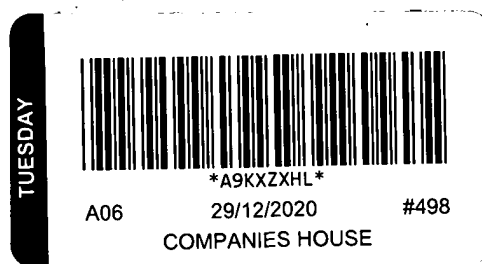


Smithers Information Limited

FINANCIAL STATEMENTS

31 December 2019

PAGES FOR FILING WITH REGISTRAR



Company Registration No. 03858209

Smithers Information Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent; and
- c. 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.

Smithers Information Limited
STATEMENT OF FINANCIAL POSITION
at 31 December 2019

	Note	2019 £000	2018 £000
FIXED ASSETS			
Other intangible assets	3	81	118
Tangible assets	4	101	131
		<u>182</u>	<u>249</u>
CURRENT ASSETS			
Stocks	5	253	178
Debtors (including £4,969,000 due after more than one year (2018: £4,707,000))	6	6,110	6,193
Cash at bank and in hand		1,496	1,254
		<u>7,859</u>	<u>7,625</u>
CREDITORS: Amounts falling due within one year	7	<u>(1,959)</u>	<u>(2,507)</u>
NET CURRENT ASSETS		<u>5,900</u>	<u>5,118</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,082</u>	<u>5,367</u>
NET ASSETS		<u>6,082</u>	<u>5,367</u>
CAPITAL AND RESERVES			
Called up share capital		144	144
Profit and loss account		5,938	5,223
TOTAL EQUITY		<u>6,082</u>	<u>5,367</u>

The directors of the company have elected not to include a copy of the Income Statement within the financial statements.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 1 to 11 were approved by the board of directors and authorised for issue on 24 December 2020 and are signed on its behalf by:


JM Hochschwender
 Director

Company Registration No. 03858209

Smithers Information Limited

ACCOUNTING POLICIES

GENERAL INFORMATION

Smithers Information Limited ("the company") is a private company limited by shares, registered, domiciled and incorporated in England.

The address of the company's registered office and principal place of business is Main Building, Cleeve Road, Leatherhead, Surrey, KT22 7RU.

The company's principal activity and nature of operations is to provide business intelligence and events for the packaging, paper and print industry supply chain, the rubber and plastics industry supply chain and various niche and emerging technologies.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the requirements of the Companies Act 2006 and under the historical cost convention.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

REDUCED DISCLOSURES

In accordance with FRS 102, the company has taken advantage of the exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

The financial statements of the company are consolidated in the financial statements of Smithers UK Holdings Limited. The consolidated financial statements of Smithers UK Holdings Limited are available from Registrar of Companies, Crown Way, Cardiff, CF14 3UZ.

GOING CONCERN

The financial statements have been prepared on the going concern basis which assumes that the company will be able to continue to trade for the foreseeable future.

The company's business activities are based on the research and intelligence market, as detailed in the Directors' report.

The company operates using cash balances held. The current economic conditions since the start of the Covid-19 pandemic create uncertainty particularly over the requirement of manufacturing industries to invest in business intelligence, publications and events and has resulted in a decrease in income to the company. The company's forecasts and projections, taking account of reasonably possible changes in trading performance show that the company will be able to operate within the current cash arrangements. There are no other external bank borrowings.

Smithers Information Limited

ACCOUNTING POLICIES

INTANGIBLE FIXED ASSETS

Intangible assets purchased other than in a business combination are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

Software costs	- 3 years straight line
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TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly on a straight line basis over its expected useful life, as follows:

Leasehold improvements	- 15 years straight line
Plant and equipment	- 10 to 20 years straight line
Fixtures, fittings and vehicles	- 3 to 7 years straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

STOCKS

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average cost basis.

At each reporting date, the company assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

FUNCTIONAL AND PRESENTATIONAL CURRENCIES

The financial statements are presented in sterling which is also the functional currency of the company.

FOREIGN CURRENCIES

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Smithers Information Limited

ACCOUNTING POLICIES

TAXATION (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set-off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

LEASED ASSETS AND OBLIGATIONS

Leases that do not give rights approximating to ownership are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument, and are offset only when the company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade, group and other debtors

Trade, group and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Smithers Information Limited

ACCOUNTING POLICIES

FINANCIAL INSTRUMENTS (continued)

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Trade, group and other creditors

Trade, group and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

PROFIT AND LOSS RESERVE

The cumulative profit and loss net of distributions to owners.

RETIREMENT BENEFITS

The company is a member of a group personal pension scheme and makes contributions to employees' personal pension plans. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

Sale of professional services

Turnover represents income received from consultancy work performed for the packaging, paper and print industry supply chain, the rubber and plastics industry supply chain and various niche and emerging technologies and events and membership income. Income is recognised when substantially all of the obligations under a sales contract have been fulfilled.

Sale of publications and reports

Turnover is recognised when it and the associated costs can be measured reliably, future economic benefits are probable, and the risks and rewards of ownership have been transferred to the customer. Sales of publications and reports are recognised evenly over the subscription period.

EXCEPTIONAL ITEMS

Exceptional items are material items which individually, or if of a similar type, in aggregate, need to be disclosed by virtue of their size of incidence in order to assist in understanding the group's financial performance.

