

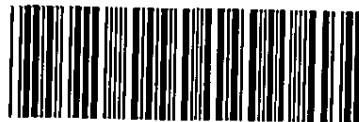
Registered number
04438845

Smith Global Limited
(formerly Spy Publishing Limited)

Report and Accounts

31 December 2012

FRIDAY



A34LQISQ

A18

28/03/2014

#230

COMPANIES HOUSE

Smith Global Limited
(formerly Spy Publishing Limited)
Report and accounts
Contents

	Page
Company information	1
Directors' report	2 - 4
Independent auditors' report	5 - 6
Consolidated profit and loss account	7
Company profit and loss account	8
Statement of total recognised gains and losses	9
Consolidated balance sheet	10
Company balance sheet	11
Consolidated cash flow statement	12
Notes to the accounts	13 - 24
The following do not form part of the statutory accounts	
Detailed consolidated profit and loss account	25
Schedule to the detailed consolidated profit and loss account	26 - 27

Smith Global Limited
(formerly Spy Publishing Limited)
Company Information

Directors

J A C Lohan

T Lohan

E Orr

A Grahame - resigned 24 April 2012

S Westcott

S J Balcombe - appointed 31 July 2013

M C Witt - appointed 7 November 2013

Secretary

N S Shafi

Auditors

White Hart Associates (London) Limited

East House

109 South Worple Way

London

SW14 8TN

Bankers

Barclays Bank Plc

153 Chiswick High Road

Chiswick

London

W4 2EA

Registered office

East House

109 South Worple Way

London

SW14 8TN

Registered number

04438845

Smith Global Limited
(formerly Spy Publishing Limited)
Registered number: 04438845
Directors' Report

The directors present their report and accounts for the year ended 31 December 2012

Principal activities and change of name

The group's principal activity during the year continued to be the publishing of hotel information and acting as a booking agent for hotels

The company changed its name by resolution to Smith Global Limited from Spy Publishing Limited on 1 August 2013

Review of the business

The company continued to increase the number of hotels published on its website to 857 by the end of the year and launched the beta version of a new website, www.smithandfamily.co.uk. It acted as an agent on approximately 54,000 bookings and the company's revenues grew by 25.76%

The key performance indicators used by the directors to monitor the progress of the group are set out below -

	2012 £	2011 £
Total transaction value (TTV)	27,928,812	21,486,782
Turnover	5,863,989	4,662,670
Turnover as a percentage of TTV	21.00%	21.70%
Loss on ordinary activities	(1,359,586)	(1,173,275)
Loss on ordinary activities as a percentage of turnover	(23.18%)	(25.16%)

It was also identified during the year that an adjustment was required in respect of previous years for expenditure effectively understated due to exchange rate differences, bank and card charges and other related costs not accounted for. A prior year adjustment has therefore been made to the comparative figures for the year ended 31 December 2011. Details of this adjustment are included in the notes to the accounts on page 13.

The directors consider the results to be satisfactory given the growth of the company, the exceptional nature of some of the factors the company has faced during the period and the general economic climate in which the company has and continues to operate.

Research and development

The group continually researches new hotels to publish information on and continuously develops its proprietary booking technology to act as an agent for hotels.

Principal risks and uncertainties

The group operates in a highly competitive market featuring innovation in the travel products and the methods by which these are marketed, as well as price pressures. To reduce this risk, the group monitors competitor activity closely.

Future developments

As at the year-end, the company was working on securing a major commercial partnership with British Airways Holidays, which launched in 2013.

