REGISTERED NUMBER: 00386921 (England and Wales)

Amended

ABBREVIATED AUDITED ACCOUNTS

FOR THE YEAR ENDED 28 FEBRUARY 2011

FOR

R E KNOWLES LIMITED

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R E KNOWLES LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 28 FEBRUARY 2011

DIRECTORS:	F E Smith Junior F E Smith
SECRETARY:	F E Smith Junior
REGISTERED OFFICE:	Furness Vale Industrial Estate Furness Vale Stockport Cheshire SK23 7PJ
REGISTERED NUMBER:	00386921 (England and Wales)
AUDITORS:	Wynniatt-Husey Ltd Chartered Accountants and Statutory Auditor The Old Coach House Horsefair Rugeley Staffordshire WS15 2EL

REPORT OF THE INDEPENDENT AUDITORS TO R E KNOWLES LIMITED UNDER SECTION 449 OF THE COPANIES ACT 2006

We have examined the abbreviated accounts set out on pages five to eight, together with the full financial statements of R E Knowles Limited for the year ended 28 February 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006 Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006 It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section

Other information

On 3 May 2012 we reported as auditors to the shareholders of the company on the full financial statements for the year ended 28 February 2011 prepared under Section 396 of the Companies Act 2006

"We have audited the financial statements of R E Knowles Limited for the year ended 28 February 2011 on pages one to eleven The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice application to Smaller Entities)

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 page two, 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 Practice's Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note thirteen to the financial statements

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 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

Basis for disclaimer of opinion on financial statements

In seeking to form an opinion on the financial statements we considered the implications of the significant uncertainties disclosed in the financial statements concerning the following matters

1) Stock Values

   We were present at the stock take on 28 February 2011 and can confirm the quantities recorded were correct However, due to lack of supporting documentation on how the value of the stock has been calculated we are unable to express an opinion of the stock value of £43,329

2) Investment Properties

   In our opinion all the buildings except those used by R E Knowles Limited technically fall within the UK GAAP definition of Investment Properties (SSAP 19) This means the properties should be presented in the accounts at their current market value in accordance with paragraph 6 51 of Financial Reporting Standard for Smaller Entities No such valuation has been done This would be a change in accounting policy

3) Third party Verifications

   During the audit we were unable to obtain a third party verification of the balances held on the Barclays premium account (£657,100) or one of the Leek United building society accounts (£386,780). However, other audit tests indicate that there is nothing to suggest these figures are not accurate

Disclaimer of Opinion on financial statements

Because of the probable impact of the above paragraph we are unable to form an opinion on whether the financial statements give a true and fair view of the company's affairs at 28 February 2011 and of its profit for the year then ended

Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our disclaimer of an opinion on the financial statements in our opinion the information given in the Report of Directors for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters of which we are required to report by exception

Arising from the limitation of our work referred to above

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit

- we were unable to determine whether adequate accounting records have been kept

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

- the financial statements are not in agreement with the accounting reports and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- the directors were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small companies' exemption in preparing the Report of the Directors

Reginald Wynniatt-Husey (Senior Statutory Auditor)
For and on behalf of Wynniatt-Husey Ltd
Chartered Accountants
And Statutory Auditor
The Old Coach House
Horse Fair
Rugeley
Staffordshire
WS15 2EL

Date 3 May 2012

R E KNOWLES LIMITED

ABBREVIATED BALANCE SHEET
28 FEBRUARY 2011

28 2 10 £	£		Notes	28 2 11 £	£
		FIXED ASSETS			
	453,140	Tangible assets	2		447,935
	225	Investments	3		197,911
	453,365				645,846
		CURRENT ASSETS			
37,158		Stocks		43,329	
371,639		Debtors	4	279,550	
1,359,752		Cash at bank and in hand		1,460,088	
1,768,549				1,782,967	
		CREDITORS			
98,183		Amounts falling due within one year		131,572	
	1,670,366	**NET CURRENT ASSETS**			1,651,395
	2,123,731	**TOTAL ASSETS LESS CURRENT LIABILITIES**			2,297,241
	138	**PROVISIONS FOR LIABILITIES**			990
	2,123,593	**NET ASSETS**			2,296,251
		CAPITAL AND RESERVES			
	16,000	Called up share capital	5		16,000
	2,107,593	Profit and loss account			2,280,251
	2,123,593	**SHAREHOLDERS' FUNDS**			2,296,251

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 2 April 2012 and were signed on its behalf by

F E Smith - Director

The notes form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 2011

1 ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Land	- No depreciation is charged on land
Buildings	- 4% on reducing balance
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Computer equipment	- 20% on reducing balance

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

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Land is now excluded from the deferred tax calculation

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

Fixed asset investments
Investments held as fixed assets are stated at cost less any provisions for impairment Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable Impairments are calculated such that the carrying value of the fixed asset investment is the lower of its cost or recoverable amount Recoverable amount is the higher of its net realisable value and its value-in-use

Deferred income
Deferred Income represents revenues collected but not earned as of 28 February This is primarily composed of revenue for rental income When it is earned it is then credited to the profit & loss account

continued

2 TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 March 2010	969,836
Additions	803
At 28 February 2011	970,639
DEPRECIATION	
At 1 March 2010	516,696
Charge for year	6,008
At 28 February 2011	522,704
NET BOOK VALUE	
At 28 February 2011	447,935
At 28 February 2010	453,140

3 FIXED ASSET INVESTMENTS

	Investments other than loans £
COST	
At 1 March 2010	225
Additions	197,911
Disposals	(225)
At 28 February 2011	197,911
NET BOOK VALUE	
At 28 February 2011	197,911
At 28 February 2010	225

4 DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

The aggregate total of debtors falling due after more than one year is £128,258 (28 2 10 - £243,304)

5 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Number	Class	Nominal value	28 2 11 £	28 2 10 £
16,000	Ordinary	£1	16,000	16,000

continued

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2011

6 TRANSACTIONS WITH DIRECTORS

The following loan to directors subsisted during the years ended 28 February 2011 and 28 February 2010

	28 2 11 £	28 2 10 £
F E Smith		
Balance outstanding at start of year	4,885	-
Amounts advanced	-	4,885
Amounts repaid	-	-
Balance outstanding at end of year	4,885	4,885

Mr Fred Smith Jnr received dividends of £5,110 Mr Fred Smith received dividends of £1 40

7 CONTINGENT ASSET

There is a potential claim for compensation from the estate of a former director for a sum exceeding £75,000