Smithers Information Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019

1	EMPLOYEES AND DIRECTORS' REMUNERATION	2019 Number	2018 Number
	The average number of persons (including the directors) employed by the company during the year was:	38	41
		<hr/>	<hr/>
	Directors' emoluments including highest paid director:	2019 £000	2018 £000
	Emoluments	210	184
	Pension contributions	8	7
		<hr/>	<hr/>
		218	191
		<hr/>	<hr/>

The number of directors to whom retirement benefits are accruing is 1 (2018: 1). Long-term incentives are accruing in respect of 1 director (2018: 1). The total emoluments included in the disclosure above relates solely to the highest paid director.

2 COMMITMENTS UNDER OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases as follows:

	2019 Other £000	2018 Other £000
Amount due within one year	6	6
Amount due between two and five years	3	9
	<hr/>	<hr/>
	9	15
	<hr/>	<hr/>

Smithers Information Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019

3 OTHER INTANGIBLE ASSETS

	Purchased computer software £000
<i>Cost</i>	
At beginning of year	490
Additions	19
	<hr/>
At end of year	509
	<hr/>
<i>Depreciation</i>	
At beginning of year	372
Charge for the year	56
	<hr/>
At end of year	428
	<hr/>
<i>Net book value</i>	
At 31 December 2019	81
	<hr/>
At 31 December 2018	118
	<hr/>

The amortisation of purchased computer software is included within administrative expenses.

4 TANGIBLE FIXED ASSETS

	Leasehold improvements £000	Plant and equipment £000	Fixtures, fittings and vehicles £000	Total £000
<i>Cost</i>				
At beginning and end of year	223	535	412	1,170
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At beginning of year	109	535	395	1,039
Charge for the year	15	-	15	30
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	124	535	410	1,069
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 December 2019	99	-	2	101
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	114	-	17	131
	<hr/>	<hr/>	<hr/>	<hr/>

Smithers Information Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019

5	STOCKS	2019 £000	2018 £000
	Publications stocks	253	178
6	DEBTORS	2019 £000	2018 £000
	<i>Amounts falling due within one year:</i>		
	Trade debtors	676	707
	Other debtors	17	29
	Prepayments and accrued income	240	266
	Amounts owed by group companies	169	407
	Deferred tax asset (see note 15)	39	77
		1,141	1,486
	<i>Amounts falling due after more than one year:</i>		
	Amounts owed by group undertakings	4,969	4,707
		6,110	6,193

Trade debtors are stated net of a provision of £18,000 (2018: £8,000).

7	CREDITORS: Amounts falling due within one year	2019 £000	2018 £000
	Payments received on account	1,023	1,041
	Trade creditors	212	286
	Amounts owed to group undertakings	136	134
	Corporation tax payable	41	195
	Other taxation and social security costs	159	104
	Other creditors	3	16
	Accruals and deferred income	385	731
		1,959	2,507

A debenture was created on 8 July 2014 relating to a fixed and floating charge on the assets of the company as security for HSBC Bank Plc.

Smithers Information Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019

8 PENSION COMMITMENTS

The company operates a group personal pension plan and contributes to employees' individual pension plans. The pension cost charge represents contributions payable by the company and amounted to £84,000 (2018: £81,000). Contributions of £13,000 were outstanding at the year end (2018: £14,000).

9 CONTINGENT LIABILITIES

The company is a member of a VAT group. At 31 December 2019 the aggregate VAT liability of the other companies in the group was £329,000 (2018: £167,448).

There is an unlimited composite guarantee in favour of HSBC Bank Plc guaranteeing any liabilities owed to the bank by Smithers UK Holdings Limited, Smithers Information Limited, Smithers MSE Limited (formerly Smithers Rapra and Smithers PIRA Limited), Smithers ERS Limited (formerly Smithers Viscient (ESG) Limited), Shrewsbury Real Estate Limited, Hleatherhead Limited and Hharrogate Limited a company in which JM Hochschwender is also a director, the amount outstanding at the year end was £1,771,000 (2018: £1,854,000).

10 POST BALANCE SHEET EVENT

Following preparation of these accounts, on 11 March 2020 the World Health Organization declared the global coronavirus outbreak to be a pandemic and the United Kingdom implemented lockdown measures on 23 March 2020 and subsequent lockdown measures on 31 October 2020. The company continues to operate and be functional supplying its customer base and the delivery requirements where possible. Trading has been affected but any impact on demand is expected to be at levels which the company can manage effectively. A reliable estimate of its financial effect cannot be made and it is considered to be a non-adjusting post balance sheet event; as such the valuation of the assets and liabilities held at the balance sheet date are not deemed to have changed as a result.

Following the year end, Smithers Information Limited paid dividends totalling £1,437,828 (£1 per share).

Smithers Information Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2019

11 ULTIMATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

The immediate parent company is Smithers UK Holdings Limited.

The smallest group in which consolidated accounts are prepared are in the group headed by Smithers UK Holdings Limited.

The largest group under which consolidated accounts are prepared are under The Smithers Group Inc, however these are not publicly available. Copies of the consolidated financial statements of this group are available to the public and may be obtained from:

Registrar of Companies
Crown Way
CARDIFF
CF14 3UZ

The company's ultimate parent company continues to be The Smithers Group Inc, a company incorporated and registered in the USA. The Smithers Group Inc is under the control of JM Hochschwender.

12 AUDIT REPORT

As the Income Statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with S444 (5B) of the Companies Act 2006:

- The audit report was unqualified;
- The senior statutory auditor was Adam Krupski; and
- The auditor was RSM UK Audit LLP.