

REGISTERED NUMBER 00702316 (England and Wales)

Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 January 2011
for
R N Smith Holdings Limited

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R N Smith Holdings Limited (Registered number 00702316)

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for the Year Ended 31 January 2011

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R N Smith Holdings Limited
Company Information
for the Year Ended 31 January 2011

DIRECTORS

D N Smith
R G Smith

SECRETARY

R G Smith

REGISTERED OFFICE

Rayngg Showrooms
Rayngg Road
Bowness on Windermere
Cumbria
LA23 3DN

REGISTERED NUMBER

00702316 (England and Wales)

AUDITORS

ASE Audit LLP
Statutory Auditors & Chartered Accountants
Rowan Court
Concord Business Park
Manchester
Greater Manchester
M22 0RR

R N Smith Holdings Limited (Registered number 00702316)

Report of the Directors
for the Year Ended 31 January 2011

The directors present their report with the financial statements of the company and the group for the year ended 31 January 2011

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of motor engineers and garage proprietors and operating a school for boys with social, emotional and behavioural difficulties, learning difficulties and development challenges

REVIEW OF BUSINESS

Raynigg Motor Group

The motor trade continues to be going through one of its most difficult periods with indecision and uncertainty the largest problems

Our two franchises continue to give varying results, with Fiat still struggling to produce any meaningful contribution other than service work but Kia, with its new and extensive range, goes from strength to strength

With our Morecambe branch continuing to be our weakest depot, we have adopted a cautious approach to our staffing and during 2011 have made five positions redundant

2011 will continue to be a very testing year but, with the savings that have been introduced we are now looking at a positive 2012

North Lakes Childrens Services

The care homes have now started to achieve their potential and the year to 31 January 2011 should see the final year of losses

Our new girls home at Warwick house has now got three children in its care with positive prospects of a further two in the near future

The education facility at Kirkby Moor has been extended to enable us to educate up to thirty two children The cost of the extension was approx £70,000 which was funded without any extra facilities with our bank

At the present time, October 2011, we have fifteen residential children and five day children in our care and, with our education extension complete, our doors are open for an increase in both day and residential children

We are looking for the year to 31 January 2012 to break even and the year to 31 January 2013 to return a comfortable profit

DIVIDENDS

The total distribution of dividends for the year ended 31 January 2011 will be £120,876

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2010 to the date of this report

D N Smith
R G Smith

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

R N Smith Holdings Limited (Registered number 00702316)

Report of the Directors
for the Year Ended 31 January 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

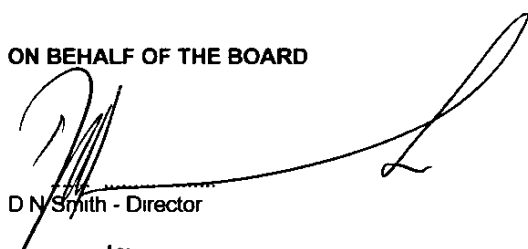
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, ASE Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD

A large, stylized handwritten signature in black ink, appearing to be 'D N Smith', is written over a horizontal line.

D N Smith - Director

Date 19.10.11

Report of the Independent Auditors to the Members of
R N Smith Holdings Limited

We have audited the financial statements of R N Smith Holdings Limited for the year ended 31 January 2011 on pages five to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 January 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

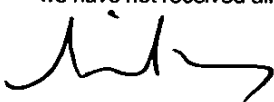
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Michael A Jones ACA (Senior Statutory Auditor)
for and on behalf of ASE Audit LLP
Statutory Auditors & Chartered Accountants
Rowan Court
Concord Business Park
Manchester
Greater Manchester
M22 0RR

Date 19.10.11

R N Smith Holdings Limited (Registered number. 00702316)

Consolidated Profit and Loss Account
for the Year Ended 31 January 2011

	Notes	31 1 11 £	31 1 10 £
TURNOVER	2	16,713,847	17,148,848
Cost of sales		13,902,400	14,492,241
GROSS PROFIT		2,811,447	2,656,607
Administrative expenses		3,238,951	2,566,895
		(427,504)	89,712
Other operating income		38,680	36,855
OPERATING (LOSS)/PROFIT	4	(388,824)	126,567
Interest receivable and similar income		824,861	79,801
		436,037	206,368
Amounts written off investments	6	-	3,319
		436,037	203,049
Interest payable and similar charges	7	163,931	161,182
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		272,106	41,867
Tax on profit on ordinary activities	8	51,200	(1,809)
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		220,906	43,676
Minority interest - equity		(53,571)	(54,887)
RETAINED PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		274,477	98,563

