

Global Personals Limited

Report and Financial Statements

Year Ended

31 August 2011

Company Number 04880697

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Global Personals Limited

Report and financial statements for the year ended 31 August 2011

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Directors

R Williams
S Pammenter
D Damiano
B Frost
M Pitt

Secretary and registered office

D Damiano, Minton Place, Victoria Street, Windsor, Berkshire, SL4 1EG

Company number

04880697

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Global Personals Limited

Chairman's report for the year ended 31 August 2011

The financial year ending 31 August 2011 saw the company deliver exceptional financial results and improvements in all areas revenue, profit, cash flow, product and people

Key highlights include:

- Revenues increased by 38% to £18.9m (FY 2010 - £13.7m)
- EBITDA increased by 100% to £1.79m (FY 2010 - £0.89m)
- International revenue increased by 105% (Q4 vs Q1 of the 2011 financial year) - represents 10% of Q4 revenues
- Cash position increased by 97% to £1.5m as of 31 August 2011
- New members increased by 43% to 2.98m (2.08m in 2009/2010)
- Full paying members (subscribers) increased by 42% to 153,400

These results represent the continuation of the trend from the previous year

This sustained performance demonstrates that we are balancing investment, growth and returns across the business despite a difficult economic climate, particularly for consumers

Our strategy remains both clear and consistent to attract new customers to the platform, increase our paid subscription base and sell more products and services to our existing customers whilst developing new business opportunities

The core White Label business saw another year of impressive growth with revenues growing by 35% year on year, this was achieved while still maintaining margins at a level consistent with management expectations in a particularly competitive market. The year also saw further significant increases in both the number of partners and the number of sites operated

The revenue associated with the company's own brand sites increased significantly in the year, increasing by 62% to £1.74m in 2010/2011. Own brand revenues increased by 157% between Q1 and Q4 of the 2011 financial year

2010/2011 was an important year for the business from an international growth and contribution perspective. The appointment of an Operations Director led to a strategic review of the company's international operations, resulting in a revised strategy to accelerate overseas growth and development which has proved highly successful

Australia is an area of high growth potential and thanks to an innovative partner programme we have witnessed supercharged growth in this market. New joining members increased by 1,038% (Q4 vs Q1) and revenues were equally impressive growing by 1,759% (Q4 vs Q1). We expect to see a continuation of this growth although competitive conditions will increase as the Australian market becomes the focus of our competitors

South Africa also saw positive annual growth at levels in excess of the South African online dating market growth rate, as we continued to extend our presence in this territory. New joining members increased by 57.8% (Q4 vs Q1) and revenues grew by 30.6% (Q4 vs Q1)

International will continue to be an area of core strategic focus going forward as we seek to build on these impressive financial growth numbers into the next financial year and beyond

The company continues to invest in research and development in unique and innovative technology. A number of new products and features have been introduced which we expect to make a significant contribution to the continuing growth of the company

Global Personals Limited

Chairman's report for the year ended 31 August 2011 (*continued*)

In addition to key improvements to the user experience, the company invested in a proprietary email infrastructure that has grown to send over 250m emails per month

The dating niching system was built to enable segmentation of our database to enter focused, untapped markets - as the only company able to offer true niche dating we expect to grow this area of our business significantly

A significant amount of resources was invested in the development of an API (Application Programming Interface) which will allow us to rapidly develop new channels such as mobile and social - as well offering members a significantly differentiated user experience across our partner sites

This API was used to build our mobile dating platform which launched in December 2012 on over 200 of our partner sites

We are extremely confident for the long-term opportunity of this business as we grow internationally and monetise our customers further through an improved product portfolio

Whilst the economic conditions will remain challenging for many consumer businesses, we have invested significant resources into future projects, many of which will begin to generate substantial returns in 2011/2012

The strong results of 2010/2011 have continued into the current financial year, December 2011 saw the company exceed previous records for the highest revenue month ever, highest daily sign ups, highest daily cash collected and also the highest ever number of paying subscribers

Our consistent success has been recognised both within and outside of the industry. It is a testament to the efforts of all our people that we have delivered such incredible performance and gained a number of prestigious accolades

In 2010/2011 we were awarded

- 1st in the Deloitte UK South East Technology Fast 50
- 17th in Deloitte UK Technology Fast 50, 2011
- 28th in The Sunday Times Virgin Fast Track 100, 2011
- Finalist in National Business Awards 2011
- Ross Williams (CEO and Founder) - Growing Business Young Gun 2011
- Best Dating Software at the 2010, 2011 and 2012 iDate Industry Awards

