

# R.N.Smith Holdings Limited

Annual Report and Consolidated Financial Statements  
for the Year Ended 31 January 2022

Crossley & Davis Chartered Accountants  
Ground Floor, Seneca House  
Links Point, Amy Johnson Way  
Blackpool  
Lancashire  
FY4 2FF

# **R.N.Smith Holdings Limited**

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## **R.N.Smith Holdings Limited**

### **Company Information**

**Directors** Mr D N Smith  
Mr G W Smith  
Miss C H Smith

**Company secretary** Miss C H Smith

**Registered office** Ground Floor, Seneca House  
Links Point, Amy Johnson Way  
Blackpool  
Lancashire  
FY4 2FF

**Auditors** Crossley & Davis Chartered Accountants  
Ground Floor, Seneca House  
Links Point, Amy Johnson Way  
Blackpool  
Lancashire  
FY4 2FF

## **R.N.Smith Holdings Limited**

### **Strategic Report for the Year Ended 31 January 2022**

The directors present their strategic report for the year ended 31 January 2022.

#### **Principal activity**

The principal activity of the group is that of motor engineers and garage proprietors. The principal activity of the company is that of a holding company that provides support to its subsidiaries.

#### **Fair review of the business**

The 'R.N.Smith Holdings Group' is formed of the following companies;

R.N.Smith Holdings Limited

R.Smith(Windermere) Limited

Rayrigg Motor Group Limited (dormant)

R.N.Smith Holdings Limited

R.N.Smith Holdings Limited acts as a holding company which provides support to its subsidiaries. The company's only income for the year is that of dividends receivable from its subsidiaries.

R.Smith(Windermere) Limited

The directors consider the main KPIs for R.Smith(Windermere) Limited to be turnover, gross profit and operating profit.

Turnover for the year end 31 January 2022 is £19,517,819 (2021: £16,223,505), an increase of £3,294,314 (20.3%).

The increase in revenue is as expected due to the showroom being closed for several months during the previous year as a result of Covid-19. The group has since returned to pre Covid-19 levels of trading activity.

Gross profit for the year end 31 January 2022 is £1,763,045 (2021: £1,395,973), an increase of £367,072 (26.3%). The gross profit margin has remained consistent at 9.0% (2021: 8.6%).

The increase in gross profit has been driven by the increase in turnover. The strong trading position of R.Smith(Windermere) Limited has been demonstrated by maintaining a consistent gross profit margin despite unfavourable market conditions and disruptions to supply caused by the Covid-19 pandemic.

Operating profit for the year end 31 January 2022 is £1,704,191 (2021: £1,207,706), an increase of £496,485 (41.1%).

During the year there were exceptional one off costs arising as a result of a change in the business activity. In addition, the company disposed of its primary business premises, giving rise to a gain on disposal. Operating profit excluding these exceptional items was £362,185.

The company continued to trade profitably despite the difficulties faced during the year.

## **R.N.Smith Holdings Limited**

### **Strategic Report for the Year Ended 31 January 2022**

#### **Principal risks and uncertainties**

Uncertainties surrounding the Covid-19 pandemic continued to be a risk for the group during the year. Despite this, the group continued to trade profitably and maintained margins similar to the previous year despite the unfavourable market conditions. Management continually monitor any potential impact of Covid-19, however, there have been no further showroom closures at the date of signing of the balance sheet and the risks and uncertainties surrounding Covid-19 have reduced since the year end.

The trade and assets of R.Smith(Windermere) Limited were sold post year end and the principal activity of the group has changed to that of commercial property developers. Despite this, the group has a strong balance sheet position, continues to be backed by its creditors and any potential risks are closely monitored by management.

The group does not have any major overseas suppliers or customers and is not exposed to exchange rate risk. The directors consider there to be no other major financial risks facing the group.

Approved and authorised by the Board on 25 August 2022 and signed on its behalf by:

.....

Mr D N Smith

Director

## **R.N.Smith Holdings Limited**

### **Directors' Report for the Year Ended 31 January 2022**

The directors present their report and the for the year ended 31 January 2022.

#### **Director of the group**

The directors who held office during the year were as follows:

Mr D N Smith

Mr G W Smith

Miss C H Smith – Company secretary and director (appointed 1 March 2021)

Mr R G Smith – Company secretary and director (ceased 1 March 2021)

#### **Financial instruments**

##### ***Objectives and policies***

The group does not enter into significant derivative transactions. The group's principal financial instruments comprise bank loans, cash and short term deposits. The main purpose of these financial instruments is to raise finance for the group's operations. The group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the group's financial instruments are credit risk, interest risk and liquidity risk.

##### ***Price risk, credit risk, liquidity risk and cash flow risk***

###### **Credit Risk**

The group operates credit control policies to assess customer credit rating and provides for any debt that is deemed non-recoverable. Historically, losses from trade debtors have been low.

