

**Financial Services Net Limited**

**Annual report and financial statements**

**Registered number 03065112**

**31 December 2015**



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## Officers and professional advisors

Directors                      Mr G Donoghue (resigned 8 October 2015)  
                                     Mr P J Plumb  
                                     Mr M J Price

Company secretary              Mr D P Drabble

Registered and head office      Moneysupermarket House  
                                     St David's Park  
                                     Ewloe  
                                     Chester, UK  
                                     CH5 3UZ

Legal advisors                      Herbert Smith  
                                     Exchange House  
                                     Primrose Street  
                                     London,  
                                     EC2A 2EG

                                     Addleshaw Goddard  
                                     100 Barbirolli Square  
                                     Manchester,  
                                     M2 3AB

Auditor                              KPMG LLP  
                                     15 Canada Square  
                                     London,  
                                     E14 5GL

Bankers                              Lloyds Banking Group PLC  
                                     City Office  
                                     PO Box 1000, BX1 1LT

                                     Barclays Bank Plc  
                                     3 Hardman Street  
                                     Manchester  
                                     M3 3AX

## **Directors' report**

The Directors present their annual report and the audited financial statements for the year ended 31 December 2015.

### **Principal activities**

In 2013, the business ceased to trade. As a result the websites were closed down to new business and its employees were transferred to the ultimate parent company, Moneysupermarket.com Group PLC. A small amount of turnover of £1,114 (2014: £1,710) was generated in the year through commission income received from historical webpage links and visitors to the website. The Directors intend to liquidate the Company in the immediate future. They have therefore prepared the financial statements on a basis other than that of a going concern. The effect of this is explained in note 2 to the financial statements.

### **Business Review**

The results of the business are presented on pages 6 to 13. The profit before tax for the year was £4,940,361 (2014: loss before tax £12,523). The Directors have decided not to pay a dividend for the year ended 31 December 2015 (2014: £nil).

### **Directors**

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

Mr G Donoghue (resigned 8 October 2015)

Mr P J Plumb

Mr M J Price

### **Directors' indemnities**

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

## Directors' report (continued)

### Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director 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.

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will continue in office.

By order of the board



**DP Drabble**  
*Secretary*

Moneysupermarket House  
St David's Park  
Ewloe  
Chester, UK  
CH5 3UZ

16 May 2016

## **Directors' responsibilities statement in respect of the annual report and the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 judgments 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. As explained in note 2, the Directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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.

## **Independent auditor's report to the members of Financial Services Net Limited**

We have audited the financial statements of Financial Services Net Limited for the year ended 31 December 2015 as set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 auditor**

As explained more fully in the Directors' responsibilities statement set out on page 4, 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 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 Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Emphasis of matter – non-going concern basis of preparation**

In informing our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 2 to the financial statements which explains that the financial statements have not been prepared on a going concern basis for the reasons set out in that note.

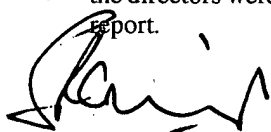
### **Opinion on other matters prescribed by the Companies Act 2006**

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.

### **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; or
- the directors were not entitled to take advantage of the small companies exemption in not preparing a strategic report.



**Stuart Crisp** (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

16 May 2016

## Statement of income and retained earnings

For the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover	3	1,114	1,710
Cost of sales		-	(490)
<b>Gross profit</b>		<b>1,114</b>	<b>1,220</b>
Administration expenses		(10,375)	(13,743)
<b>Operating loss</b>	4	<b>(9,261)</b>	<b>(12,523)</b>
Other income	5	4,949,622	-
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>4,940,361</b>	<b>(12,523)</b>
Tax on profit/(loss) on ordinary activities	7	-	-
<b>Profit/(loss) on ordinary activities after taxation</b>		<b>4,940,361</b>	<b>(12,523)</b>
<b>Profit/(loss) for the financial year</b>	11,12	<b>4,940,361</b>	<b>(12,523)</b>
Retained profits at 1 January		(4,930,401)	(4,917,878)
Retained profits at 31 December		9,960	(4,930,401)

Turnover and operating loss for the current year and prior year are derived from the Company's continuing operations.

There are no recognised gains or losses other than the profit for the current year and loss for the prior year shown above and therefore no statement of total recognised gains and losses has been presented.

The notes on pages 8 to 13 form part of these financial statements.

## Balance sheet

As at 31 December 2015

	Note	2015 £	2014 £
<b>Assets</b>			
Debtors		6,640	-
Cash at bank and in hand		5,505	4,722
		<u>12,145</u>	<u>4,722</u>
<b>Liabilities</b>			
Creditors	9	-	(4,932,938)
		<u>12,145</u>	<u>(4,928,216)</u>
<b>Net assets/(liabilities)</b>			
		<u>12,145</u>	<u>(4,928,216)</u>
<b>Capital and reserves</b>			
Called up share capital	11	1,387	1,387
Share premium account	12	798	798
Profit and loss account	12	9,960	(4,930,401)
		<u>12,145</u>	<u>(4,928,216)</u>
<b>Total shareholder's surplus / (deficit)</b>	13	<u>12,145</u>	<u>(4,928,216)</u>

The notes on pages 8 to 13 form part of these financial statements.

The financial statements were approved by the Board of Directors on 16 May 2016 and were signed on its behalf by:



**MJ Price**  
Director

Company registered number 03065112

## Notes to the financial statements

### 1 Company information

Financial Services Net Limited ('FSN' or the 'Company') is a private limited liability company incorporated and domiciled in England and Wales.

