

The director retiring by rotation is Mrs A M Spiby, who being eligible, offers herself for re-election.

A R Reed, a partner in Sagars, the company's auditors, is a Trustee of a Trust which held 15,000 Ordinary £1 Shares in the company at 31st October 1997.

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

DIRECTORS' REPORT

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The purpose of this statement is to distinguish the directors' responsibilities for the accounts from those of the auditors as stated in their report.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and the group at the end of the year and of the profit or loss for that period. In preparing those accounts the directors are required to:

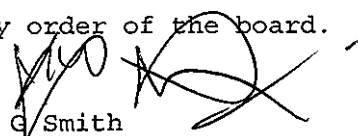
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

AUDITORS

A resolution for the re-appointment of Sagars as auditors of the company will be proposed at the forthcoming annual general meeting.

By order of the board.


R G Smith
Secretary

30th April 1998
Station House
Station Road
Kendal
LA9 6RY

TO THE SHAREHOLDERS OF R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

We have audited the accounts on pages 4 to 17 which have been prepared under the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on the accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the accounts.

Unqualified opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group as at 31st October 1997 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SAGARS

Chartered Accountants and Registered Auditors
Station House
Station Road
Kendal
LA9 6RY

30th April 1998

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

GROUP PROFIT AND LOSS ACCOUNT YEAR ENDED 31st OCTOBER 1997

	Notes	1997	1996
TURNOVER	2	15,041,106	13,310,061
Cost of sales		<u>13,608,597</u>	<u>11,874,823</u>
GROSS PROFIT		1,432,509	1,435,238
Administrative expenses		<u>1,504,038</u>	<u>1,405,058</u>
		(71,529)	30,180
Other operating income	3	<u>139,813</u>	<u>129,760</u>
OPERATING PROFIT	5	68,284	159,940
Interest payable	6	<u>51,154</u>	<u>54,567</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		17,130	105,373
Taxation	7	<u>-</u>	<u>10,919</u>
RETAINED PROFIT FOR THE YEAR		<u>£ 17,130</u>	<u>£ 94,454</u>

The notes on pages 9 to 17 form part of these accounts.

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31st OCTOBER 1997

	1997	1996
Profit for the financial year after taxation	17,130	94,454
Unrealised surplus on revaluation of property	98,809	-
Total recognised gains and losses relating to the year	<u>£ 115,939</u>	<u>£ 94,454</u>

NOTE ON HISTORICAL COST PROFITS AND LOSSES


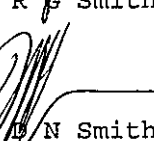
Reported profit on ordinary activities before taxation	17,130	105,373
Difference between an historical cost depreciation charge and the actual charge calculated on the revalued amount	<u>2,722</u>	<u>2,722</u>
Historical cost profit on ordinary activities before taxation	<u>£ 19,852</u>	<u>£ 108,095</u>
Historical cost retained profit after taxation	<u>£ 19,852</u>	<u>£ 97,176</u>

The notes on pages 9 to 17 form part of these accounts.

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

GROUP BALANCE SHEET AT 31st OCTOBER 1997

	Notes	1997	1996
FIXED ASSETS			
Tangible assets	9	1,305,068	1,110,638
CURRENT ASSETS			
Stocks	10	1,906,637	1,635,572
Debtors	11	686,980	529,336
Cash at bank and in hand		13,312	883
		<u>2,606,929</u>	<u>2,165,791</u>
CREDITORS: amounts falling due within one year	12	<u>2,480,740</u>	<u>1,951,847</u>
NET CURRENT ASSETS		<u>126,189</u>	<u>213,944</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,431,257</u>	<u>1,324,582</u>
CREDITORS: amounts falling due after more than one year	13	<u>-</u>	<u>9,264</u>
		<u>£1,431,257</u>	<u>£1,315,318</u>
CAPITAL AND RESERVES			
Called up share capital	17	15,000	15,000
Capital reserve	18	14,169	14,169
Revaluation reserve	19	704,692	605,883
Profit and loss account	8	<u>697,396</u>	<u>680,266</u>

 R. G. Smith)

 D. N. Smith) Directors

23

£1,431,257

£1,315,318

Approved by the board on 30th April 1998

The notes on pages 9 to 17 form part of these accounts.