Smith Global Limited
(formerly Spy Publishing Limited)
Registered number. 04438845
Directors' Report

Financial instrument risk

In the year ended 31 December 2012, Smith Bonds Plc, one of the company's wholly owned subsidiaries, issued £1,867,000 of four year unsecured bonds paying an annual interest of 7.5% in cash or 9.5% in Smith loyalty money

Dividends

The directors do not recommend a final dividend

Events since the balance sheet date

In 2013, Smith Bonds Plc, one of the company's wholly owned subsidiaries, issued a further £431,000 of four year unsecured bonds paying an annual interest of 7.5% in cash or 9.5% in Smith loyalty money

Directors

The following persons served as directors during the year

J A C Lohan
T Lohan
E Orr
A Grahame - resigned 24 April 2012
S Westcott

In addition, after the year-end, S J Balcombe was appointed as a director on 31 July 2013 and M C Witt was appointed as a director on 7 November 2013

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to

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

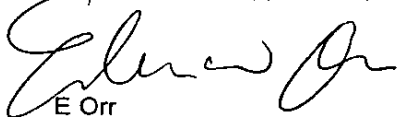
Smith Global Limited
(formerly Spy Publishing Limited)
Registered number: 04438845
Directors' Report

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he 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 company's auditor is aware of that information

This report was approved by the board on 27 March 2014 and signed on its behalf



E Orr
Director

Smith Global Limited
(formerly Spy Publishing Limited)
Independent auditors' report
to the shareholders of Smith Global Limited

We have audited the consolidated accounts of Smith Global Limited for the year ended 31 December 2012 which comprise the Consolidated Profit and Loss Account, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes. 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 an 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 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, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Basis for qualified opinion

The group and company were not subject to an audit for the comparative period ended 31 December 2011 and we were initially appointed as auditors after the end of the year ended 31 December 2012. Owing to the nature of the company's records, we have been unable to satisfy ourselves as to the accuracy of certain opening balances, specifically income received in advance and physical inventories, having not observed their physical counting as of 31 December 2012. Additionally, a prior year adjustment has been included within the comparative figures for the year ended 31 December 2011 in respect of expenditure effectively understated in prior years due to exchange rate differences, bank and credit card charges and other related costs not accounted for.

Qualified opinion on the accounts

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the specific opening balances and the exact analysis and breakdown of the prior year adjustment, the accounts

- give a true and fair view of the state of the group's and company's affairs as at 31 December 2012 and of its loss 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 matters prescribed by the Companies Act 2006

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

**Smith Global Limited
(formerly Spy Publishing Limited)
Independent auditors' report
to the shareholders of Smith Global Limited**

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, or returns adequate for our audit have not been received from branches not visited by us, or
- the accounts 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



M S Caldicott ACA FCCA CTA
(Senior Statutory Auditor)
for and on behalf of
White Hart Associates (London) Limited
Chartered Accountants and Statutory Auditors
27 March 2014

East House
109 South Worple Way
London
SW14 8TN

Smith Global Limited
(formerly Spy Publishing Limited)
Profit and Loss Account
for the year ended 31 December 2012

Consolidated	Notes	2012 £	2011 £
Total transaction value (TTV)	2	<u>27,928,812</u>	<u>21,486,782</u>
Turnover	2	5,863,989	4,662,670
Cost of sales		(1,007,097)	(675,164)
Gross profit		<u>4,856,892</u>	<u>3,987,506</u>
Distribution costs		(996,794)	(504,954)
Administrative expenses		(5,185,810)	(4,604,699)
Other operating income		76,691	6,751
Operating loss	4	<u>(1,249,021)</u>	<u>(1,115,396)</u>
Interest receivable		1,047	-
Interest payable	7	(111,612)	(57,879)
Loss on ordinary activities before taxation		<u>(1,359,586)</u>	<u>(1,173,275)</u>
Tax on loss on ordinary activities	8	28,850	-
Loss for the financial year		<u>(1,330,736)</u>	<u>(1,173,275)</u>

Continuing operations

None of the group's activities were acquired or discontinued during the above two financial years

Smith Global Limited
(formerly Spy Publishing Limited)
Profit and Loss Account
for the year ended 31 December 2012