###### **Interest rate risk**

The group is subject to interest risk on borrowings with floating rates of interest.

###### **Liquidity & cash flow risk**

The group's objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and finance leases as appropriate.

#### **Future developments**

The financial period to 31 January 2023 is a transitional period for the group, in which all trade in respect of motor engineers and garage proprietors will cease and the development of commercial property will become the principal activity. With careful focus on the continued management of group performance as well as analysis of external economic factors, the directors are confident that the strong financial position of the group will continue.

#### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

**R.N.Smith Holdings Limited**

**Directors' Report for the Year Ended 31 January 2022**

Approved and authorised by the Board on 25 August 2022 and signed on its behalf by:

.....

Mr D N Smith

Director

## **R.N.Smith Holdings Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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



## **R.N.Smith Holdings Limited**

### **Independent Auditor's Report to the Members of R.N.Smith Holdings Limited**

#### **Opinion**

We have audited the financial statements of R.N.Smith Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2022, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 January 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

As auditors we have assessed management's evaluation of the group's ability to continue as a going concern in light of Covid-19. We have reviewed the future performance and the management's assessment of going concern and are satisfied with the conclusions arrived at.

## **R.N.Smith Holdings Limited**

### **Independent Auditor's Report to the Members of R.N.Smith Holdings Limited**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 6], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **R.N.Smith Holdings Limited**

### **Independent Auditor's Report to the Members of R.N.Smith Holdings Limited**

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....  
Mr P Swarbrick (Senior Statutory Auditor)

For and on behalf of Crossley & Davis Chartered Accountants, Statutory Auditor

Ground Floor, Seneca House

Links Point, Amy Johnson Way

Blackpool

Lancashire

FY4 2FF

25 August 2022

## R.N.Smith Holdings Limited

### Consolidated Profit and Loss Account for the Year Ended 31 January 2022

	Continuing operations 2022 £	Discontinued operations 2022 £	Total 2022 £	Continuing operations 2021 £	Discontinued operations 2021 £	Total 2021 £
Note						
Turnover	19,517,819	-	19,517,819	16,223,505	3,708,400	19,931,905
	(17,754,774)	-	(17,754,774)	(14,827,532)	(191,332)	(15,018,864)
Cost of sales						
	1,763,045	-	1,763,045	1,395,973	3,517,068	4,913,041
Gross profit						
	(168,648)	-	(168,648)	(1,730,192)	(2,960,144)	(4,690,336)
Administrative expenses						
	109,794	-	109,794	380,111	-	380,111
Other operating income						
	1,704,191	-	1,704,191	45,892	556,924	602,816
Operating profit						
	-	-	-	2,417,955	-	2,417,955
Profit on disposal of operations						
	51,523	-	51,523	2,379	-	2,379
Other interest receivable and similar income						
	(57,202)	-	(57,202)	(108,044)	(9,291)	(117,335)
Interest payable and similar expenses						
	(5,679)	-	(5,679)	(105,665)	(9,291)	(114,956)
Profit before tax						
	1,698,512	-	1,698,512	2,358,182	547,633	2,905,815
Tax on profit						
	(63,109)	-	(63,109)	(24,222)	4,959	(19,263)
Profit for the financial year						
	1,635,403	-	1,635,403	2,333,960	552,592	2,886,552

The notes on pages 20 to 39 form an integral part of these financial statements.  
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## R.N.Smith Holdings Limited

### Consolidated Profit and Loss Account for the Year Ended 31 January 2022

	Continuing operations 2022	Discontinued operations 2022	Total 2022	Continuing operations 2021	Discontinued operations 2021	Total 2021
Note	£	£	£	£	£	£
<b>Profit/(loss) attributable to:</b>						
Owners of the company	1,635,403	-	1,635,403	2,333,960	480,587	2,814,547
Minority interests	-	-	-	-	72,005	72,005
	<u>1,635,403</u>	<u>-</u>	<u>1,635,403</u>	<u>2,333,960</u>	<u>552,592</u>	<u>2,886,552</u>

The notes on pages 20 to 39 form an integral part of these financial statements.  
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# R.N.Smith Holdings Limited

## Consolidated Statement of Comprehensive Income for the Year Ended 31 January 2022

	2022	(As restated) 2021
	£	£
Profit for the year	1,635,403	2,886,552
Surplus on property, plant and equipment revaluation	684,469	45,000
Deficit on revaluation of other assets	(684,469)	(45,000)
	-	-
Total comprehensive income for the year	1,635,403	2,886,552
<b>Total comprehensive income attributable to:</b>		
Owners of the company	1,635,403	2,814,547
Minority interests	-	72,005
	1,635,403	2,886,552

# R.N.Smith Holdings Limited

(Registration number: 00702316)