R.N. SMITH HOLDINGS LIMITED

BALANCE SHEET AT 31st OCTOBER 1997

	Notes	1997	1996
FIXED ASSETS			
Tangible assets	9	325,000	365,000
Investment in subsidiaries		12,605	12,605
		<u>337,605</u>	<u>377,605</u>
CURRENT ASSETS			
Debtors	11	441,457	350,599
Cash at bank		8	8
		<u>441,465</u>	<u>350,607</u>
CREDITORS: amounts falling due within one year	12	204,629	115,856
NET CURRENT ASSETS		<u>236,836</u>	<u>234,751</u>
		<u><u>£ 574,441</u></u>	<u><u>£612,356</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	15,000	15,000
Revaluation reserve	19	181,392	221,392
Profit and loss account	8	378,048	375,964
		<u>£ 574,440</u>	<u><u>£612,356</u></u>


 R G Smith

Directors

D N Smith

Approved by the board on 30th April 1998

The notes on pages 9 to 17 form part of these accounts.

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

CASH FLOW STATEMENT YEAR ENDED 31st OCTOBER 1997

	Notes	1997	1996
NET CASH INFLOW FROM			
OPERATING ACTIVITIES	22(a)	159,947	(6,330)
RETURNS ON INVESTMENTS AND SERVICING			
OF FINANCE			
Interest received	-	-	5
Interest paid	(51,154)	(51,154)	(54,567)
Rent received	15,311	15,311	14,198
		<u>(35,843)</u>	<u>(40,364)</u>
		124,104	(46,694)
TAXATION			
Tax paid	(2,762)	(2,762)	(425)
Corporation tax recovered	-	-	84
		<u>(2,762)</u>	<u>(341)</u>
		121,342	(47,035)
CAPITAL EXPENDITURE			
Purchase of fixed assets		<u>(134,481)</u>	<u>(68,229)</u>
		(13,139)	(115,264)
FINANCING			
Repayment of loans	(100,000)	(100,000)	-
New short term loans	271,333	271,333	92,328
NET CASH INFLOW FROM FINANCING		<u>171,333</u>	<u>92,328</u>
INCREASE/(DECREASE) IN CASH			
DURING THE YEAR	22(b)	<u>£ 158,194</u>	<u>£ (22,936)</u>
Reconciliation of net cash flow to movement in net debt			
INCREASE/(DECREASE) IN CASH			
DURING THE YEAR		158,194	(22,936)
CASH INFLOW FROM INCREASE IN DEBT		<u>(171,333)</u>	<u>(92,328)</u>
		(13,139)	(115,264)
NET DEBT AT 1st NOVEMBER 1996		<u>(623,831)</u>	<u>(508,567)</u>
NET DEBT AT 31st OCTOBER 1997		<u>£ (636,970)</u>	<u>£ (623,831)</u>

The notes on pages 9 to 17 form part of these accounts.

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES**NOTES ON THE ACCOUNTS YEAR ENDED 31st OCTOBER 1997****1 ACCOUNTING POLICIES****Accounting convention**

The accounts are prepared under the historical cost convention, modified to include the revaluation of freehold property, and in accordance with applicable accounting standards.

Basis of consolidation

The group accounts consolidate the accounts of R N Smith Holdings Limited and all its subsidiary companies, made up to 31st October each year. No profit and loss account is presented for R N Smith Holdings Limited, as provided by S.228(7) of the Companies Act 1985.

Depreciation

Depreciation is provided on owned fixed assets, as follows:

Freehold buildings	- 2% on cost, straight line basis, on buildings used for trading purposes
Plant and equipment	- 20% on cost, straight line basis
Motor vehicles	- 25% on reducing balance basis

No depreciation is charged on freehold investment property, nor on freehold land.

The group's normal depreciation policy is applied to assets held under hire purchase or lease contracts.

Stocks

Stock and work in progress is stated at the lower of cost or net realisable value and is consistent with previous years.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the future.