CONTINUING OPERATIONS

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

The notes form part of these financial statements

R N Smith Holdings Limited (Registered number 00702316)

Consolidated Statement of Total Recognised Gains and Losses
for the Year Ended 31 January 2011

	31 1 11 £	31 1 10 £
PROFIT FOR THE FINANCIAL YEAR	274,477	98,563
Revaluation of freehold property in year	(125,000)	-
Revaluation of investment property in year	45,000	-
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>194,477</u>	<u>98,563</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

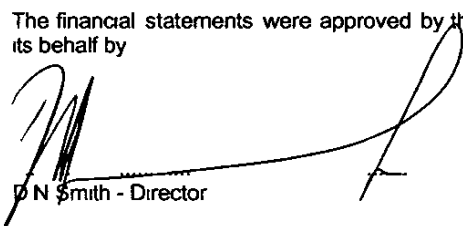
The notes form part of these financial statements

R N Smith Holdings Limited (Registered number 00702316)

Consolidated Balance Sheet
31 January 2011

	Notes	31 1 11 £	£	31 1 10 £	£
FIXED ASSETS					
Intangible assets	11		-		(31,938)
Tangible assets	12		2,591,021		2,646,313
Investments	13		-		-
Investment property	14		570,000		525,000
			<u>3,161,021</u>		<u>3,139,375</u>
CURRENT ASSETS					
Stocks	15	1,935,101		2,041,639	
Debtors	16	1,284,305		1,007,400	
Investments	17	21,573		40,094	
Cash in hand		696		1,942	
		<u>3,241,675</u>		<u>3,091,075</u>	
CREDITORS					
Amounts falling due within one year	18	3,946,110		3,593,769	
NET CURRENT LIABILITIES			<u>(704,435)</u>		<u>(502,694)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,456,586		2,636,681
CREDITORS					
Amounts falling due after more than one year	19		(1,562,869)		(1,763,933)
PROVISIONS FOR LIABILITIES	23		(3,777)		(2,838)
MINORITY INTERESTS	24		317,952		264,381
NET ASSETS			<u>1,207,892</u>		<u>1,134,291</u>
CAPITAL AND RESERVES					
Called up share capital	25		15,020		15,020
Revaluation reserve	26		729,469		809,469
Other reserves	26		36,267		36,267
Profit and loss account	26		427,136		273,535
SHAREHOLDERS' FUNDS	29		<u>1,207,892</u>		<u>1,134,291</u>

The financial statements were approved by the Board of Directors on its behalf by


D N Smith - Director

19-10-11

and were signed on

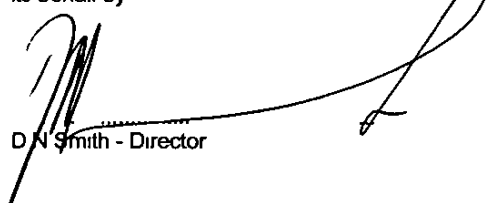
The notes form part of these financial statements

R N Smith Holdings Limited (Registered number 00702316)

Company Balance Sheet
31 January 2011

	Notes	31 1 11 £	£	31 1 10 £	£
FIXED ASSETS					
Intangible assets	11		-		-
Tangible assets	12		-		-
Investments	13		62		62
Investment property	14		-		-
			<u>62</u>		<u>62</u>
CURRENT ASSETS					
Debtors	16	56,111		56,111	
NET CURRENT ASSETS			56,111		56,111
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>56,173</u>		<u>56,173</u>
CAPITAL AND RESERVES					
Called up share capital	25		15,000		15,000
Profit and loss account	26		41,173		41,173
SHAREHOLDERS' FUNDS	29		<u>56,173</u>		<u>56,173</u>

The financial statements were approved by the Board of Directors on its behalf by