Company	Notes	2012 £	2011 £
Turnover	2	5,262,706	4,362,364
Cost of sales		(978,954)	(659,815)
Gross profit		<u>4,283,752</u>	<u>3,702,549</u>
Distribution costs		(955,041)	(559,810)
Administrative expenses		(3,327,962)	(3,185,028)
Other operating income		-	6,751
Operating profit/(loss)		<u>749</u>	<u>(35,538)</u>
Interest receivable		888	-
Interest payable	9	(109,828)	(54,468)
Loss on ordinary activities before taxation		<u>(108,191)</u>	<u>(90,006)</u>
Tax on loss on ordinary activities		28,850	-
Loss for the financial year		<u>(79,341)</u>	<u>(90,006)</u>

Continuing operations

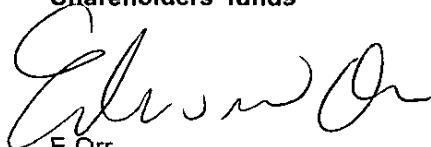
None of the group's activities were acquired or discontinued during the above two financial years

Smith Global Limited
(formerly Spy Publishing Limited)
Statement of total recognised gains and losses
for the year ended 31 December 2012

	Notes	2012	2011 £
Loss for the financial year		(1,330,736)	(1,173,275)
Total recognised gains and losses related to the year		<u>(1,330,736)</u>	<u>(1,173,275)</u>
Prior year adjustments	1	(433,116)	
Total recognised gains and losses since last accounts		<u>(1,763,852)</u>	

Smith Global Limited
(formerly Spy Publishing Limited)
Balance Sheet
as at 31 December 2012

Consolidated	Notes	2012 £	2011 £
Fixed assets			
Intangible assets	9	1,086	3,094
Tangible assets	10	<u>855,433</u>	<u>709,729</u>
		856,519	712,823
Current assets			
Stocks	12	179,747	245,514
Debtors	13	1,876,845	1,157,946
Cash at bank and in hand		<u>240,877</u>	<u>27,341</u>
		2,297,469	1,430,801
Creditors: amounts falling due within one year	14	(3,525,193)	(3,055,305)
Net current liabilities		<u>(1,227,724)</u>	<u>(1,624,504)</u>
Total assets less current liabilities		<u>(371,205)</u>	<u>(911,681)</u>
Creditors, amounts falling due after more than one year	15	(1,867,000)	-
Net liabilities		<u>(2,238,205)</u>	<u>(911,681)</u>
Capital and reserves			
Called up share capital	16	142,763	138,551
Share premium	17	4,746,541	4,746,541
Profit and loss account	18	(7,127,509)	(5,796,773)
Shareholders' funds	19	<u>(2,238,205)</u>	<u>(911,681)</u>



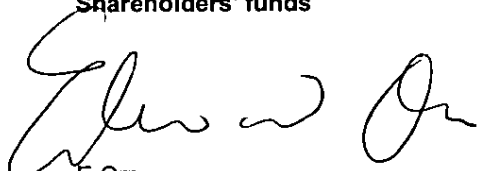
E Orr

Director

Approved by the board on 27 March 2014

Smith Global Limited
(formerly Spy Publishing Limited)
Balance Sheet
as at 31 December 2012

Company	Notes	2012	2011
		£	£
Fixed assets			
Tangible assets	10	770,353	632,971
Investments	11	13,488	988
		<u>783,841</u>	<u>633,959</u>
Current assets			
Stocks	12	179,747	245,514
Debtors	13	4,803,709	3,038,556
Cash at bank and in hand		144,303	23,784
		<u>5,127,759</u>	<u>3,307,854</u>
Creditors, amounts falling due within one year	14	(4,959,558)	(2,914,642)
Net current assets		<u>168,201</u>	<u>393,212</u>
Net assets		<u>952,042</u>	<u>1,027,171</u>
Capital and reserves			
Called up share capital	16	142,763	138,551
Share premium	17	4,746,541	4,746,541
Profit and loss account	18	(3,937,262)	(3,857,921)
Shareholders' funds	19	<u>952,042</u>	<u>1,027,171</u>