Hire purchase and lease purchase contracts

Assets purchased under hire purchase and lease purchase contracts are treated as owned assets.

Finance leases

Assets financed by finance leasing arrangements made after 1st July 1984, are capitalised at amounts equal to the fair value of the assets at the date of acquisition and are included in tangible fixed assets.

The commitment to pay the capital element of the repayments is included in the balance sheet as obligations under finance leases.

The interest element of the repayments is charged to the profit and loss account over the primary period of the lease, in accordance with the straight line method.

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS YEAR ENDED 31st OCTOBER 1997

2 TURNOVER

Turnover represents the invoiced amount of goods sold and services provided, stated net of value added tax.

Turnover and pre-tax profit is attributable to the principal activities of the group, carried on in the United Kingdom, as follows:

	Turnover		Pre-tax profit/(loss)	
	1997	1996	1997	1996
Vehicle sales and services	15,009,523	13,281,133	(10,730)	81,215
Rent received by holding company	31,583	28,928	29,978	25,545
Property	-	-	(17,429)	(15,585)
Other rents and interest received			15,311	14,198
	<u>£15,041,106</u>	<u>£13,310,061</u>	<u>£ 17,130</u>	<u>£ 105,373</u>

3 OTHER OPERATING INCOME

Loyalty bonus	124,502	115,557
Rent received	15,311	14,198
Other interest received	-	5
	<u>£ 139,813</u>	<u>£ 129,760</u>

4 STAFF COSTS

Wages and salaries	808,389	741,446
Social security costs	72,591	65,374
Other pension costs	13,269	13,263
	<u>£ 894,249</u>	<u>£ 820,083</u>

The average weekly number of employees during the year was 52 made up as follows:

	No	No
Sales	9	9
Service and parts	27	29
Office and administration	11	11
Subsidiary company directors	2	2
Holding company directors	3	3
	<u>52</u>	<u>54</u>

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS YEAR ENDED 31st OCTOBER 1997

5 OPERATING PROFIT

This is stated after charging:	1997	1996
Auditors' remuneration - as auditors of holding company	1,500	2,000
- as auditors of subsidiaries	6,348	6,700
- other services	4,490	6,158
Depreciation of owned assets	38,266	33,134
Depreciation of leased assets	594	793
Directors' emoluments	102,369	102,363
Hire purchase and lease purchase charges	3,346	10,928
	<u>£156,913</u>	<u>£162,076</u>

6 INTEREST PAYABLE

Interest payable on:		
Bank loans and overdraft	17,286	16,049
Short term loans	33,145	38,518
Overdue taxation	723	-
	<u>£ 51,154</u>	<u>£ 54,567</u>

7 TAXATION

Based on the result on ordinary activities for the year.

Corporation tax at 24% and 21% (1996: 25% and 24%)	-	11,003
Adjustment in respect of previous years	-	(84)
	<u>£ -</u>	<u>£ 10,919</u>

8 RETAINED PROFIT CARRIED FORWARD

Dealt with in the accounts of the holding company	401,182	399,098
Retained by subsidiary companies	296,214	281,168
	<u>£697,396</u>	<u>£680,266</u>

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS YEAR ENDED 31st OCTOBER 1997

9 TANGIBLE ASSETS

The company	Freehold investment property £	Total £
At valuation		
At 31 October 1996	365,000	365,000
Revaluation	(40,000)	(40,000)
At 31 October 1997	<u>£325,000</u>	<u>£ 325,000</u>
Depreciation		
At 31 October 1996 and 1997	£ -	£ -
Net book amount		
At 31 October 1997	<u>£325,000</u>	<u>£ 325,000</u>
At 31 October 1996	<u>£365,000</u>	<u>£ 365,000</u>

On 31 October 1997 the freehold property was revalued by the directors, based on professional opinions received. The historic cost of the company's property at 31 October 1997 was £143,608 (1996: £143,608).

No provision for deferred taxation has been made in respect of the property revaluation, as, in the opinion of the directors, the relevant property will not be sold in the foreseeable future.