D N Smith - Director

19 10 -11

and were signed on

The notes form part of these financial statements

R N Smith Holdings Limited (Registered number: 00702316)

Consolidated Cash Flow Statement
for the Year Ended 31 January 2011

	Notes	31 1 11 £	£	31 1 10 £	£
Net cash (outflow)/inflow from operating activities	1		(320,084)		517,320
Returns on investments and servicing of finance	2		660,930		(81,381)
Taxation			2		-
Capital expenditure	2		(146,051)		(174,585)
Equity dividends paid			(120,876)		(120,972)
			73,921		140,382
Management of liquid resources	2		18,521		(13,111)
Financing	2		(122,048)		(26,188)
(Decrease)/Increase in cash in the period			(29,606)		101,083
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/Increase in cash in the period			(29,606)		101,083
Cash (inflow)/outflow from (decrease)/increase in liquid resources			(18,521)		13,110
Cash outflow from decrease in debt and lease financing			122,048		26,188
Change in net debt resulting from cash flows			73,921		140,381
Movement in net debt in the period			73,921		140,381
Net debt at 1 February			(1,097,567)		(1,234,629)
Net debt at 31 January			(1,023,646)		(1,094,248)

The notes form part of these financial statements

R N Smith Holdings Limited (Registered number 00702316)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 January 2011

1 RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	31 1 11	31 1 10
	£	£
Operating (loss)/profit	(388,824)	126,567
Depreciation charges	44,405	71,263
Loss on disposal of fixed assets	-	359
Decrease/(Increase) in stocks	106,538	(824,288)
(Increase)/Decrease in debtors	(276,905)	4,617
Increase in creditors	194,702	1,138,802
Net cash (outflow)/inflow from operating activities	(320,084)	517,320

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

	31 1 11	31 1 10
	£	£
Returns on Investments and servicing of finance		
Interest received	824,861	79,801
Interest paid	(162,675)	(160,572)
Interest element of hire purchase payments	(1,256)	(610)
Net cash inflow/(outflow) for returns on investments and servicing of finance	660,930	(81,381)
Capital expenditure		
Purchase of tangible fixed assets	(146,651)	(177,585)
Sale of tangible fixed assets	600	3,000
Net cash outflow for capital expenditure	(146,051)	(174,585)
Management of liquid resources		
increase/(decrease) in liquid resources	18,521	(13,111)
Net cash inflow/(outflow) from management of liquid resources	18,521	(13,111)
Financing		
Loan repayments in year	(133,413)	(23,490)
New HP in the year	18,750	-
Capital repayments in year	(7,385)	(2,698)
Net cash outflow from financing	(122,048)	(26,188)

The notes form part of these financial statements

R N Smith Holdings Limited (Registered number 00702316)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 January 2011

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 2 10 £	Cash flow £	At 31 1 11 £
Net cash			
Cash at bank and in hand	1,942	(1,246)	696
Bank overdraft	(375,995)	(28,360)	(404,355)
	<u>(374,053)</u>	<u>(29,606)</u>	<u>(403,659)</u>
Liquid resources			
Current asset investments	40,094	(18,521)	21,573
	<u>40,094</u>	<u>(18,521)</u>	<u>21,573</u>
Debt			
Hire purchase	(5,180)	(11,365)	(16,545)
Debts falling due within one year	(133,558)	10,450	(123,108)
Debts falling due after one year	(624,870)	122,963	(501,907)
	<u>(763,608)</u>	<u>122,048</u>	<u>(641,560)</u>
Total	<u>(1,097,567)</u>	<u>73,921</u>	<u>(1,023,646)</u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
for the Year Ended 31 January 2011

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

Turnover

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

Goodwill

Goodwill, being the amount arising on consolidation of subsidiaries

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Freehold property	- Not provided
Improvements to property	- Over the period of the lease
Plant and machinery	- 20% on cost
Motor vehicles	- 25% on reducing balance

Although the Companies Act would normally require annual depreciation of fixed assets, the directors believe that the policy of not providing depreciation on freehold property is necessary in order for the accounts to give a true and fair view since the buildings are maintained in good condition so that their value is not significantly impaired by the passage of time, and in consequence any element of depreciation would be immaterial

Improvements to freehold property are depreciated at 2% on cost

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve

Investment properties are revalued annually to open market value and no depreciation is provided. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 2006 has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading.