E Orr

Director

Approved by the board on 27 March 2014

Smith Global Limited
(formerly Spy Publishing Limited)
Consolidated Cash Flow Statement
for the year ended 31 December 2012

	Notes	2012 £	2011 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating loss		(1,249,021)	(1,115,396)
Depreciation and amortisation		261,649	210,818
Decrease/(increase) in stocks		65,767	(52,895)
Increase in debtors		(718,899)	(247,032)
Increase in creditors		509,526	1,073,831
Net cash outflow from operating activities		(1,130,978)	(130,674)
CASH FLOW STATEMENT			
Net cash outflow from operating activities		(1,130,978)	(130,674)
Returns on investments and servicing of finance	20	(110,565)	(57,879)
Taxation		28,850	-
Capital expenditure	20	(405,345)	(335,029)
		(1,618,038)	(523,582)
Financing	20	1,871,212	326,412
Increase/(decrease) in cash		253,174	(197,170)
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash in the period		253,174	(197,170)
Increase in debt and lease financing		(1,867,000)	-
Change in net debt	21	(1,613,826)	(197,170)
(Net debt)/net funds at 1 January		(12,297)	184,873
Net debt at 31 December		(1,626,123)	(12,297)

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Basis of consolidation

The consolidated profit and loss and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2012. Intra-sales, profits and inter-company balances are eliminated fully on consolidation.

Prior year adjustment

As detailed in the Directors' Report on page 2, a prior year adjustment has been made in these accounts to the comparative figures for the year ended 31 December 2011. It relates to the effective understatement of expenditure due to exchange rate differences, bank and card charges and other related costs not accounted for previously. The amount of the adjustment is £433,116 and the directors believe it relates to bookings taken over a cumulative period from the year ended 31 December 2005 up to and including the year ended 31 December 2011. However, as no breakdown of this amount by type of cost or by accounting period can be accurately ascertained, the whole sum has been included within the prior year comparatives for 2011 as follows:

- General administrative expenses have been increased by £433,116,
- Other creditors have been increased by £433,116

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold land and buildings	over the lease term
Furniture and equipment	over 4 years
Website and photos	over 5 years

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates.

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Research and development activities

The company and group has developed a sophisticated booking engine to process information from hoteliers, and a search engine to help customers find the hotels that suit their requirements. Directly attributable and ascertainable research and development costs in respect of this and other related projects have either been expensed in the profit and loss account or capitalised by the company as tangible fixed assets. The fixed assets attributable to the research and development are being depreciated over their estimated economic life of 5 years. The depreciation is being charged to the profit and loss account.

2 Turnover

Turnover represents the commission/margin earned on all hotel and associated arrangements sold, recognised on the date of stay basis, and the publishing of hotel information and invoicing of membership fees, recognised over the period they relate to, net of value added tax and discounts.

Turnover is attributable to one continuing activity.

Total transaction value (TTV) is the total gross amount receivable by the hotels in respect of booking arrangements made through the company for the year. Application Note G to FRS 5 requires the statutory turnover to be the net commission/margin earned.

Trade debtors still represent gross amounts receivable in respect of hotel arrangements and publishing and membership sales, and trade creditors still represent gross amounts payable in respect of hotel arrangements and publishing and membership purchases.