The group	Freehold property £	Plant and machinery £	Motor vehicles £	Leased plant and vehicles £	Total £
Cost or valuation					
At 31 October 1996	1,051,191	356,555	49,368	41,873	1,498,987
Additions	54,421	36,497	43,563	-	134,481
Revaluation	98,809	-	-	-	98,809
Disposals	-	(750)	-	-	(750)
At 31 October 1997	<u>£1,204,421</u>	<u>£392,302</u>	<u>£ 92,931</u>	<u>£ 41,873</u>	<u>£1,731,527</u>
Depreciation					
At 31 October 1996	28,333	292,838	27,682	39,496	388,349
Charged in year	4,722	24,406	9,138	594	38,860
Disposals	-	(750)	-	-	(750)
At 31 October 1997	<u>£ 33,055</u>	<u>£316,494</u>	<u>£ 36,820</u>	<u>£ 40,090</u>	<u>£ 426,459</u>
Net book amount at					
31 October 1997	<u>£1,171,366</u>	<u>£ 75,808</u>	<u>£ 56,111</u>	<u>£ 1,783</u>	<u>£1,305,068</u>
Net book amount at					
31 October 1996	<u>£1,022,858</u>	<u>£ 63,717</u>	<u>£ 21,686</u>	<u>£ 2,377</u>	<u>£1,110,638</u>

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS YEAR ENDED 31st OCTOBER 1997

9 TANGIBLE ASSETS (continued)

The group (continued)

On 31 October 1997 the freehold investment property, all of which belongs to the holding company, was revalued by the directors as described above.

On 31 October 1997 the freehold property used for trading purposes was revalued by the directors at £825,000, based on a professional valuation at 8 August 1996, with additions after the date of the professional valuation included at cost. The historic cost of this property at 31 October 1997 was £356,121 (1996: £301,700) and the accumulated depreciation thereon was £19,845 (1996: £15,845).

No provision for deferred taxation has been made in respect of the property revaluation, as, in the opinion of the directors, the relevant property will not be sold in the foreseeable future.

10 STOCKS

Vehicles, petrol and parts	1,682,987	1,405,658
Property for resale	220,000	227,000
Work-in-progress	3,650	2,914
	<hr/>	<hr/>
	£1,906,637	£1,635,572
	<hr/>	<hr/>

The estimated current replacement costs of stocks do not materially differ from the amounts stated above.

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS YEAR ENDED 31st OCTOBER 1997

11 DEBTORS

	The Company		The Group	
	1997	1996	1997	1996
Amounts due within one year				
Trade debtors	-	-	524,745	357,274
Due from subsidiary company	408,096	320,483	-	-
Other debtors	-	1,105	16,291	20,353
Prepayments	-	-	107,609	117,619
	<u>408,096</u>	<u>321,588</u>	<u>648,645</u>	<u>495,246</u>
Amounts due after one year				
Other debtors	27,100	22,750	32,074	27,829
Corporation tax recoverable	6,261	6,261	6,261	6,261
	<u>£441,457</u>	<u>£350,599</u>	<u>£ 686,980</u>	<u>£ 529,336</u>

12 CREDITORS: amounts falling due within one year

	The Company		The Group	
Bank loans and overdrafts	-	-	200,073	445,838
Unsecured loans	-	-	450,209	178,876
Obligations under finance lease and hire purchase contracts	-	-	9,231	48,113
Trade creditors	629	2,329	1,517,380	968,835
Amount due to subsidiary companies	202,350	108,765	-	-
Corporation tax	-	2,762	-	2,762
Social security and other taxes	-	-	249,406	186,487
Other creditors	-	-	27,234	75,101
Accruals	1,650	2,000	27,207	45,835
	<u>£204,629</u>	<u>£115,856</u>	<u>£2,480,740</u>	<u>£1,951,847</u>

13 CREDITORS: amounts falling due after more than one year

	1997	1996
Obligations under finance lease and hire purchase contracts	£ -	£ 9,264

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS YEAR ENDED 31st OCTOBER 1997

14 BANK LOANS AND OVERDRAFT

Falling due within one year

(a) Lombard North Central plc - loan	200,000	200,000
(b) National Westminster Bank Plc - loans	-	100,000
(c) Bank overdrafts	73	145,838
	<u>200,073</u>	<u>445,838</u>
	£ 200,073	£ 445,838

Loan (a) is wholly for financing stocks of motor vehicles, and is secured by second charges on vehicle stocks and freehold property and by a guarantee from the parent company, at variable rates of interest, with no fixed repayment date.