Stocks

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

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

Consignment stocks

Consignment vehicles that are regarded effectively as being under the control of the company due to the transfer of the risks and responsibilities, are included within stocks on the balance sheet, although legal title has not passed to the company, in accordance with FRS 5. The corresponding liability is included within trade creditors and is secured directly on these vehicles

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011

1 ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future, have accrued at the balance sheet date

Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is not recognised when fixed assets are revalued, unless by the balance sheet date, there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements

Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is measured on a non-discounted basis

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

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

Rentals under operating leases are charged on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

Pension costs and other post-retirement benefits

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

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for impairment. Investments held as current assets are stated at valuation. Dividends are recognised in the profit and loss account when receivable

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group

An analysis of turnover by class of business is given below

	31 1 11	31 1 10
	£	£
Vehicle sales and servicing	15,204,016	16,172,488
Care and schooling	1,509,831	976,360
	<u>16,713,847</u>	<u>17,148,848</u>

R N Smith Holdings Limited (Registered number. 00702316)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011

3 STAFF COSTS

	31 1 11	31 1 10
	£	£
Wages and salaries	1,686,988	1,415,608
Social security costs	153,521	135,725
Other pension costs	1,206	1,331
	<u>1,841,715</u>	<u>1,552,664</u>

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

	31 1 11	31 1 10
Sales	12	16
Service	21	22
Office and administration	15	16
Directors	7	7
Teachers	14	9
Carers	23	18
Security	7	5
Managers	2	2
Cook, nurse and cleaner	3	-
	<u>104</u>	<u>95</u>

4 OPERATING (LOSS)/PROFIT

The operating loss (2010 - operating profit) is stated after charging/(crediting)

	31 1 11	31 1 10
	£	£
Hire of plant and machinery	12,030	6,492
Depreciation - owned assets	70,139	69,541
Depreciation - assets on hire purchase contracts	6,200	1,723
Loss on disposal of fixed assets	-	359
Goodwill amortisation	(31,938)	-
Auditors' remuneration	15,656	15,532
Auditors' remuneration for non audit work	10,200	12,200
	<u>120,327</u>	<u>128,890</u>
Directors' pension contributions to money purchase schemes	1,206	1,331

5 EXCEPTIONAL ITEMS

Included within other income is an amount of £790,617 relating to a refund of VAT and the associated interest following a claim in respect of an historical treatment of VAT on Demonstrator vehicles

6 AMOUNTS WRITTEN OFF INVESTMENTS

	31 1 11	31 1 10
	£	£
Amount written off investments	<u>-</u>	<u>3,319</u>

7 INTEREST PAYABLE AND SIMILAR CHARGES

	31 1 11	31 1 10
	£	£
Bank interest	10,133	11,427
Bank loan interest	13,042	12,120
Other loan interest	129,525	100,624
Stocking interest	9,975	36,401
Hire purchase	1,256	610
	<u>163,931</u>	<u>161,182</u>

R N Smith Holdings Limited (Registered number 00702316)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011

8 TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows

	31 1 11 £	31 1 10 £
Current tax		
UK corporation tax	50,261	-
Deferred tax	939	(1,809)
Tax on profit on ordinary activities	<u>51,200</u>	<u>(1,809)</u>

9 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £120,876 (2010 - £120,972)

10 DIVIDENDS

	31 1 11 £	31 1 10 £
'A' Ordinary shares of £1 each Interim	5,832	5,838
'C' Ordinary shares of £1 each Interim	28,824	28,830
'E' Ordinary shares of £1 each Interim	61,908	62,396
'F' Ordinary shares of £1 each Interim	24,312	23,908
	<u>120,876</u>	<u>120,972</u>

11 INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 February 2010 and 31 January 2011	<u>(31,938)</u>
AMORTISATION	
Amortisation for year	<u>(31,938)</u>
At 31 January 2011	<u>(31,938)</u>
NET BOOK VALUE	
At 31 January 2011	<u>-</u>
At 31 January 2010	<u>(31,938)</u>

R N Smith Holdings Limited (Registered number. 00702316)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011**