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

3 Analysis of turnover	2012	2011
	£	£
By activity		
Hotel commission, publishing and membership sales	<u>5,863,989</u>	<u>4,662,670</u>
By geographical market		
UK and Ireland	5,262,706	4,377,663
North America	188,054	80,036
Rest of world	<u>413,229</u>	<u>204,971</u>
	<u>5,863,989</u>	<u>4,662,670</u>
 4 Operating loss	 2012	 2011
	£	£
This is stated after charging		
Depreciation of owned fixed assets	259,641	208,755
Amortisation	2,008	2,063
Operating lease rentals - plant and machinery	13,599	19,518
Operating lease rentals - land buildings	194,681	214,590
Auditors' remuneration for audit services	13,240	-
Auditors' remuneration for tax advisory services	698	-
Exchange losses / (gains)	<u>119,226</u>	<u>(125,889)</u>
 5 Directors' emoluments	 2012	 2011
	£	£
Emoluments	<u>337,237</u>	<u>231,840</u>
 Highest paid director		
Emoluments	<u>119,989</u>	<u>95,840</u>

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

6 Staff costs	2012	2011
	£	£
Wages and salaries	2,893,150	2,418,024
Social security costs	335,711	270,051
	<u>3,228,861</u>	<u>2,688,075</u>
 Average number of employees during the year	 Number	 Number
Administration	23	18
Development	20	15
Marketing	9	10
Sales	37	34
	<u>89</u>	<u>77</u>
 7 Interest payable	 2012	 2011
	£	£
Bank loans and overdrafts	2,053	3,863
Other loans	109,559	54,016
	<u>111,612</u>	<u>57,879</u>

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

8 Taxation	2012	2011
	£	£
Analysis of charge in period		
Current tax		
Adjustments in respect of previous periods	(28,850)	-
	<u>(28,850)</u>	<u>-</u>
Tax on loss on ordinary activities		

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	2012	2011
	£	£
Loss on ordinary activities before tax	<u>(1,359,586)</u>	<u>(1,173,275)</u>
Standard rate of corporation tax in the UK	24%	26%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	-	-
Effects of		
Adjustments to tax charge in respect of previous periods	(28,850)	-
	<u>(28,850)</u>	<u>-</u>
Current tax charge for period		

9 Intangible fixed assets
Overseas formation expenses

Group	£
Cost	
At 1 January 2012	<u>6,189</u>
At 31 December 2012	<u>6,189</u>
Amortisation	
At 1 January 2012	3,095
Provided during the year	<u>2,008</u>
At 31 December 2012	<u>5,103</u>
Net book value	
At 31 December 2012	<u>1,086</u>
At 31 December 2011	<u>3,094</u>

Overseas formation expenses are being written off in equal annual instalments over their estimated economic life of 5 years

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

10 Tangible fixed assets

Group	Long leasehold land and building £	Plant and machinery £	Total £
Cost			
At 1 January 2012	45,594	1,234,201	1,279,795
Additions	-	405,345	405,345
At 31 December 2012	<u>45,594</u>	<u>1,639,546</u>	<u>1,685,140</u>
Depreciation			
At 1 January 2012	7,599	562,467	570,066
Charge for the year	11,399	248,242	259,641
At 31 December 2012	<u>18,998</u>	<u>810,709</u>	<u>829,707</u>
Net book value			
At 31 December 2012	<u>26,596</u>	<u>828,837</u>	<u>855,433</u>
At 31 December 2011	<u>37,995</u>	<u>671,734</u>	<u>709,729</u>

Company	Long leasehold land and building £	Plant and machinery £	Total £
Cost			
At 1 January 2012	45,594	1,141,655	1,187,249
Additions	-	383,968	383,968
Disposals	-	-	-
At 31 December 2012	<u>45,594</u>	<u>1,525,623</u>	<u>1,571,217</u>
Depreciation			
At 1 January 2012	7,599	546,679	554,278
Charge for the year	11,399	235,187	246,586
On disposals	-	-	-
At 31 December 2012	<u>18,998</u>	<u>781,866</u>	<u>800,864</u>
Net book value			
At 31 December 2012	<u>26,596</u>	<u>743,757</u>	<u>770,353</u>
At 31 December 2011	<u>37,995</u>	<u>594,976</u>	<u>632,971</u>