### 2 Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

#### *Basis of preparation*

These Financial Statements were prepared in accordance with Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as issued in August 2014. The presentation currency of these Financial Statements is Sterling. These Financial Statements are prepared on the historical cost basis.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

The company's ultimate parent undertaking, Moneysupermarket.com Group PLC, includes the Company in its own published consolidated financial statements. The consolidated financial statements of Moneysupermarket.com Group Plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and a copy may be obtained from Moneysupermarket House, St David's Park, Ewloe, CH5 3UZ. In these financial statements, the company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

### ***Going Concern***

The Directors took the decision to cease trading in 2013. As they intend to liquidate the company in the immediate future, the Directors have not prepared the financial statements on a going concern basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements.

### ***Revenue Recognition***

The Company generated fees from internet lead generation through a variety of contractual arrangements. The Company's policy is to recognise turnover and associated costs in the period that the lead was generated and transferred to the end customer.

### ***Other Income***

Other income consists of income not directly related to the Company's legacy business. This includes a release of amounts owed by the Company to other group undertakings. The Company's policy is to recognise this release as Other income in the period when the obligations are formally waived.

### ***Taxation***

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates in force for the year, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Financial Statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

### ***Financial instruments – debtors and creditors***

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

## Notes to the financial statements (continued)

### 3 Turnover

Of the £1,114 (2014: £1,710) of revenue generated by the Company, £1,114 (2014: £1,710) was generated in the UK.

### 4 Operating loss

	2015 £	2014 £
<i>Operating loss is stated after charging</i>		
Auditor's remuneration:		
Audit of these financial statements	9,000	9,000
Amounts receivable by auditors and their associates in respect of:		
Taxation compliance services	1,000	1,000
	<u>          </u>	<u>          </u>

### 5 Other income

Other income received during the year relates to amounts that were formally released by other group companies.

	2015 £	2014 £
Release of intercompany creditors	4,949,622	-
	<u>          </u>	<u>          </u>

### 6 Directors' remuneration and transactions

Since the acquisition of the Company by Moneysupermarket.com Financial Group Limited on 14 October 2010, the Directors have been remunerated by the ultimate parent undertaking, Moneysupermarket.com Group PLC. It is not practicable to split the remuneration between companies within the Group.

### 7 Taxation

Analysis of charge for the year:

	2015 £	2014 £
<i>Current tax</i>		
UK corporation tax on profit/(loss) for the year	-	-
	<u>          </u>	<u>          </u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
	<u>          </u>	<u>          </u>
Tax charge on profit/(loss) on ordinary activities	-	-
	<u>          </u>	<u>          </u>

## Notes to the financial statements (continued)

### 7 Taxation (continued)

Factors affecting the tax for the current year:

The current tax charge for the period is lower (2014: lower) than the standard rate of corporation tax in the UK of 20.25% (2014: 21.5%). The differences are explained below:

	2015 £	2014 £
Profit/(loss) on ordinary activities before tax	4,940,361	(12,523)
Current tax expense/(credit) at 20.25% (2014: 21.5%)	1,000,423	(2,692)
<i>Effects of:</i>		
Non-taxable income	(1,004,573)	-
Capital allowances in excess of depreciation	-	(2,416)
Losses surrendered for group relief	4,150	5,108
Total tax charge	-	-

Reduction in the UK corporation tax rate from 23% to 21% (effective 1 April 2014) and to 20 % (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the company's future current tax charge accordingly

### 8 Debtors

	2015 £	2014 £
Amounts owed from other group companies	6,640	-
	6,640	-

## Notes to the financial statements (continued)

### 9 Creditors

	2015 £	2014 £
Amounts owed to other group companies	-	4,930,452
VAT	-	3
Accruals and deferred income	-	2,483
	<u>-</u>	<u>4,932,938</u>

During the year, the Company was formally released from obligations relating to the repayment of amounts owed to other group companies. The release of these obligations has been recorded as Other Income as detailed in note 5 of these accounts.

### 10 Related party transactions

The Company is exempt from the requirement of FRS 102.33 'Related Party Disclosures' to disclose related party transactions with Moneysupermarket.com Group PLC and its associated undertakings on the grounds that the Company is a wholly owned subsidiary.

### 11 Called up share capital

	2015	2014
<i>Allotted, called up and fully paid</i>		
125 A ordinary shares of £1 each	125	125
1,262 Ordinary shares of £1 each	1,262	1,262
	<u>1,387</u>	<u>1,387</u>

### 12 Reserves

	Share capital £	Share premium £	Profit and loss account £	Total £
<b>At 1 January 2015</b>	1,387	798	(4,930,401)	<b>(4,928,216)</b>
Profit for the financial year	-	-	4,940,361	<b>4,940,361</b>
<b>At 31 December 2015</b>	<u>1,387</u>	<u>798</u>	<u>9,960</u>	<u><b>12,145</b></u>

## Notes to the financial statements (continued)

### 13 Reconciliation of movements in shareholder's surplus / (deficit)

	2015 £	2014 £
Profit/(loss) for the financial year	4,940,361	(12,523)
Net addition to/(subtraction from) shareholder's deficit	4,940,361	(12,523)
Opening shareholder's deficit	(4,928,216)	(4,915,693)
Closing shareholder's surplus / (deficit)	12,145	(4,928,216)

### 14 Ultimate parent company

The ultimate parent company and controlling party is Moneysupermarket.com Group PLC, a company incorporated in England and Wales. Copies of Moneysupermarket.com Group PLC accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.