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**GIVING LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2006**

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**GIVING LIMITED  
ANNUAL REPORT  
YEAR ENDED 31 DECEMBER 2006**

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**GIVING LIMITED  
COMPANY INFORMATION**

**DIRECTORS**

Z Kharas  
J Huysmans  
B Hatvany

**SECRETARY**

Z Kharas

**REGISTERED OFFICE**

1<sup>st</sup> Floor  
6-7 St Cross Street  
London  
EC1N 8UA

**REGISTERED NUMBER**

3979990 (England and Wales)

**AUDITORS**

PKF (UK) LLP  
20 Farringdon Place  
Farringdon Road  
London  
EC1M 3AP

## **GIVING LIMITED DIRECTORS' REPORT**

The directors present their report and the financial statements for the year ended 31 December 2006

### **PRINCIPAL ACTIVITIES**

The company provides online fundraising services enabling individuals, charities and companies to collect money for charity easily and tax-efficiently

### **OUR MISSION**

Our mission is to enable ordinary people to raise extraordinary amounts for the causes they care about. We do this by providing easy-to-use online fundraising tools that even the smallest charities can afford to use.

### **OUR VALUES**

We believe that a company exists to serve its users, staff, shareholders and the wider community- in a balanced way. To paraphrase Henry Ford, a company that only exists to make money will not be around for long. What this means is that we exist to provide an outstanding service to our users, a deeply rewarding place to work to our staff and a fair return to our investors. Our investors are unusual in that they share this belief, which gives us the freedom to run the company in accordance with this principle.

Here are the values we strive to live by, day in, day out:

- **Honesty, integrity and respect** in all our dealings with everyone who comes into contact with the business
- **Self-evaluation** – intently looking, and listening, for everything we could do better
- **Accountability** – owning up to our mistakes and putting them right wherever possible, even when (and especially when) no one noticed
- **Courage** to take risks and tackle big challenges
- **Humility** to remember that Justgiving is only as great as its users

### **REVIEW OF THE BUSINESS**

2006 was a turning point for online fundraising in the UK, and Justgiving in particular. As donations through our platform grew more than two-fold again, from £32.4m in 2005 to £67.1m in 2006, we noticed an unmistakable shift in our users' attitudes.

Online fundraising is no longer a new, slightly daunting, way of raising funds. Charity supporters see it as by far the easiest and most effective way of collecting money for their favourite causes- and they want it now. This is why personal recommendations by individual supporters remained our No.1 source of new charity membership in 2006. This promotion by word-of-mouth enabled us to keep our sales and marketing costs to a minimum and spend the bulk of our resources on technological innovation, development and support.

Justgiving had 2,036 charity members by the end of 2006, up from 952 in 2005. Many of our new members had never raised funds online before or, in many cases, even managed to reclaim Gift Aid. With the charity community standing at over 180,000 nationwide, our potential for further growth remains enormous.

We are acutely aware that a significant proportion of our users- both individuals and charities - are relatively new to the Internet, so usability remained our number one concern- some may say bordering on obsession. Regular user testing continued to highlight those aspects of our sites that stand in the way of people raising funds or donating, which we changed as fast as we could. Charities also benefited from those efforts. The delivery of a brand new 'Charity Account' lets charities access and manipulate their Justgiving data more easily.

However, it is behind the scenes that most of our technology efforts took place in 2006. We undertook some major infrastructure upgrades throughout 2006 aimed at enabling Justgiving to manage ever-increasing volumes of donations and usage. A key project was our move to a 'real-time' system of donation processing, in partnership with Barclaycard. The system delivers the highest possible levels of security for card holders and even greater efficiencies for our charity members.

**GIVING.COM LIMITED**  
**DIRECTORS' REPORT**  
(continued)

**REVIEW OF THE BUSINESS (continued)**

In addition, we continued our investment in our hardware infrastructure and made further improvements to the speed and reliability of our sites. We began our conversion to Net technology, a major investment that will speed up our ability to roll out exciting and innovative new services in 2007 and beyond.