12 TANGIBLE FIXED ASSETS

Group

	Freehold property £	Improvements to property £	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 February 2010	2,430,911	97,554	1,026,089	26,700	3,581,254
Additions	45,824	38,495	39,082	23,250	146,651
Disposals	-	-	-	(6,450)	(6,450)
Revaluations	(125,000)	-	-	-	(125,000)
Reclassification/transfer	(24,335)	24,335	-	-	-
At 31 January 2011	2,327,400	160,384	1,065,171	43,500	3,596,455
DEPRECIATION					
At 1 February 2010	16,334	8,097	897,949	12,565	934,945
Charge for year	-	10,042	55,886	10,411	76,339
Eliminated on disposal	-	-	-	(5,850)	(5,850)
Reclassification/transfer	(11,776)	11,776	-	-	-
At 31 January 2011	4,558	29,915	953,835	17,126	1,005,434
NET BOOK VALUE					
At 31 January 2011	2,322,842	130,469	111,336	26,374	2,591,021
At 31 January 2010	2,414,577	89,457	128,140	14,135	2,646,309

Cost or valuation at 31 January 2011 is represented by

	Freehold property £	Improvements to property £	Plant and machinery £	Motor vehicles £	Totals £
Valuation in 2011	1,350,000	-	-	-	1,350,000
Cost	977,400	160,384	1,065,171	43,500	2,246,455
	2,327,400	160,384	1,065,171	43,500	3,596,455

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

	31 1 11 £	31 1 10 £
Cost	948,400	972,736
Aggregate depreciation	-	17,640

Freehold land and buildings were valued on open market basis on 1 July 2011 by Peill & Company Chartered Surveyors

R N Smith Holdings Limited (Registered number: 00702316)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011

12 TANGIBLE FIXED ASSETS - continued

Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Motor vehicles £
COST OR VALUATION	
At 1 February 2010	12,250
Additions	18,750
	<hr/>
At 31 January 2011	31,000
	<hr/>
DEPRECIATION	
At 1 February 2010	7,082
Charge for year	6,200
	<hr/>
At 31 January 2011	13,282
	<hr/>
NET BOOK VALUE	
At 31 January 2011	17,718
	<hr/>
At 31 January 2010	5,168
	<hr/>

13 FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 February 2010	13,961
Disposals	(12,961)
	<hr/>
At 31 January 2011	1,000
	<hr/>
PROVISIONS	
At 1 February 2010	13,899
Eliminated on disposal	(12,961)
	<hr/>
At 31 January 2011	938
	<hr/>
NET BOOK VALUE	
At 31 January 2011	62
	<hr/>
At 31 January 2010	62
	<hr/>

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

Subsidiaries

R Smith (Windermere) Limited
Nature of business Motor trader

	%		
	holding		
	100 00		
Class of shares		31 1 11	31 1 10
Ordinary		£	£
Aggregate capital and reserves		2,423,668	2,167,719
Profit for the year		588,025	316,301
		<hr/>	<hr/>

R N Smith Holdings Limited (Registered number 00702316)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011

13 FIXED ASSET INVESTMENTS - continued

Rayngg Motor Group Limited

Nature of business Dormant

Class of shares	% holding
Ordinary	100 00

Rayngg Motors Limited

Nature of business Dormant

Class of shares	% holding
Ordinary	100 00

Aggregate capital and reserves

31 1 11	31 1 10
£	£
<u>2</u>	<u>2</u>

North Lakes Childrens Services Limited

Nature of business School and care provider

Class of shares	% holding
Ordinary	80 00

Aggregate capital and reserves
Loss for the year

31 1 11	31 1 10
£	£
(1,589,760)	(1,321,905)
<u>(267,855)</u>	<u>(274,435)</u>

14 INVESTMENT PROPERTY

Group

COST OR VALUATION

At 1 February 2010

Revaluations

At 31 January 2011

NET BOOK VALUE

At 31 January 2011

At 31 January 2010

Total
£

525,000

45,000

570,000

570,000

525,000

Cost or valuation at 31 January 2011 is represented by

Valuation in 2011

£
570,000

15 STOCKS

Group

Stocks

Parts and accessories

Consignment stock

Other stock

31 1 11	31 1 10
£	£
1,056,945	1,000,579
85,148	124,278
793,008	914,309
-	2,473
<u>1,935,101</u>	<u>2,041,639</u>