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

11 Investments

The company holds 20% or more of the share capital of the following companies

Company	Shares held Class	%	Capital and reserves £	Profit (loss) for the year £
Mr & Mrs Smith (Asia Pacific) Pty Ltd	Ordinary	100	(2,039,110)	(561,146)
Mr & Mrs Smith (Americas) Inc	Ordinary	100	(918,448)	(514,212)
Smith Bonds Plc	Ordinary	100	(180,563)	(193,063)

Mr & Mrs Smith (Asia Pacific) Pty Ltd is a company incorporated in Australia and Mr & Mrs Smith (Americas) Inc is a company incorporated in the United States of America

The figure above for Smith Bonds Plc for capital and reserves is as at 28 February 2013 and the loss stated is that for the period so ended on 28 February 2013

The principal activity of both Mr & Mrs Smith (Asia Pacific) Pty Ltd and Mr & Mrs Smith (Americas) Inc is the publishing of hotel information and acting as a booking agent for hotels. The principal activity of Smith Bonds Plc is that of a finance company to its parent company, Smith Global Limited

	Investments in subsidiary undertakings £
Cost	
At 1 January 2012	988
Additions	12,500
	<hr/>
At 31 December 2012	13,488

12 Stocks	2012	2011
Group and company	£	£
Finished goods and goods for resale	<u>179,747</u>	<u>245,514</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

13 Debtors	2012	2011
Group	£	£
Trade debtors	1,295,723	899,763
Other debtors	470,939	72,664
Prepayments and accrued income	110,183	185,519
	<u>1,876,845</u>	<u>1,157,946</u>
Company	£	£
Trade debtors	1,049,784	680,184
Amounts owed by group undertakings in which the company has a participating interest	3,210,538	2,137,825
Deferred tax asset	-	-
Other debtors	433,204	35,028
Prepayments and accrued income	110,183	185,519
	<u>4,803,709</u>	<u>3,038,556</u>
14 Creditors, amounts falling due within one year	2012	2011
Group	£	£
Bank loans and overdrafts	-	39,638
Trade creditors	347,382	447,580
Other taxes and social security costs	412,910	736,311
Other creditors	1,819,111	1,468,231
Accruals and deferred income	945,790	363,545
	<u>3,525,193</u>	<u>3,055,305</u>
Company	£	£
Bank loans and overdraft	-	9,278
Trade creditors	292,463	412,266
Amounts owed to group undertakings and undertakings in which the company has a participating interest	1,738,200	-
Other taxes and social security costs	340,007	717,020
Other creditors	1,736,430	1,437,728
Accruals and deferred income	852,458	338,350
	<u>4,959,558</u>	<u>2,914,642</u>

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

15 Creditors' amounts falling due after one year	2012	2011
Group	£	£
Other loans	<u>1,867,000</u>	<u>-</u>

Included above are "Bonds 2017" that were issued during the year at par by Smith Bonds Plc, a wholly owned subsidiary of Smith Global Limited, and which carry interest at a rate of 7.5% and 9.5% depending on whether the subscriber opted for cash payment or Mr & Mrs Smith loyalty money respectively. The loyalty money can be redeemed against travel packages booked with the parent company, Smith Global Limited. The bonds are non-transferable, non-convertible and unsecured, to be repaid on 1 July 2016. The repayment is guaranteed by Smith Global Limited.