R Williams



Chairman

Date

24/2/12

Global Personals Limited

Report of the directors for the year ended 31 August 2011

The directors present their report together with the audited financial statements for the year ended 31 August 2011

Results and dividends

The profit and loss account is set out on page 7 and shows the profit for the year

The directors paid an interim ordinary dividend amounting to £100,000 (2010 - £233,333)

Principal activity, trading review and future developments

The principal activity of the company in the year under review was that of an online dating company. Please refer to the chairman's statement for the trading review of the financial year

Key performance indicators

Among the key financial indicators that the company uses to monitor and measure performance are the number of basic registration sign ups and daily cash collected. The performance in the year was as follows

	2011	2010
Basic registrations (000's)	2,985	2,083
Daily cash collected (£'000)	£64.3	£45.0

The company also monitors non-financial indicators to measure performance and two of the most significant are level of staff turnover and from a technology perspective, application uptime

Principal risks and uncertainties facing the business

The principal risk to the business is the possibility of losing key senior staff. The company has policies and procedures in place to reward and retain key staff and has introduced an EMI scheme to ensure that the interests of key staff, shareholders and directors are aligned

Directors

The directors of the company during the year and those appointed post year end were

R Williams
S Pammenter
D Damiano
B Frost
M Pitt (appointed 4 November 2011)

Global Personals Limited

Report of the directors for the year ended 31 August 2011 (*continued*)

Directors' responsibilities

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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, 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.

Auditors

All of the current directors have taken steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board

R Williams

Director

Date 24/2/12

Global Personals Limited

Independent auditor's report

TO THE MEMBERS OF GLOBAL PERSONALS LIMITED

We have audited the financial statements of Global Personals Limited for the year ended 31 August 2011 which comprise the profit and loss account, Statement of total recognised gains and losses, the balance sheet, the cash flow statement 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 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.

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 financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 August 2011 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.

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 financial statements are prepared is consistent with the financial statements.

Global Personals Limited

Independent auditor's report (*continued*)

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 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

BDO LLP

*Robert Plews (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

29 February 2012

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Global Personals Limited

Profit and loss account for the year ended 31 August 2011

	Note	2011 £	2010 As restated £
Turnover	2	18,894,247	13,692,872
Cost of sales		(9,878,103)	(7,128,278)
Gross profit		9,016,144	6,564,594
Administrative expenses		(7,624,045)	(5,930,249)
Operating profit	5	1,392,099	634,345
Interest receivable and similar income		786	289
Interest payable and similar charges	6	-	(2,510)
Profit on ordinary activities before taxation		1,392,885	632,124
Taxation	7	(592,227)	(2,391)
Profit on ordinary activities after taxation and for the financial year	16,17	800,658	629,733

All amounts relate to continuing activities

The accompanying notes on pages 11 to 20 form an integral part of these financial statements

Global Personals Limited

Statement of total recognised gains and losses for the year ended 31 August 2011

	2011	2010
	£	As restated £
Profit and total recognised gains and losses relating to for the financial year	800,658	629,733
Prior year adjustment (note 1)	644,303	
Total gains and losses recognised since last financial statements	1,444,961	

The accompanying notes on pages 11 to 20 form an integral part of these financial statements

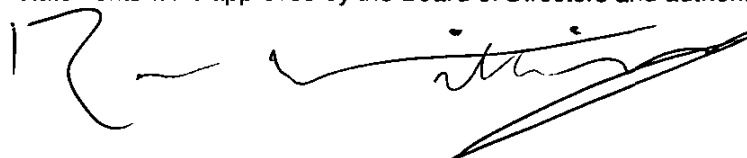
Global Personals Limited

Balance sheet at 31 August 2011

<i>Company number 04880697</i>	Note	2011 £	2011 £	2010 As restated £	2010 As restated £
Fixed assets					
Intangible assets	10		1,019,300		42,488
Tangible assets	11		1,443,471		1,052,307
			<u>2,462,771</u>		<u>1,094,795</u>
Current assets					
Debtors	12	2,473,860		1,641,190	
Cash at bank and in hand		1,509,957		766,292	
		<u>3,983,817</u>		<u>2,407,482</u>	
Creditors: amounts falling due within one year	13	2,617,166		1,371,080	
Deferred income		<u>2,699,510</u>		<u>1,713,989</u>	
Net current liabilities			(1,332,859)		(677,587)
Provisions	14		(44,953)		(32,907)
			<u>1,084,959</u>		<u>384,301</u>
Capital and reserves					
Called up share capital	15		100		100
Profit and loss account	16		1,084,859		384,201
Shareholders' funds	17		<u>1,084,959</u>		<u>384,301</u>