R N Smith Holdings Limited (Registered number 00702316)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011

16 DEBTORS

	Group		Company	
	31 1 11 £	31 1 10 £	31 1 11 £	31 1 10 £
Amounts falling due within one year				
Trade debtors	511,066	405,981	-	-
Other debtors	340,679	191,356	56,111	56,111
Prepayments and accrued income	120,252	117,767	-	-
	<u>971,997</u>	<u>715,104</u>	<u>56,111</u>	<u>56,111</u>
Amounts falling due after more than one year				
Other debtors	<u>312,308</u>	<u>292,296</u>	<u>-</u>	<u>-</u>
Aggregate amounts	<u>1,284,305</u>	<u>1,007,400</u>	<u>56,111</u>	<u>56,111</u>

17 CURRENT ASSET INVESTMENTS

	Group	
	31 1 11 £	31 1 10 £
Listed investments	<u>21,573</u>	<u>40,094</u>

Market value of listed investments held by the group at 31 January 2011 - £21,573 (2010 - £40,094)

18 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	31 1 11 £	31 1 10 £
Bank loans and overdrafts (see note 20)	527,463	509,553
Hire purchase contracts (see note 21)	8,045	2,697
Trade creditors	1,331,714	910,435
Consignment creditor	793,008	914,309
Tax	50,263	-
Social security and other taxes	45,379	111,058
Other creditors	675,862	717,555
Accruals and deferred income	514,376	428,162
	<u>3,946,110</u>	<u>3,593,769</u>

19 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	31 1 11 £	31 1 10 £
Bank loans (see note 20)	501,907	624,870
Hire purchase contracts (see note 21)	8,500	2,483
Other creditors	1,052,462	1,136,580
	<u>1,562,869</u>	<u>1,763,933</u>

R N Smith Holdings Limited (Registered number 00702316)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011

20 LOANS

An analysis of the maturity of loans is given below

	Group	
	31 1 11 £	31 1 10 £
Amounts falling due within one year or on demand		
Bank overdrafts	404,355	375,995
Bank loans	123,108	133,558
	<u>527,463</u>	<u>509,553</u>
Amounts falling due between two and five years		
Bank loans	<u>394,550</u>	<u>414,529</u>
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans	<u>107,357</u>	<u>210,341</u>

21 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	31 1 11 £	31 1 10 £
Net obligations repayable		
Within one year	8,045	2,697
Between one and five years	8,500	2,483
	<u>16,545</u>	<u>5,180</u>

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

Group

	Land and buildings		Other operating leases	
	31 1 11 £	31 1 10 £	31 1 11 £	31 1 10 £
Expiring				
Within one year	-	-	-	1,748
Between one and five years	25,000	-	-	-
In more than five years	89,448	89,448	-	-
	<u>114,448</u>	<u>89,448</u>	<u>-</u>	<u>1,748</u>

R N Smith Holdings Limited (Registered number: 00702316)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011

22 SECURED DEBTS

The following secured debts are included within creditors

	Group	
	31 1 11	31 1 10
	£	£
Bank overdraft	404,355	375,995
Bank loans	625,015	758,428
Vehicle creditors	1,861,470	1,647,834
	<u>2,890,840</u>	<u>2,782,257</u>

The bank overdraft is secured by a first legal mortgage over Rayngg Showrooms, Rayngg Road, Bowness-on-Windermere and an unscheduled mortgage debenture incorporating a fixed and floating charge over all current and future assets of the company

Bank loans are secured by a first legal mortgage over freehold land at White Lund Industrial Estate, Morecambe and Rayngg Showrooms, Rayngg Road, Bowness-on-Windermere Interest is charged at 1.25% above the base rate at the year end 2.75%

Other loans are secured by a legal charge over Rayngg Showrooms, Rayngg Road, Bowness-on-Windermere

Vehicle creditors are secured against the vehicles to which they relate

23 PROVISIONS FOR LIABILITIES

	Group	
	31 1 11	31 1 10
	£	£
Deferred tax	<u>3,777</u>	<u>2,838</u>
Group		
		Deferred tax
		£
Balance at 1 February 2010		2,838
Accelerated capital allowances		939
Balance at 31 January 2011		<u>3,777</u>