## Consolidated Balance Sheet as at 31 January 2022

		2022	(As restated) 2021
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	<u>15</u>	514,551	1,431,639
<b>Current assets</b>			
Stocks	<u>17</u>	1,404,449	2,223,297
Debtors	<u>18</u>	4,024,372	3,350,542
Cash at bank and in hand	<u>19</u>	2,772,229	1,154,547
		8,201,050	6,728,386
<b>Creditors: Amounts falling due within one year</b>	<u>20</u>	(3,333,464)	(4,363,167)
<b>Net current assets</b>		4,867,586	2,365,219
<b>Total assets less current liabilities</b>		5,382,137	3,796,858
<b>Provisions for liabilities</b>	<u>21</u>	(4,240)	(6,032)
<b>Net assets</b>		<u>5,377,897</u>	<u>3,790,826</u>
<b>Capital and reserves</b>			
Called up share capital	<u>23</u>	15,000	15,000
Revaluation reserve		-	684,469
Other reserves		36,267	36,267
Profit and loss account		<u>5,326,630</u>	<u>3,055,090</u>
Equity attributable to owners of the company		<u>5,377,897</u>	<u>3,790,826</u>
Shareholders' funds		<u>5,377,897</u>	<u>3,790,826</u>

Approved and authorised by the Board on 25 August 2022 and signed on its behalf by:

.....

Mr D N Smith

Director

**R.N.Smith Holdings Limited**  
**(Registration number: 00702316)**  
**Balance Sheet as at 31 January 2022**

		2022	(As restated) 2021
	Note	£	£
<b>Fixed assets</b>			
Investments	<u>16</u>	1,000	1,000
<b>Current assets</b>			
Debtors	<u>18</u>	320,776	320,776
<b>Creditors:</b> Amounts falling due within one year	<u>20</u>	<u>(306,776)</u>	<u>(306,776)</u>
<b>Net current assets</b>		<u>14,000</u>	<u>14,000</u>
<b>Net assets</b>		<u>15,000</u>	<u>15,000</u>
<b>Capital and reserves</b>			
Called up share capital	<u>23</u>	<u>15,000</u>	<u>15,000</u>
Shareholders' funds		<u>15,000</u>	<u>15,000</u>

The company made a profit after tax for the financial year of £48,332 (2021 - profit of £912,852).

Approved and authorised by the Board on 25 August 2022 and signed on its behalf by:

.....  
Mr D N Smith  
Director



## R.N.Smith Holdings Limited

### Consolidated Statement of Changes in Equity for the Year Ended 31 January 2022 Equity attributable to the parent company

	Share capital £	Revaluation reserve £	Other reserves £	Profit and loss account £	Total £	Total equity £	
At 1 February 2021	15,000	684,469	36,267	3,055,090	3,790,826	3,790,826	
Profit for the year	-	-	-	1,635,403	1,635,403	1,635,403	
Other comprehensive income	-	(684,469)	-	684,469	-	-	
Total comprehensive income	-	(684,469)	-	2,319,872	1,635,403	1,635,403	
Dividends	-	-	-	(48,332)	(48,332)	(48,332)	
At 31 January 2022	15,000	-	36,267	5,326,630	5,377,897	5,377,897	
	Share capital £	Revaluation reserve £	Other reserves £	Profit and loss account £	Total £	Non- controlling interests £	Total equity £
At 1 February 2020	15,000	729,469	36,267	1,306,664	2,087,400	(243,521)	1,843,879
Profit for the year	-	-	-	2,814,547	2,814,547	72,005	2,886,552
Other comprehensive income	-	(45,000)	-	45,000	-	-	-
Total comprehensive income	-	(45,000)	-	2,859,547	2,814,547	72,005	2,886,552
Dividends	-	-	-	(1,111,121)	(1,111,121)	-	(1,111,121)
Decrease in ownership interests in subsidiaries	-	-	-	-	-	171,516	171,516
At 31 January 2021	15,000	684,469	36,267	3,055,090	3,790,826	-	3,790,826

The notes on pages 20 to 39 form an integral part of these financial statements.  
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# R.N.Smith Holdings Limited

## Statement of Changes in Equity for the Year Ended 31 January 2022

	Share capital	Profit and loss account	Total
	£	£	£
At 1 February 2021	15,000	-	15,000
Profit for the year	-	48,332	48,332
Total comprehensive income	-	48,332	48,332
Dividends	-	(48,332)	(48,332)
At 31 January 2022	15,000	-	15,000

  

	Share capital	Profit and loss account	Total
	£	£	£
At 1 February 2020	15,000	198,269	213,269
Profit for the year	-	912,852	912,852
Total comprehensive income	-	912,852	912,852
Dividends	-	(1,111,121)	(1,111,121)
At 31 January 2021	15,000	-	15,000