Justgiving's robustness was once again tested in high-profile campaigns. The Flora London Marathon and Cancer Research UK's Race for Life raised £12.5m and £11.4m respectively through Justgiving in 2006. We thank both organisations for their continued trust in the Justgiving team and technology, and for the opportunity to extend our partnership to 2007 and beyond.

We continued to live by our core principle: to serve all our stakeholders in a balanced way. If the principle sounds obvious, living by it is not that simple. How do we know we are serving our stakeholders well? In 2006 we decided that only independent audits would give us the unvarnished truth. We launched the first of such enquiries, with our charity clients.

The results were encouraging and humbling in equal measure. While they value our service highly, our charity members want more help and guidance in making the most of it. A small, but significant, group of large charities also found us not to be listening hard enough to their needs. As a result we have doubled the size of our charity support team and are working hard to gain high satisfaction rates among our members in 2007 and beyond.

Our next stage of self-analysis has just begun. We are now undertaking an in-depth audit of our individual users' experience, and are reviewing how we can continue to improve the experience of our employees.

2006 also saw strong growth for Firstgiving, the US-based arm of Giving Limited. Donations processed for US charities rose from \$5.9m in 2005 to \$14.6m by the end of 2006.

Firstgiving's focus is substantially the same as Justgiving's, with some subtle distinctions dictated by market differences between the US and UK. Charity-sponsored fundraising events are particularly prevalent in the US. Firstgiving provides charities with a dedicated 'doorway' into the Firstgiving site where their supporters can register for their event, have a charity-branded fundraising page and be listed alongside peer fundraisers. An example of such a doorway can be found at <http://www.firstgiving.com/teamhope>. In 2006, Firstgiving was used for over 1,100 such charity events.

Firstgiving's service for these organisations and their supporters is recognised as "easy" rather than highly customizable, which makes it especially attractive to small and medium-sized charities, including many local chapters of national organisations.

At the end of 2006, Firstgiving worked with approximately 800 subscription fee paying charity clients—twice as many as in 2005—and enabled individuals to raise funds for another 1,500.

Firstgiving had a marketing and support team of 10 at the end of 2006, up from 7 the previous year.

We are calling 2007 "The Year of the Product". We are investing heavily in product development to make it easier and more fun than ever before to raise funds and donate online. To achieve this we are working hard to attract the best technology people we can find, and are building a dedicated development team in the US.

The results for 2007 so far continue to reflect our strong growth trends and we anticipate consolidated donations for the year in excess of £120m.

**GIVING LIMITED  
DIRECTORS' REPORT  
(continued)**

**RESULTS AND DIVIDENDS**

The directors are pleased to announce that Justgiving UK achieved a profit during the year, although Firstgiving Inc continues to trade at a loss as the business consolidates its position in the market. The consolidated profit for the period after tax was £1,835,707 (2005 £173,837 profit) which has been transferred to reserves. The directors do not recommend the payment of a dividend.

**DIRECTORS**

The following directors served during the period under review

Z Kharas  
B Hatvany  
J Huysmans  
R Schwartz (resigned 9 March 2006)

The beneficial interests of the directors holding office at 31 December 2006 in the issued share capital of the company were as follows -

	<u>Share Options</u>		<u>Ordinary 1p shares</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Z Kharas	3,300,183	3,300,183	2,039,816	2,039,816

B Hatvany is a beneficial owner by virtue of being a beneficiary of MF Limited, which owns 28,494,734 ordinary shares of 1p, in the company.

**PROVISION OF INFORMATION TO AUDITORS**

In the case of each of the directors who are directors of the company at the date when this report is approved

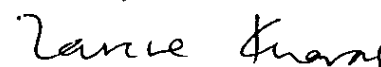
- So far as they are individually aware, there is no relevant audit information of which the company's auditors are unaware, and
- Each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of the information.

**AUDITORS**

A resolution for the re-appointment of PKF (UK) LLP as auditors of the company will be proposed at the forthcoming annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board



Z Kharas  
Director

5<sup>th</sup> June 2007

**GIVING LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the annual 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). The financial statements are required to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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,
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GIVING LIMITED**

We have audited the group and parent company financial statements of Giving Limited for the year ended 31 December 2006 which comprise the consolidated profit and loss account, the consolidated balance sheet, the consolidated statement of total recognised gains and losses and the related notes. The financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the group's and the parent company's affairs as at 31 December 2006 and of the group's profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements.