The financial statements were approved by the Board of Directors and authorised for issue on 24/2/12

R Williams
Director



The accompanying notes on pages 11 to 20 form an integral part of these financial statements

Global Personals Limited

Cash flow statement for the year ended 31 August 2011

	Note	2011 £	2011 £	2010 As restated £	2010 As restated £
Net cash inflow from operating activities	20		2,681,538		1,003,212
Taxation					
UK corporation tax paid			(72,413)		(139,216)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(775,391)		(709,873)	
Purchase of intangible assets		(990,069)		(39,200)	
			(1,765,460)		(749,073)
Equity dividends paid	8		(100,000)		(233,333)
Cash inflow/(outflow) before financing			743,665		(118,410)
Financing					
Capital element of finance lease rental payments			-		(11,294)
Increase/(decrease) in cash	21,22		743,665		(129,704)

The accompanying notes on pages 11 to 20 form an integral part of these financial statements

Global Personals Limited

Notes forming part of the financial statements for the year ended 31 August 2011

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable United Kingdom accounting standards. The financial statements are prepared on the going concern basis.

The following principal accounting policies have been applied:

Going concern

The directors have prepared forecasts to demonstrate that the company will have sufficient funding for ongoing operations. While there will always remain some inherent uncertainty within the cash flow forecasts, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements are signed. As such, the directors have adopted the going concern basis in preparing these financial statements.

Turnover

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the company and the revenue can be reliably measured.

Turnover represents membership subscription fees generated from customers who subscribe to online dating services. There are two divisions which are:

- Business to Customer - Own brand dating sites
- Business to Business - Website platforms provided and managed for brand and media owner

Deferred revenue is recognised due to payments being made up front and in full for membership subscriptions. The revenue is spread on a straight line basis over the subscription period. The same basis of recognition is applied to the associated partner share of revenues.

Accrued revenue is recognised where subscriptions have been placed but cash has not yet cleared the bank.

Depreciation

Tangible assets are held at cost less accumulated depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

The company undertakes development projects in relation to the enhancement of the underlying platform on which the websites are supported. The directors review the enhancements to ensure that they will generate revenue going forward for the company, and if so, the costs will be measured and capitalised. The directors do not consider capitalising any costs that are determined to be ongoing maintenance to the underlying platform, this is expensed directly to the profit and loss account.

- Leasehold improvements - Recognised over the lifetime of the lease
- Fixtures, fittings and equipment - 25% straight line
- Platform - 20% straight line

Global Personals Limited

Notes forming part of the financial statements for the year ended 31 August 2011 *(continued)*

1 Accounting policies *(continued)*

Taxation

The charge for taxation is based on the profit for the year and takes into account deferred taxation

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

Leases

Operating leases have their annual rentals charged to the profit and loss account on a straight-line basis over the term of the lease

Reverse premiums and similar incentives received to enter into operating lease agreements are released to the profit and loss account over the period to the date on which the rent is first expected to be adjusted to the prevailing market rate

Acquired intangible assets

Intangible assets are recognised at cost and are amortised on a straight line basis over the estimated useful life at the following rates

Domain names - 5 - 10 years

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are expressed in sterling at the rate of exchange ruling at the balance sheet date Foreign currency transactions are expressed in sterling at the rate of exchange ruling at the date of the transaction Exchange gains and losses and translation differences are taken directly to the profit and loss account

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for impairment Investment held as current assets are stated at the lower of cost and net realisable value

Global Personals Limited

Notes forming part of the financial statements for the year ended 31 August 2011 (*continued*)

1 Accounting policies (*continued*)

Prior year adjustment

The directors have reviewed the recognition of tangible fixed assets within the company. In line with FRS 15 the directors have adjusted the financial statements to include development costs involved in constructing a website that had previously not been capitalised.

The impact of the prior year adjustment on previously reported shareholders' funds may be summarised as follows:

	31 August 2010 £	31 August 2009 £
Shareholders' deficit as previously reported	(260,002)	(313,240)
Adjustment to year	343,162	301,141
Prior period adjustment	301,141	-
	<hr/>	<hr/>
Shareholders' funds/(deficit) restated	384,301	(12,099)
	<hr/>	<hr/>

The impact of the prior year adjustment on the reported revenue, profit from operations and profit for the year ended 31 August 2010 may be summarised as follows:

	Revenue £	Profit on ordinary activities before tax £	Profit for the year £
As previously reported	13,692,872	288,962	286,571
Adjustment	-	343,162	343,162
	<hr/>	<hr/>	<hr/>
As restated	13,692,872	632,124	629,733
	<hr/>	<hr/>	<hr/>

The restated figures in notes 10 and 11 relate to the reclassification of the IT platform that supports the white label dating product. The amounts reclassified were a brought forward cost of £201,200 and brought forward depreciation of £102,825.