# R.N.Smith Holdings Limited

## Consolidated Statement of Cash Flows for the Year Ended 31 January 2022

		2022	(As restated) 2021
	Note	£	£
<b>Cash flows from operating activities</b>			
Profit for the year		1,635,403	2,886,552
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>6</u>	19,082	66,408
(Profit)/loss on disposal of tangible assets	<u>5</u>	(1,600,006)	9,864
Profit from disposals of investments	<u>5</u>	-	(2,417,955)
Finance income	<u>8</u>	(51,523)	(2,379)
Finance costs	<u>9</u>	57,202	117,335
Income tax expense	<u>13</u>	63,109	19,263
		123,267	679,088
Working capital adjustments			
Decrease/(increase) in stocks	<u>17</u>	818,848	(481,522)
Increase in trade debtors	<u>18</u>	(673,830)	(2,592,987)
(Decrease)/increase in trade creditors	<u>20</u>	(888,080)	1,128,940
Increase/(decrease) in long term creditors		-	(610,279)
Cash generated from operations		(619,795)	(1,876,760)
Income taxes paid	<u>13</u>	(36,523)	(102,611)
Net cash flow from operating activities		(656,318)	(1,979,371)
<b>Cash flows from investing activities</b>			
Interest received		51,523	2,379
Acquisitions of tangible assets		(1,995)	(50,884)
Proceeds from sale of tangible assets		2,500,006	1,273,482
Proceeds from sale of investment properties		-	570,000
Proceeds from sale of subsidiaries		-	2,301,793
Net assets of subsidiaries at date of disposal		-	284,620
Net cash flows from investing activities		2,549,534	4,381,390
<b>Cash flows from financing activities</b>			
Interest paid	<u>9</u>	(57,202)	(117,335)
Movement on bank borrowings		-	(319,718)
Repayment of other borrowing		(170,000)	-
Payments to finance lease creditors		-	(29,718)
Dividends paid		(48,332)	(1,111,121)
Net cash flows from financing activities		(275,534)	(1,577,892)

The notes on pages 20 to 39 form an integral part of these financial statements.

# R.N.Smith Holdings Limited

## Consolidated Statement of Cash Flows for the Year Ended 31 January 2022

		2022	(As restated) 2021
	Note	£	£
Net increase in cash and cash equivalents		1,617,682	824,127
Cash and cash equivalents at 1 February		<u>1,154,547</u>	<u>330,420</u>
Cash and cash equivalents at 31 January		<u><u>2,772,229</u></u>	<u><u>1,154,547</u></u>

# R.N.Smith Holdings Limited

## Statement of Cash Flows for the Year Ended 31 January 2022

		2022	(As restated) 2021
	Note	£	£
<b>Cash flows from operating activities</b>			
Profit for the year		48,332	912,852
Adjustments to cash flows from non-cash items			
Profit from disposals of investments	<u>5</u>	-	(570,000)
Finance income		(48,332)	(342,852)
		-	-
Working capital adjustments			
Increase in trade debtors	<u>18</u>	-	(108,507)
Increase in trade creditors	<u>20</u>	-	306,776
Net cash flow from operating activities		-	198,269
<b>Cash flows from investing activities</b>			
Interest received		48,332	342,852
Proceeds from sale of subsidiaries		-	570,000
Net cash flows from investing activities		48,332	912,852
<b>Cash flows from financing activities</b>			
Dividends paid		(48,332)	(1,111,121)
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at 1 February		-	-
Cash and cash equivalents at 31 January		-	-

## **R.N.Smith Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2022**

#### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Ground Floor, Seneca House  
Links Point, Amy Johnson Way  
Blackpool  
Lancashire  
FY4 2FF  
England

These financial statements were authorised for issue by the Board on 25 August 2022.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

## **R.N.Smith Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2022**

#### **Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 January 2022.

No Profit and Loss Account is presented for the company as permitted by section 408 of the Companies Act 2006. The company made a profit after tax for the financial year of £48,332 (2021 - profit of £912,852).

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

Management has considered the consequences of Covid-19 along with other events and conditions and have determined that Covid-19 does not create a material uncertainty that casts significant doubt upon the group's ability to continue as a going concern.

## R.N.Smith Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 January 2022

#### Prior period errors

The reserves at the balance sheet date for R.N.Smith Holdings Limited were amended due to a prior year adjustment. The adjustment has been made to amend proceeds on the disposal of Rayrigg Motors Limited to reflect the market value at disposal and to introduce dividends payable to the parent company, Rayrigg Limited.

	Relating to the current period disclosed in these financial statements £	Relating to the prior period disclosed in these financial statements £	Relating to periods before the prior period disclosed in these financial statements £
Profit/(loss) after tax	-	569,900	-
Dividends paid	-	569,900	-

#### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the group's activities.

#### Government grants

Government grants include amounts that became receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the group with no future related cost and are recognised in income in the period in which they became receivable.

#### Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.



## **R.N.Smith Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2022**

#### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold land and buildings	No depreciation provided
Plant and machinery	20% straight line
Motor vehicles	25% reducing balance
Improvements to property	Over the term of the lease

The directors believe that the policy of not providing depreciation on freehold property is necessary in order for the financial statements to give a true and fair view. The directors confirm that buildings are maintained to high standards of condition and the fair value is not significantly impaired by the passage of time. Consequently, any element of depreciation is not considered to be material. The directors review the market values with sufficient regularity to enable them to identify any material diminution in value, should that occur.

#### **Investment property**

Investment property is initially recognised at cost which includes purchase cost and any directly attributable expenditure. Investment property is subsequently carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### **Business combinations**

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### **Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

## **R.N.Smith Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2022**

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life. Goodwill has been fully amortised.

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	10 year straight line

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life. Goodwill has been fully amortised.

#### **Investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for vehicles sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Included in stock are items consigned and owned by the entity but manufactured and held elsewhere. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

## R.N.Smith Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 January 2022

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### Dividends

Dividend distribution to the group's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2022 £	2021 £
Motor trade	19,517,819	16,223,505
Childrens services	-	3,708,400
	<u>19,517,819</u>	<u>19,931,905</u>

## R.N.Smith Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 January 2022

#### 4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2022	2021
	£	£
Government grants	84,594	319,638
Rental income	25,200	60,473
	<u>109,794</u>	<u>380,111</u>

#### 5 Other gains and losses

The analysis of the group's other gains and losses for the year is as follows:

	2022	(As restated) 2021
	£	£
Gain/(loss) on disposal of property, plant and equipment	1,600,006	(9,864)
Gain from disposals of investments	-	2,417,955
	<u>1,600,006</u>	<u>2,408,091</u>

#### 6 Operating profit

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	19,082	66,408
(Profit)/loss on disposal of property, plant and equipment	<u>(1,600,006)</u>	<u>9,864</u>

#### 7 Government grants

Included within other operating income are government grants receivable. The group received grants in the form of the Coronavirus Job Retention Scheme (CJRS) and the Local Restriction Support Grant (LRSG). Government grants have been recognised on an accruals basis.

The amount of grants recognised in the financial statements was £84,594 (2021 - £319,638).

#### 8 Other interest receivable and similar income

	2022	2021
	£	£
Other finance income	<u>51,523</u>	<u>2,379</u>

# R.N.Smith Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 January 2022

### 9 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts and borrowings	3,527	5,443
Interest on obligations under finance leases and hire purchase contracts	-	1,512
Interest expense on other finance liabilities	53,675	110,380
	<u>57,202</u>	<u>117,335</u>

### 10 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2022	2021
	£	£
Wages and salaries	779,599	3,192,477
Social security costs	75,752	83,727
Other short-term employee benefits	29,788	17,259
Pension costs, defined contribution scheme	212,094	23,732
Redundancy costs	47,263	10,789
Other employee expense	15,285	65,071
	<u>1,159,781</u>	<u>3,393,055</u>

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2022	2021
	No.	No.
Service	11	12
Administration and support	8	14
Teachers	-	15
Carers	-	57
Sales	13	13
Other departments	6	23
	<u>38</u>	<u>134</u>

### 11 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022	2021
	£	£
Remuneration	<u>21,416</u>	<u>28,817</u>

# R.N.Smith Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 January 2022

### 12 Auditors' remuneration

	2022 £	2021 £
Audit of these financial statements	19,839	23,217

The entity entered into a liability limitation agreement with the auditor on 25 May 2021. The liability of the auditor in respect of any claim or claims made by the company is limited to £4,000,000 inclusive of interest and costs.

### 13 Taxation

Tax charged/(credited) in the income statement

	2022 £	2021 £
<b>Current taxation</b>		
UK corporation tax	64,900	36,523
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	(1,791)	(17,260)
Tax expense in the income statement	63,109	19,263

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2021 - the same as the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £	(As restated) 2021 £
Profit before tax	1,698,512	2,905,815
Corporation tax at standard rate	322,717	552,105
Effect of revenues exempt from taxation	-	(108,281)
Effect of expense not deductible in determining taxable profit (tax loss)	(260,387)	(336,315)
Decrease in UK and foreign current tax from unrecognised tax loss or credit	-	(73,924)
Tax increase from effect of capital allowances and depreciation	2,571	2,938
Tax decrease from other short-term timing differences	(1,792)	(17,260)
Total tax charge	63,109	19,263

# R.N.Smith Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 January 2022

### Deferred tax

#### Group

Deferred tax assets and liabilities

	Liability £
<b>2022</b>	
Accelerated tax depreciation	4,240
<b>2021</b>	Liability £
Accelerated tax depreciation	6,032