*PKF(UK)LLP*

London, UK  
7<sup>th</sup> June 2007

**PKF (UK) LLP**  
Registered Auditors



**GIVING LIMITED**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2006**

	<u>Notes</u>	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
<b>Turnover</b>	2	3,991,121	1,941,526
Operating charges		(1,497,334)	(919,986)
Staff costs	4	(1,643,955)	(1,079,650)
Depreciation	3	(34,505)	(78,202)
<b>Operating profit/(loss)</b>	3	815,327	(136,312)
Interest receivable and similar income		51,414	12,272
<b>Profit/(Loss) on ordinary activities before taxation</b>		866,741	(124,040)
<b>Tax credit on profit/(loss) on ordinary activities</b>	6	968,966	297,877
<b>Profit for the financial period after taxation</b>		1,835,707	173,837
Loss brought forward		(5,003,587)	(5,177,424)
Loss carried forward		(3,167,880)	(5,003,587)

All amounts reflected above relate to continuing operations

**GIVING LIMITED**  
**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**YEAR ENDED 31 DECEMBER 2006**

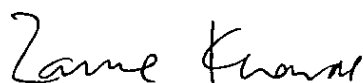
	<u>2006</u> £	<u>2005</u> £
<b>Profit for the financial year</b>	<b>1,835,707</b>	<b>173,837</b>
Exchange gain/(loss) on consolidation of foreign subsidiary	<b>75,914</b>	<b>(44,481)</b>
	<hr/>	<hr/>
<b>Total recognised gains during the year</b>	<b>1,911,621</b>	<b>129,356</b>
	<hr/>	<hr/>

**GIVING LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**31 DECEMBER 2006**

	<u>Notes</u>	<u>£</u>	<u>2006</u>	<u>£</u>	<u>2005</u>	<u>£</u>
<b>FIXED ASSETS</b>						
Tangible assets	8		57,062		54,660	
<b>CURRENT ASSETS</b>						
Debtors	9	536,581		312,618		
Deferred tax	11	1,278,734		300,000		
Cash at bank and in hand		430,815		11,256		
		<u>2,246,130</u>		<u>623,874</u>		
<b>CREDITORS</b>						
Amounts falling due within one year	10(a)	(905,201)		(292,048)		
<b>NET CURRENT ASSETS</b>						
			1,340,929		331,826	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>						
			<u>1,397,991</u>		<u>386,486</u>	
<b>CREDITORS</b>						
Amounts falling due after one year	10(b)		-		900,116	
<b>CAPITAL AND RESERVES</b>						
Called up share capital	12	421,701		421,701		
Share premium account	13	3,882,301		3,882,301		
Merger reserve	14	230,436		230,436		
Profit and loss account	15	(3,136,447)		(5,048,068)		
<b>EQUITY SHAREHOLDERS' FUNDS</b>						
	16		<u>1,397,991</u>		<u>(513,680)</u>	
			<u>1,397,991</u>		<u>386,486</u>	

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved and authorised for issue by the Board of Directors on 5<sup>th</sup> June 2007 and signed on its behalf by



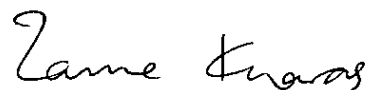
Z Kharas  
Director

**GIVING LIMITED  
BALANCE SHEET  
31 DECEMBER 2006**

	<u>Notes</u>	<u>£</u>	<u>2006</u>	<u>£</u>	<u>£</u>	<u>2005</u>	<u>£</u>
<b>FIXED ASSETS</b>							
Investments	7		93,750			93,750	
<b>CURRENT ASSETS</b>							
Debtors – due after more than one year	9	4,438,798			4,847,023		
<b>CREDITORS</b>							
Amounts falling due within one year	10(a)	(618,736)			(101)		
<b>NET CURRENT ASSETS</b>			<b>3,820,062</b>			<b>4,846,922</b>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>3,913,812</b>			<b>4,940,672</b>	
<b>CREDITORS</b>							
Amounts falling due after one year	10(b)		-			1,026,860	
<b>CAPITAL AND RESERVES</b>							
Called up share capital	12	421,701			421,701		
Share premium account	13	3,882,301			3,882,301		
Profit and loss account	15	(390,190)			(390,190)		
<b>EQUITY SHAREHOLDERS' FUNDS</b>	16		<b>3,913,812</b>			<b>3,913,812</b>	
			<b>3,913,812</b>			<b>4,940,672</b>	