2 Turnover

Turnover is wholly attributable to the principal activity of the company. 93% of turnover is associated with the UK market with the remaining 7% from overseas activity.

Global Personals Limited

Notes forming part of the financial statements
for the year ended 31 August 2011 (*continued*)

3 Employees

	2011 £	2010 £
Staff costs, including directors, consist of		
Wages and salaries	3,050,296	2,708,055
Social security costs	348,026	291,097
Other pension costs	53,215	37,838
	<u>3,451,537</u>	<u>3,036,990</u>

The average number of employees, including directors, during the year was 81 (2010 - 75)

4 Directors' remuneration

	2011 £	2010 £
Directors' remuneration consists of		
Emoluments	594,091	552,957
Company contributions to money purchase pension schemes	8,200	4,878
	<u></u>	<u></u>
Highest paid director		
Emoluments	<u>204,813</u>	<u>225,000</u>

There was 1 director in the company's defined contribution pension scheme during the year (2010 - 1)

5 Operating profit

	2011 £	2010 As restated £
This has been arrived at after charging		
Amortisation	13,257	20,665
Depreciation	384,227	241,092
Fee payable to company's auditor in respect of the statutory audit of the financial statements	30,000	23,000
Fee payable to the company's auditor and it's associates for tax services	9,300	6,000
Operating lease rentals - land and buildings	178,999	175,830
Research and development expenditure	<u>408,927</u>	<u>543,031</u>

Global Personals Limited

Notes forming part of the financial statements
for the year ended 31 August 2011 (*continued*)

6 Interest payable and similar charges

	2011 £	2010 £
Finance leases and hire purchase contracts	-	2,510

7 Taxation on profit from ordinary activities

	2011 £	2010 £
<i>Current tax</i>		
UK corporation tax on profits of the year	580,181	72,413
UK corporation tax adjustment on prior year	-	(83,591)
Total current tax	580,181	(11,178)
<i>Deferred tax (note 14)</i>		
Origination of timing differences	12,046	11,880
Adjustment on prior year	-	1,689
	12,046	13,569
Total tax charge	592,227	2,391

The tax assessed for the year differs from the standard rate of corporation tax in the UK The differences
are explained below

	2011 £	2010 As restated £
Profit on ordinary activities before tax	1,392,885	632,124
Profit on ordinary activities at the standard rate of corporation tax in the UK of 27 16% (2010 - 28%)	378,330	176,995
Effects of		
Expenses not deductible for tax purposes	24,784	6,489
Depreciation on assets not eligible for capital allowances	2,765	4,988
Adjustment to tax charge in respect of previous years	-	(83,591)
Other differences	2,031	-
Capital allowances in excess/(deficit) of depreciation	5,094	(11,880)
Over provision in respect of previous years marginal relief	-	(8,093)
Effect of prior year adjustment	167,177	(96,086)
Current tax charge for year	580,181	(11,178)

Global Personals Limited

Notes forming part of the financial statements
for the year ended 31 August 2011 (*continued*)

8 Dividends

	2011 £	2010 £
Dividends paid of £1 00 (2010 - £2 33) per share	100,000	233,333

9 Investment in associate

<i>Cost</i>		£
At 1 September 2010 and at 31 August 2011		120,000
<i>Provision for impairment</i>		
At 1 September 2010 and at 31 August 2011		(120,000)
<i>Net book value</i>		
At 31 August 2011 and 31 August 2010		-

The investment relates to Servicepals Limited, a business providing social networking sites for armed forces personnel

10 Intangible assets

	Domain names £
<i>Cost</i>	
At 1 September 2010 (As restated)	63,153
Additions	990,069
At 31 August 2011	1,053,222
<i>Amortisation</i>	
At 1 September 2010 (As restated)	20,665
Charge for the year	13,257
At 31 August 2011	33,922
<i>Net book value</i>	
At 31 August 2011	1,019,300
At 31 August 2010 (As restated)	42,488

Global Personals Limited

Notes forming part of the financial statements
for the year ended 31 August 2011 (*continued*)