16 Share capital	Nominal	2012	2012	2011
Group and company	value	Number	£	£
Allotted, called up and fully paid				
A Ordinary shares	£1 each	142,763	<u>142,763</u>	<u>138,551</u>
	Nominal	Number	Amount	
	value		£	
Shares issued during the period				
A Ordinary shares	£1 each	4,212	<u>4,212</u>	
17 Share premium			2012	
Group and company			£	
At 1 January 2012			4,746,541	
At 31 December 2012			<u>4,746,541</u>	

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

18 Profit and loss account	2012	
Group	£	
At 1 January 2012 as previously stated	(5,363,657)	
Prior year adjustments	(433,116)	
At 1 January 2012 as restated	(5,796,773)	
Loss for the financial year	(1,330,736)	
At 31 December 2012	<u>(7,127,509)</u>	
Company	£	
At 1 January 2012 as previously stated	(3,424,805)	
Prior year adjustments	(433,116)	
At 1 January 2012 as restated	(3,857,921)	
Loss for the financial year	(79,341)	
At 31 December 2012	<u>(3,937,262)</u>	
19 Reconciliation of movement in shareholders' funds	2012	2011
Group	£	£
At 1 January	(911,681)	(64,818)
Loss for the financial year	(1,330,736)	(1,173,275)
Shares issued	4,212	326,412
At 31 December	<u>(2,238,205)</u>	<u>(911,681)</u>
Company	£	£
At 1 January	1,027,171	790,765
Loss for the financial year	(79,341)	(90,006)
Shares issued	4,212	326,412
At 31 December	<u>952,042</u>	<u>1,027,171</u>

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

20 Gross cash flows	2012	2011
Group	£	£
Returns on investments and servicing of finance		
Interest received	1,047	-
Interest paid	(111,612)	(57,879)
	<u>(110,565)</u>	<u>(57,879)</u>
 Capital expenditure		
Payments to acquire tangible fixed assets	<u>(405,345)</u>	<u>(335,029)</u>
 Financing		
Issue of share capital	4,212	326,412
New loans raised (Bonds - see note 15 above)	1,867,000	-
	<u>1,871,212</u>	<u>326,412</u>

21 Analysis of changes in net debt

	At 1 Jan 2012 £	Cash flows £	Non-cash changes £	At 31 Dec 2012 £
Group				
Cash at bank and in hand	27,341	213,536		240,877
Overdrafts	(39,638)	39,638		-
		<u>253,174</u>		
 Debt due after 1 year	-	<u>(1,867,000)</u>		(1,867,000)
 Total	<u>(12,297)</u>	<u>(1,613,826)</u>	<u>-</u>	<u>(1,626,123)</u>

22 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 2012 £	Land and buildings 2011 £	Other (forward contracts) 2012 £	Other (forward contracts) 2011 £
Operating leases which expire within two to five years	<u>70,862</u>	<u>70,862</u>	<u>11,978</u>	<u>11,978</u>

Smith Global Limited
(formerly Spy Publishing Limited)
Notes to the Accounts
for the year ended 31 December 2012

23 Loans to directors

Description and conditions	B/fwd £	Paid £	Repaid £	C/fwd £
J A C Lohan				
Unsecured, interest free and with no fixed repayment date	-	30,888		30,888
	-	30,888	-	30,888

24 Related party transactions

2012
£

2011
£

EDCO Capital UK Limited

Mr E Orr, a director, is a director/shareholder in EDCO Capital UK Limited

Consultancy services were provided to the company by EDCO Capital UK Limited

Amount invoiced by EDCO Capital UK Limited for the year	44,000	34,000
Amount due to EDCO Capital UK Limited at the year-end	8,000	12,000

Mr E Orr, Mr J A C Lohan and Mrs T Lohan

Directors

Loans made to the company which are unsecured, earn interest at 1% per month and have no fixed repayment date

Amounts due to the directors at the year-end	-	64,878
Interest accrued to the directors in the year (now all paid)	5,405	3,878

European Capital Corporation Limited

Mr E Orr, a director, is also a director of European Capital Corporation Limited

Loans made to the company which are unsecured, earn interest at 1% per month and have no fixed repayment date

Amount due to European Capital Corporation Limited at the year-end	-	192,147
Interest accrued to European Capital Corporation Limited in the year (now all paid)	17,066	8,647

25 Ultimate controlling party

In the opinion of the directors, there is no ultimate controlling party