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved and authorised for issue by the Board of Directors on 5<sup>th</sup> June 2007 and signed on its behalf by



Z Kharas  
Director

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2006**

**1 ACCOUNTING POLICIES**

**(a) Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) ("FRSSE")

**(b) Basis of consolidation**

The group financial statements consolidate the financial statements of Giving Limited and its subsidiaries up to 31 December 2006

In the company's balance sheet, the investment in Giving com Limited is stated at the nominal value of shares issued in consideration for that company. As permitted by sections 131 and 133 of the Companies Act 1985, no premium has been recorded on the shares issued in consideration. On consolidation, the difference between the nominal value of the shares issued and received has been debited directly to the merger reserve.

**(c) Company profit and loss account**

The company has taken advantage of the exemption conferred by Companies Act 1985 section 230 from publishing its own profit and loss account. The company made no profit or loss during the year ended 31 December 2006.

**(d) Tangible fixed assets**

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

Fixtures and fittings	- 5 years
Computer hardware	- 3 years
Computer software	- 3 years

Tangible fixed assets are also reviewed for impairment when events or circumstances indicate that the carrying value may not be recoverable.

**(e) Foreign currencies**

Monetary assets and liabilities expressed in foreign currencies have been translated at the rates of exchange ruling at the balance sheet date. Revenue transactions completed during the year are stated at the rates obtained on conversion into sterling. In the group financial statements, translation differences arising on consolidation of the net investments in overseas subsidiaries are taken to reserves. All other exchange differences are taken to the profit and loss account.

**(f) Cashflow statement**

The group has chosen not to prepare a cashflow statement, taking advantage of the exemption permitted as a small group under the Companies Act 1985.

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2006**

**1 ACCOUNTING POLICIES (Continued)**

**(g) Deferred taxation**

Deferred tax is provided or recognised using the full provision method set out in the FRSSSE. Subject to certain exceptions, this requires deferred tax to be recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Deferred tax balances are not discounted.

**(h) Turnover**

Turnover represents commission and fees earned in the period net of VAT.

<b>2</b>	<b>TURNOVER</b>	<u><b>2006</b></u> <b>£</b>	<u><b>2005</b></u> <b>£</b>
	United Kingdom	3,371,309	1,728,206
	Rest of the world	619,812	213,320
		<hr/>	<hr/>
		3,991,121	1,941,526
		<hr/>	<hr/>
<b>3</b>	<b>OPERATING PROFIT/(LOSS)</b>	<u><b>2006</b></u> <b>£</b>	<u><b>2005</b></u> <b>£</b>
	The operating profit/(loss) is stated after charging -		
	Foreign exchange loss	14,156	163,924
	Depreciation – owned assets	34,505	78,202
	Operating leases payments – land and buildings	40,506	29,477
	Auditors' remuneration – audit services	26,540	22,500
		<hr/>	<hr/>
<b>4.</b>	<b>WAGES AND SALARIES</b>	<u><b>2006</b></u> <b>£</b>	<u><b>2005</b></u> <b>£</b>
	Including directors' emoluments		
	Wages and salaries	1,486,404	963,617
	Social security	157,551	116,033
		<hr/>	<hr/>
		1,643,955	1,079,650
		<hr/>	<hr/>

The average monthly number of employees, including directors, during the periods were as follows:-

	<u><b>Number</b></u>	<u><b>Number</b></u>
Administrative	17	9
IT	9	8
Sales and distribution	11	12
	<hr/>	<hr/>
	37	29
	<hr/>	<hr/>