### 14 Intangible assets

#### Group

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 February 2021	(31,938)	(31,938)
At 31 January 2022	(31,938)	(31,938)
<b>Amortisation</b>		
At 1 February 2021	(31,938)	(31,938)
At 31 January 2022	(31,938)	(31,938)
<b>Carrying amount</b>		
At 31 January 2022	-	-
At 31 January 2021	-	-

# R.N.Smith Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 January 2022

### 15 Tangible assets

#### Group

	Land and buildings £	Furniture, fittings and equipment £	Total £
<b>Cost or valuation</b>			
At 1 February 2021	1,428,767	289,152	1,717,919
Additions	-	1,995	1,995
Disposals	(900,000)	-	(900,000)
At 31 January 2022	528,767	291,147	819,914
<b>Depreciation</b>			
At 1 February 2021	18,989	267,291	286,280
Charge for the year	6,642	12,441	19,083
At 31 January 2022	25,631	279,732	305,363
<b>Carrying amount</b>			
At 31 January 2022	503,136	11,415	514,551
At 31 January 2021	1,409,778	21,861	1,431,639

Included within the net book value of land and buildings above is £450,000 (2021 - £1,350,000) in respect of freehold land and buildings and £53,136 (2021 - £59,778) in respect of short leasehold land and buildings.



# R.N.Smith Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 January 2022

### 16 Investments

#### Company

	2022 £	2021 £
Investments in subsidiaries	1,000	1,000
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 February 2021		5,800
At 31 January 2022		5,800
<b>Provision</b>		
At 1 February 2021		4,800
At 31 January 2022		4,800
<b>Carrying amount</b>		
At 31 January 2022		1,000
At 31 January 2021		1,000

#### Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
<b>Subsidiary undertakings</b>				
R.Smith(Windermere) Limited	Ground Floor, Seneca House Links Point, Amy Johnson Way Blackpool England FY4 2FF England and Wales	Ordinary	100%	100%
Rayrigg Motor Group Limited	Ground Floor, Seneca House Links Point, Amy Johnson Way Blackpool England FY4 2FF England and Wales	Ordinary	100%	100%

# R.N.Smith Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 January 2022

### 17 Stocks

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Parts and accessories	30,405	45,759	-	-
Work in progress	147,189	-	-	-
New and used cars	1,226,855	2,177,538	-	-
	<u>1,404,449</u>	<u>2,223,297</u>	<u>-</u>	<u>-</u>

### 18 Debtors

		Group		Company	
		2022	2021	2022	2021
	Note	£	£	£	£
Trade debtors		92,874	90,109	-	-
Amounts owed by related parties	<u>27</u>	-	-	320,776	320,776
Other debtors		3,895,822	3,162,030	-	-
Prepayments		35,676	98,403	-	-
		<u>4,024,372</u>	<u>3,350,542</u>	<u>320,776</u>	<u>320,776</u>

### 19 Cash and cash equivalents

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Cash on hand	110	50	-	-
Cash at bank	2,772,119	1,154,497	-	-
	<u>2,772,229</u>	<u>1,154,547</u>	<u>-</u>	<u>-</u>

## R.N.Smith Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 January 2022

#### 20 Creditors

	Note	Group		Company	
		2022	(As restated) 2021	2022	(As restated) 2021
		£	£	£	£
<b>Due within one year</b>					
Loans and borrowings	<u>24</u>	-	170,000	-	-
Trade creditors		389,378	428,290	-	-
Amounts due to related parties	<u>27</u>	633,366	962,286	306,776	306,776
Social security and other taxes		190,149	136,820	-	-
Outstanding defined contribution pension costs		2,891	3,973	-	-
Other payables		1,716,170	2,526,677	-	-
Accruals		336,591	98,579	-	-
Income tax liability	<u>13</u>	64,919	36,542	-	-
		<u>3,333,464</u>	<u>4,363,167</u>	<u>306,776</u>	<u>306,776</u>

HSBC Bank PLC has a charge with R.Smith(Windermere) Limited and R.N.Smith Holdings Limited over the freehold property, Rayrigg Motors, Rayrigg Road, Bowness on Windermere. The charge is secured by way of fixed and floating charges over all the property or undertaking of the company.

The charge was satisfied on 2 March 2022.

#### 21 Provisions for liabilities

##### Group

	Deferred tax £	Total £
At 1 February 2021	6,032	6,032
Increase (decrease) in existing provisions	(1,792)	(1,792)
At 31 January 2022	<u>4,240</u>	<u>4,240</u>

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £212,094 (2021 - £23,732).

Contributions totalling £2,891 (2021 - £3,973) were payable to the scheme at the end of the year and are included in creditors.