The bank loans and overdrafts are secured by specific charges on the group's freehold property (including that held as stock), by composite guarantees from group companies and by a mortgage debenture.

Included in unsecured loans is a loan of £300,000, which became secured on 1st January 1998.

15 OTHER CREDITORS

Included in other creditors are amounts totalling £8,334 (1996:£45,466) advanced by Esso Petroleum Ltd., which would become wholly or partially repayable if the group ceased trading in that supplier's products.

16 DEFERRED TAXATION

Provision is made on the current liability basis as follows:

Tax at 21% (1996: 24%) on the excess of the book value of fixed assets over their written down value for tax purposes

	1997	1996
	£ -	£ -
	<u>-</u>	<u>-</u>

17 SHARE CAPITAL

Authorised, allotted, issued and fully paid

Ordinary shares of £1 each	£ 15,000	£ 15,000
	<u>15,000</u>	<u>15,000</u>

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS YEAR ENDED 31st OCTOBER 1997

18 CAPITAL RESERVE

	1997	1996
Balance at 31st October 1997	<u>£ 14,169</u>	<u>£ 14,169</u>

19 REVALUATION RESERVE

	The Company (Investment Revaluation)		The Group	
	1997	1996	1997	1996
Balance at 31 October 1996	221,392	221,392	605,883	605,883
Revaluation	(40,000)	-	98,809	-
Balance at 31 October 1997	<u>£181,392</u>	<u>£221,392</u>	<u>£704,692</u>	<u>£605,883</u>

20 CAPITAL COMMITMENTS

There were no capital commitments at 31st October 1997 or 1996.

21 CONTINGENT LIABILITIES

The company has given a guarantee in respect of the granting of direct debit facilities to MVRA Ltd.

22 CASH FLOW STATEMENT

(a) Reconciliation of operating profit to net cash inflow from operating activities:

Operating profit	68,284	159,940
Depreciation	38,860	33,927
Increase in stocks	(271,065)	(332,124)
Increase in debtors	(157,644)	(57,837)
Increase in creditors	496,823	203,967
Interest received	-	(5)
Rent received	(15,311)	(14,198)
	<u>£159,947</u>	<u>£ (6,330)</u>

R.N. SMITH HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS YEAR ENDED 31st OCTOBER 1997

22 CASH FLOW STATEMENT (continued)

(b) Analysis of changes in net debt:

	At October 1996	Cash Flows	Other Changes	At October 1997
Cash at bank and in hand	883	12,429	-	13,312
Bank overdrafts	(145,838)	145,765	-	(73)
		<u>158,194</u>		
Debt due within one year	(478,876)	(171,333)	-	(650,209)
Debt due after one year	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>£ (623,831)</u>	<u>£ (13,139)</u>	<u>£ -</u>	<u>£ (636,970)</u>

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	The Company		The Group	
	1997	1996	1997	1996
Profit/(loss) for the year	2,084	1,475	17,130	94,454
Revaluation surplus/(deficit) recognised in year	(40,000)	-	98,809	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net movement in shareholders' funds	(37,916)	1,475	115,939	94,454
Opening shareholders' funds	<u>612,356</u>	<u>610,881</u>	<u>1,315,318</u>	<u>1,220,864</u>
Closing shareholders' funds	<u>£574,440</u>	<u>£612,356</u>	<u>£1,431,257</u>	<u>£1,315,318</u>

24 RELATED PARTIES

Control

Throughout the year, the company was controlled by its directors.

Transactions

R Smith (Windermere) Ltd's transactions with related parties are disclosed in that company's accounts.

In the opinion of the directors, no other group companies had any material transactions with related parties outside the group.