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2006**

<b>5 DIRECTORS' REMUNERATION</b>	<u><b>2006</b></u> <b>£</b>	<u><b>2005</b></u> <b>£</b>
Directors' emoluments	<u><b>149,231</b></u>	<u><b>108,000</b></u>
During the period there were no directors accruing benefits under pension schemes		
 <b>6 TAXATION</b>	 <u><b>2006</b></u> <b>£</b>	 <u><b>2005</b></u> <b>£</b>
<b>a) Analysis of tax charge in the year</b>		
Current tax		
UK corporation tax on profits in the period	<b>9,768</b>	<b>2,123</b>
Total current tax charge	<u><b>9,768</b></u>	<u><b>2,123</b></u>
Deferred tax		
Origination and reversal of timing differences	<u><b>(978,734)</b></u>	<u><b>(300,000)</b></u>
Tax credit on profit on ordinary activities	<u><b>(968,966)</b></u>	<u><b>(297,877)</b></u>

**b) Factors that may affect future tax charges**

As at the 31 December 2006, there are UK trading losses of approximately £3,175,972 (2005 £4,211,595) available to carry forward against future profits of the same trade. A deferred tax asset of £978,734 (2005 £300,000) in respect of these losses has been provided on the basis that it is regarded as more likely than not that there will be future taxable profits against which to relieve these losses.

There are tax losses estimated at £813,000 (2005 £600,000) in respect of the US subsidiary.

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2006**

**7 INVESTMENTS**

**Company**

Giving Limited owns the entire ordinary share capital of Giving com Limited, a company incorporated in Great Britain, whose principal activity is enabling individuals to donate and fundraise online through a website which aggregates charities on one site

The investment in subsidiary of £93,750 is represented by the issue at par value of 9,375,000 ordinary shares of 1p each in Giving com Limited

The company owns 100 \$0.01 ordinary shares in Justgiving Inc, a company incorporated in the USA. This represents 100% of the issued share capital. The company's activity is the same as that of Giving Limited. The company also owns 1 £1 ordinary share in Giving Employee Trustees Limited, a dormant company incorporated in Great Britain, which represents 100% of the issued share capital.

**8 TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Fixtures and fittings £</b>	<b>Computer hardware £</b>	<b>Computer software £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 January 2006	6,396	142,231	406,033	554,660
Additions	3,278	34,664	1,237	39,179
Exchange difference	-	(9,485)	-	(9,485)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2006	9,674	167,410	407,270	584,354
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 January 2006	3,081	110,289	386,630	500,000
Charge for the period	1,227	25,375	7,903	34,505
Exchange difference	-	(7,213)	-	(7,213)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2006	4,308	128,451	394,533	527,292
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 31 December 2006	5,366	38,959	12,737	57,062
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2005	3,315	31,942	19,403	54,660
	<hr/>	<hr/>	<hr/>	<hr/>

**Company**

The company holds no fixed assets



**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2006**

9 DEBTORS	31 December 2006 <u>Group</u>	31 December 2006 <u>Company</u>	31 December 2005 <u>Group</u>	31 December 2005 <u>Company</u>
	£	£	£	£
Trade debtors	179,911	-	117,428	-
Other debtors	341,015	-	183,076	-
Amounts owed by group undertaking	-	4,438,798	-	4,847,023
Prepayments and accrued income	15,655	-	12,114	-
	<u>536,581</u>	<u>4,438,798</u>	<u>312,618</u>	<u>4,847,023</u>

The amounts owed by group undertakings are due after one year

10 CREDITORS	31 December 2006 <u>Group</u>	31 December 2006 <u>Company</u>	31 December 2005 <u>Group</u>	31 December 2005 <u>Company</u>
	£	£	£	£
a) Amounts falling due within one year				
Bank loans and overdrafts	-	-	10,247	-
Trade creditors	45,796	-	28,165	-
Social security and other taxes	168,293	-	51,822	-
Corporation tax creditor	9,768	-	2,123	-
Accruals and deferred income	42,300	101	49,691	101
Shareholder's loan	639,044	618,635	150,000	-
	<u>905,201</u>	<u>618,736</u>	<u>292,048</u>	<u>101</u>
b) Amounts falling due after one year				
Shareholder's loan	-	-	900,116	1,026,860