# R.N.Smith Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 January 2022

### 23 Share capital

#### Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary Type 1 shares of £0.50 each	12,000	6,000	12,000	6,000
Ordinary Type 2 shares of £0.50 each	12,000	6,000	12,000	6,000
Ordinary A Type 1 shares of £0.50 each	375	188	375	188
Ordinary A Type 2 shares of £0.50 each	375	188	375	188
Ordinary B Type 1 shares of £0.50 each	375	188	375	188
Ordinary B Type 2 shares of £0.50 each	375	188	375	188
Ordinary C Type 1 shares of £0.50 each	375	188	375	188
Ordinary C Type 2 shares of £0.50 each	375	188	375	188
Ordinary D Type 1 shares of £0.50 each	375	188	375	188
Ordinary D Type 2 shares of £0.50 each	375	188	375	188
Ordinary E Type 1 shares of £0.50 each	375	188	375	188
Ordinary E Type 2 shares of £0.50 each	375	188	375	188
Ordinary F Type 1 shares of £0.50 each	375	188	375	188
Ordinary F Type 2 shares of £0.50 each	375	188	375	188
Ordinary G Type 1 shares of £0.50 each	375	188	375	188
Ordinary G Type 2 shares of £0.50 each	375	188	375	188
Ordinary H Type 1 shares of £0.50 each	375	188	375	188
Ordinary H Type 2 shares of £0.50 each	375	188	375	188
	30,000	15,000	30,000	15,000

# R.N.Smith Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 January 2022

### 24 Loans and borrowings

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<b>Current loans and borrowings</b>				
Other borrowings	-	170,000	-	-

#### Group

#### Other borrowings

Debentures held by Hyundai Capital UK Limited have been satisfied during the year. The carrying amount at the year end is £nil (2021 - £170,000).

### 25 Obligations under leases and hire purchase contracts

#### Group

#### Operating leases

The total of future minimum lease payments is as follows:

	2022	2021
	£	£
Not later than one year	77,274	77,274
Later than one year and not later than five years	141,634	154,548
	<u>218,908</u>	<u>231,822</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £77,274 (2021 - £77,274).

## R.N.Smith Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 January 2022

#### 26 Dividends

##### Interim dividends paid

	2022 £	2021 £
Interim dividend of 2 (2021 - 73) per each Ordinary Type 1	48,332	876,776
Interim dividend of Nil (2021 - 39) per each Ordinary A Type 1	-	14,444
Interim dividend of Nil (2021 - 130) per each Ordinary B Type 1	-	48,587
Interim dividend of Nil (2021 - 149) per each Ordinary C Type 1	-	55,820
Interim dividend of Nil (2021 - 114) per each Ordinary D Type 1	-	42,587
Interim dividend of Nil (2021 - 329) per each Ordinary E Type 1	-	61,908
Interim dividend of Nil (2021 - 29) per each Ordinary F Type 1	-	11,000
	<u>48,332</u>	<u>1,111,121</u>

#### 27 Related party transactions

##### Group

##### Key management compensation

	2022 £	2021 £
Salaries and other short term employee benefits	<u>69,791</u>	<u>148,241</u>

##### Other transactions with directors

There have been transactions with directors during the year. Interest totalling £20,366 has been charged to R.Smith(Windermere) Limited on loans that are payable to its directors. During the year the directors advanced £548,332 and R.Smith(Windermere) Limited repaid £697,300 on these loans. Loans totalling £13,545 relate to individuals who are no longer directors and these amounts are not included in the closing balance. At the year end 31 January 2022 the amount owed by R.Smith(Windermere) Limited to its directors was £513,364 (2021: £655,511). The loans are unsecured and repayable on demand.

There are other loans payable to the directors. Interest totalling £9,760 has been charged to R.Smith(Windermere) Limited. During the year R.Smith(Windermere) Limited repaid £19,371 on these loans. Loans totalling £4,428 relate to individuals who are no longer directors and these amounts are not included in the closing balance. At the year end 31 January 2022 the amount owed by R.Smith(Windermere) Limited on these loans was £610,000 (2021: £624,039).

The above transactions with directors have been given in an aggregated format.

## **R.N.Smith Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2022**

#### **Summary of transactions with other related parties**

##### **R.Smith(Windermere) Directors Retirement Plan**

A pension scheme of which D N Smith and R G Smith are trustees and members. During the year R.Smith(Windermere) Limited repaid £10,200. Interest of £10,200 has been charged to R.Smith(Windermere) Limited. At the year end 31 January 2022 the amount due to R.Smith(Windermere) Directors Retirement Plan was £160,000 (2021: £160,000). The loan is unsecured and repayable on demand.

##### **Meadowbank Property Developments Limited**

Meadowbank Property Developments Limited is a company in which D N Smith is a controlling shareholder. During the year the loan balance was reallocated to work in progress. No interest has been charged on this loan. At the year end 31 January 2022 the amount due to R.Smith(Windermere) Limited was £nil (2021: £73,344). The loan was unsecured and repayable on demand.