11 Tangible assets

	Platform £	Leasehold improvements £	Fixtures, fittings and equipment £	Total £
<i>Cost</i>				
At 1 September 2010 (As restated)	968,061	164,620	289,246	1,421,927
Additions	725,291	1,775	48,325	775,391
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2011	1,693,352	166,395	337,571	2,197,318
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 September 2010 (As restated)	225,383	33,659	110,578	369,620
Charge for the year	251,072	55,111	78,044	384,227
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2011	476,455	88,770	188,622	753,847
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 August 2011	1,216,897	77,625	148,949	1,443,471
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2010 (As restated)	742,678	130,961	178,668	1,052,307
	<hr/>	<hr/>	<hr/>	<hr/>

12 Debtors

	2011 £	2010 £
Trade debtors	101,962	98,047
Other debtors	104,219	21,411
Prepayments	1,649,579	1,264,932
Accrued income	618,100	256,800
	<hr/>	<hr/>
	2,473,860	1,641,190
	<hr/>	<hr/>

All amounts shown under debtors are due for payment within one year

Global Personals Limited

Notes forming part of the financial statements
for the year ended 31 August 2011 (continued)

13 Creditors: amounts falling due within one year

	2011 £	2010 £
Trade creditors	22,274	90,049
Other taxation and social security	561,128	463,262
Corporation tax	580,181	72,413
Other creditors	9,083	24,825
Accruals	1,444,500	720,531
	<u>2,617,166</u>	<u>1,371,080</u>

14 Provisions

	Deferred taxation £
At 1 September 2010	32,907
Charged to profit and loss account (note 7)	12,046
	<u>44,953</u>
Balance at 31 August 2011	

15 Share capital

	2011 Number	Allotted, issued and fully paid 2010 Number	2011 £	2010 £
Ordinary shares of £0.001 each	<u>100,000</u>	<u>100,000</u>	<u>100</u>	<u>100</u>

16 Reserves

	Profit and loss account £
Balance brought forward (as previously stated)	(260,102)
Prior year adjustment - (note 1)	644,303
	<u>384,201</u>
Balance brought forward as restated	
Profit for the year	800,658
Dividends (note 8)	(100,000)
	<u>1,084,859</u>
Balance at end of year	

Global Personals Limited

Notes forming part of the financial statements
for the year ended 31 August 2011 (*continued*)

17 Reconciliation of movements in shareholders' funds

	2011 £	2010 As restated £
Profit for the financial year	800,658	629,733
Dividends (note 8)	(100,000)	(233,333)
Net addition to shareholders' funds	700,658	396,400
Opening shareholders' funds/(deficit) (2010 as previously stated)	384,301	(313,240)
Prior year adjustments - (note 1)	-	301,141
Opening shareholders' funds/(deficit) as restated	384,301	(12,099)
Closing shareholders' funds	1,084,959	384,301

18 Commitments under operating leases

As at 31 August 2011, the company had annual commitments under non-cancellable operating leases as set out below

	2011 Land and buildings £	2010 Land and buildings £
Operating leases which expire		
In two to five years	169,788	169,622

19 Related party transactions

R Williams is a director and shareholder of Rawnet Limited

As at 31 August 2011 £2,472 was receivable from Rawnet Limited (2010 - £7,242 was receivable)

R Williams received dividends of £72,500 during the year (2010 - £175,000) No amounts were outstanding at the year end (2010 - £Nil)

S Pammenter received dividends of £22,500 during the year (2010 - £58,333) No amounts were outstanding at the year end (2010 - £Nil)

Global Personals Limited

Notes forming part of the financial statements
for the year ended 31 August 2011 (*continued*)

20 Reconciliation of operating profit to net cash inflow from operating activities

	2011 £	2010 As restated £
Operating profit	1,392,885	632,124
Depreciation	384,227	241,092
Amortisation	13,257	20,665
Increase in debtors	(832,670)	(439,279)
Increase in creditors	1,723,839	548,610
	<hr/>	<hr/>
Net cash inflow from operating activities	2,681,538	1,003,212
	<hr/>	<hr/>

21 Reconciliation of net cash inflow to movement in net funds

	2011 £	2010 £
Increase/(decrease) in cash in the year	743,665	(118,410)
	<hr/>	<hr/>
Movement in net funds in the year	743,665	(118,410)
Opening net funds	766,292	884,702
	<hr/>	<hr/>
Closing net funds	1,509,957	766,292
	<hr/>	<hr/>

22 Analysis of net funds

	At 1 September 2010 £	Cash flow £	At 31 August 2011 £
Cash in hand and at bank	766,292	743,665	1,509,957
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