11 DEFERRED TAX ASSET	<u>2006</u> £	<u>2005</u> £
Provision for deferred tax asset b/fwd	(300,000)	-
Accelerated capital allowances	(2,285)	(856)
Unpaid interest	(23,658)	(23,658)
Trading losses	(952,791)	(1,263,478)
Amounts not provided	-	987,992
	<u>(1,278,734)</u>	<u>(300,000)</u>

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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<b>12</b>	<b>CALLED UP SHARE CAPITAL</b>	<b><u>2006</u></b> <b>£</b>	<b><u>2005</u></b> <b>£</b>
	<u>Group and company</u>		
	Authorised		
	100,000,000 ordinary shares of 1 pence each	1,000,000	1,000,000
		<hr/>	<hr/>
	Allotted, called up and fully paid		
	42,170,052 ordinary shares of 1 pence each	421,701	421,701
		<hr/>	<hr/>
<b>13</b>	<b>SHARE PREMIUM ACCOUNT</b>	<b><u>2006</u></b> <b>£</b>	<b><u>2005</u></b> <b>£</b>
	<u>Group and company</u>		
	At 1 January and at 31 December	3,882,301	3,882,301
		<hr/>	<hr/>
<b>14</b>	<b>MERGER RESERVE</b>	<b>31 December</b> <b>2006</b> <b><u>Group</u></b> <b>£</b>	<b>31 December</b> <b>2005</b> <b><u>Group</u></b> <b>£</b>
	At 1 January and at 31 December	230,436	230,436
		<hr/>	<hr/>
<b>15</b>	<b>PROFIT AND LOSS ACCOUNT</b>		
		<b><u>2006</u></b> <b><u>Group</u></b> <b>£</b>	<b><u>2005</u></b> <b><u>Group</u></b> <b>£</b>
	At 1 January	(5,048,068)	(5,177,424)
	Profit for the year	1,835,707	173,837
	Exchange gain/(loss) on consolidation of foreign subsidiary	75,914	(44,481)
		<hr/>	<hr/>
	At 31 December	(3,136,447)	(5,048,068)
		<hr/>	<hr/>
		<b><u>2006</u></b> <b><u>Company</u></b> <b>£</b>	<b><u>2005</u></b> <b><u>Company</u></b> <b>£</b>
	At 1 January and 31 December	(390,190)	(390,190)
		<hr/>	<hr/>

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2006**

**16 RECONCILIATION OF EQUITY SHAREHOLDERS' FUNDS**

	<b>2006</b> <b><u>Group</u></b> <b>£</b>	<b>2005</b> <b><u>Group</u></b> <b>£</b>
At 1 January	(513,630)	(642,986)
Profit arising in the period	1,835,707	173,837
Exchange gain/(loss) on consolidation of foreign subsidiary	75,914	(44,481)
	<hr/>	<hr/>
At 31 December	<b>1,397,991</b>	<b>(513,630)</b>
	<hr/>	<hr/>
	<b>2006</b> <b><u>Company</u></b> <b>£</b>	<b>2005</b> <b><u>Company</u></b> <b>£</b>
At 1 January and 31 December	<b>3,913,812</b>	<b>3,913,812</b>
	<hr/>	<hr/>

**17 TRANSACTIONS WITH RELATED PARTY**

As permitted by the FRSSE, "Related Party Transactions", the financial statements do not disclose transactions between this company and its subsidiaries to the extent that the transactions have been eliminated on consolidation

Operating charges include an amount of £41,775 (2005 £45,119) payable to MF Limited, a majority shareholder of which B Hatvany (a director of Giving Limited) is a beneficiary

**18 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The ultimate parent company and controlling party is MF Limited, a company registered in Bermuda

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**19 FINANCIAL COMMITMENTS**

At 31 December 2006 the group had annual commitments under non-cancellable operating leases as follows

	31 December 2006		31 December 2005	
	<u>Land and buildings</u>	<u>Other</u>	<u>Land and buildings</u>	<u>Other</u>
	£	£	£	£
Expiring within one year	7,500	-	6,976	-
Expiring between two and five years	30,361	-	22,500	-
Expiring over five years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	37,861	-	29,476	-
	<hr/>	<hr/>	<hr/>	<hr/>