##### **White House Windermere Limited**

White House Windermere Limited is a company which is owned and controlled by G W Smith and D N Smith is a director. During the year R.Smith(Windermere) Limited advanced £1,090,347 to White House Windermere Limited, who repaid £118,548. Interest of £44,431 has been charged to White House Windermere Limited. At the year end 31 January 2022 the amount due to R.Smith(Windermere) Limited was £1,952,736 (2021: £936,506). The loan is unsecured and repayable on demand.

##### **Lake District Vehicle Sales Limited**

Lake District Vehicle Sales Limited is a company which is controlled and jointly owned by G W Smith. During the year R.Smith(Windermere) Limited advanced £31,000 to Lake District Vehicle Sales Limited. No interest has been charged on this loan. At the year end 31 January 2022 the amount due to R.Smith(Windermere) Limited was £131,000 (2021: £100,000). The loan is unsecured and repayable on demand.

##### **Bordriggs Farm (Windermere) Limited**

Bordriggs Farm (Windermere) Limited is a company which is controlled and jointly owned by D N Smith, C H Smith, and G W Smith. During the year R.Smith(Windermere) Limited advanced £2,126,220 to Bordriggs Farm (Windermere) Limited, who repaid £1,336,655. No interest has been charged on this loan. At the year end 31 January 2022 the amount due to R.Smith(Windermere) Limited was £789,565 (2021: £nil). The loan is unsecured and repayable on demand.

## **R.N.Smith Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2022**

#### **Oldfield Properties (Windermere) Limited**

Oldfield Properties (Windermere) Limited is a company which is controlled and jointly owned by D N Smith, C H Smith, and G W Smith. During the year R.Smith(Windermere) Limited advanced £352,925 to Oldfield Properties (Windermere) Limited, who repaid £221,139. No interest has been charged on this loan. At the year end 31 January 2022 the amount due to R.Smith(Windermere) Limited was £131,786 (2021: £nil). The loan is unsecured and repayable on demand.

#### **Craig Walk Properties Limited**

Craig Walk Properties Limited is a company which is controlled and jointly owned by D N Smith, and G W Smith. During the year R.Smith(Windermere) Limited advanced £445,957 to Craig Walk Properties Limited, who repaid £120,000. No interest has been charged on this loan. At the year end 31 January 2022 the amount due to R.Smith(Windermere) Limited was £325,957 (2021: £nil). The loan is unsecured and repayable on demand.

#### **Bellman Properties Windermere Limited**

Bellman Properties Windermere Limited is a company which is controlled and owned by G W Smith. During the year R.Smith(Windermere) Limited advanced £318,211 to Bellman Properties Windermere Limited, who repaid £80,000. No interest has been charged on this loan. At the year end 31 January 2022 the amount due to R.Smith(Windermere) Limited was £238,211 (2021: £nil). The loan is unsecured and repayable on demand.

#### **C Smith Properties Limited**

C Smith Properties Limited is a company which is controlled and owned by C H Smith. During the year R.Smith(Windermere) Limited advanced £527,191 to C Smith Properties Limited, who repaid £207,715. Interest of £7,092 has been charged to C Smith Properties Limited. At the year end 31 January 2022 the amount due to R.Smith(Windermere) Limited was £326,568 (2021: £nil). The loan is unsecured and repayable on demand.

#### **Fairway (Golf Shops) Limited**

Fairway (Golf Shops) Limited is a company in which D N Smith is a controlling shareholder and director. During the year the loan was repaid in full. No interest was charged during the year. At the year end 31 January 2022, the amount due from Fairway (Golf Shops) Limited was £nil (2021: 45,618). The loan was unsecured and repayable on demand.

#### **Function 18 Ltd**

Function 18 Ltd is a company which is jointly owned and controlled by D N Smith. During the year the loan was repaid in full. No interest has been charged on this loan. At the year end 31 January 2022 the amount due to Function 18 Ltd was £nil (2021: £48,735). The loan was unsecured and repayable on demand.



## **R.N.Smith Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 January 2022**

#### **28 Parent and ultimate parent undertaking**

The company's immediate parent and ultimate controlling party is Rayrigg Limited, incorporated in England and Wales. The parent of the largest and smallest group in which these financial statements are consolidated is Rayrigg Limited, incorporated in England and Wales. The address of Rayrigg Limited is:  
Ground Floor, Seneca House  
Links Point, Amy Johnson Way  
Blackpool  
England  
FY42FF

#### **29 Non adjusting events after the financial period**

At the date of signing of the balance sheet the trade and assets of R.Smith(Windermere) Limited were sold for cost plus additional consideration of £250,000. R.Smith(Windermere) Limited has ceased to trade as a garage proprietor and the principal activity of the company is now that of a commercial property developer.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.