24 MINORITY INTERESTS

	2011	2010
	£	£
Opening balance	(264,381)	(209,494)
Share of results for the year	<u>(53,571)</u>	<u>(54,887)</u>
Closing balance	<u>(317,952)</u>	<u>(264,381)</u>

R N Smith Holdings Limited (Registered number 00702316)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011

25 CALLED UP SHARE CAPITAL

Number	Class	Nominal value	31 1 11 £	31 1 10 £
12,000	Ordinary	£1	12,000	12,000
375	'A' Ordinary	£1	375	375
375	'B' Ordinary	£1	375	375
375	'C' Ordinary	£1	375	375
375	'D' Ordinary	£1	375	375
375	'E' Ordinary	£1	375	375
375	'F' Ordinary	£1	375	375
375	'G' Ordinary	£1	375	375
375	'H' Ordinary	£1	375	375
			<u>15,000</u>	<u>15,000</u>

All shares carry equal rights

26 RESERVES

Group

	Profit and loss account £	Revaluation reserve £	Other reserves £	Totals £
At 1 February 2010	273,535	809,469	36,267	1,119,271
Profit for the year	274,477			274,477
Dividends	(120,876)			(120,876)
Revaluation in the year	-	(80,000)	-	(80,000)
At 31 January 2011	<u>427,136</u>	<u>729,469</u>	<u>36,267</u>	<u>1,192,872</u>

Company

	Profit and loss account £
At 1 February 2010	41,173
Profit for the year	120,876
Dividends	(120,876)
At 31 January 2011	<u>41,173</u>

R N Smith Holdings Limited (Registered number 00702316)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 January 2011

27 RELATED PARTY DISCLOSURES

Group

Fairway (Golf Shop) Limited owed R Smith (Windermere) Limited £55,511 at 31 January 2011 (2010 £66,943) Fairway (Golf Shops) Limited is a company of which D N Smith is a director and shareholder Loan interest of £nil (2010 £3,957) was charged during the year

Biskey Howe Investments Limited owed R Smith (Windermere) Limited £312,308 at 31 January 2011 (2010 £292,296) Biskey Howe Investments Limited is a company of which R G Smith and D N Smith are directors and shareholders Loan interest £14,997 (2010 £17,756) was charged during the year

R Smith (Windermere) Limited owed R Smith (Windermere) Directors Retirement Plan £280,000 at 31 January 2011 (2010 £281,700) The R Smith (Windermere) Directors Retirement Plan is a pension scheme of which R G Smith and D N Smith are trustees and members Loan interest of £10,200 (2010 £10,298) was charged during the year

At 31 January 2011 R Smith (Windermere) Limited had loans from the following related parties

	2011	2010
	£	£
C P Smith	nil	18,172
J I Smith (D N Smith's wife)	(93,794)	67,850
R N Smith	70,641	75,669
R G Smith	43,902	58,571
D N Smith and J I Smith	610,000	610,000
R G Smith and R N Smith	398,560	400,158
A M Spiby	26,453	25,421

Company

R N Smith Settlement owed R N Smith (Holdings) Limited £44,430 at the year end (2010 £44,430)

28 ULTIMATE CONTROLLING PARTY

The company is controlled by R N Smith Settlement, of which D N Smith and R G Smith are trustees

29 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	31 1 11	31 1 10
	£	£
Profit for the financial year	274,477	98,563
Dividends	(120,876)	(120,972)
	<hr/>	<hr/>
	153,601	(22,409)
Other recognised gains and losses relating to the year (net)	(80,000)	-
	<hr/>	<hr/>
Net addition/(reduction) to shareholders' funds	73,601	(22,409)
Opening shareholders' funds	1,134,291	1,156,700
	<hr/>	<hr/>
Closing shareholders' funds	1,207,892	1,134,291
	<hr/>	<hr/>

Company

	31 1 11	31 1 10
	£	£
Profit for the financial year	120,876	120,972
Dividends	(120,876)	(120,972)
Opening shareholders' funds	56,173	56,173
	<hr/>	<hr/>
Closing shareholders' funds	56,173	56,173
	<hr/>	<hr/>