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**GIVING LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

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**GIVING LIMITED  
ANNUAL REPORT  
YEAR ENDED 31 DECEMBER 2007**

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**GIVING LIMITED  
COMPANY INFORMATION**

**DIRECTORS**

Z Kharas  
J Huysmans  
B Hatvany  
AM Huby (appointed 5<sup>th</sup> October 2007)

**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 2007

### **PRINCIPAL ACTIVITIES**

The Group provides services enabling UK and US based charities and their supporters to raise money and collect charitable donations online easily and tax-efficiently

### **REVIEW OF THE BUSINESS**

#### **Justgiving**

2007 saw online fundraising mature into a mainstream form of income generation for charities, and with that maturity came change for Justgiving itself. Change occurred on two fronts

First, as donations through our platform rose from £67m to £103m, our charity members became more aware of the value of Justgiving as a channel and began to demand more of us than a mere set of tools at the periphery of fundraising. An independent audit of our member charities' experience at the end of 2006 had revealed what was required of us. As a result, we decided to create two multi-disciplinary teams within the Company: one dedicated to supporting and helping our charity members, and one to encourage and support individual users.

By focusing exclusively on their needs, our Charities Team has been able to provide in-depth, targeted support and help to our charity members. The team, who 'lives and breathes' charity business every day, has helped the Company gain a deeper understanding of the challenges faced by charities, and build a service that strives to meet their needs. As a result, a year into this new programme of account management and communications, our charity members report higher satisfaction rates, which in turn encourages more charities to join us. Word of mouth continues to be our number one source of new business, which helps us keep our marketing costs to a minimum and invest primarily in product innovation and technology.

Secondly, maturity also meant reviewing our technology. At seven years of age, the Justgiving platform had proved a remarkable work horse, collecting £240m to date, yet some of the technologies and our platform architecture needed an overhaul if our service was to remain robust and innovative in years to come. In Q4 2007 we began a major investment in new technologies that will see the Justgiving platform rebuilt from the ground up.

We have established a capable "New Version" software team that has been tasked with architecting and building a scalable, high-performance, open platform for the Giving Group based on a service-oriented architecture and a .NET framework. This framework provides the foundation for our online applications, computer-to-computer web services for easier data exchange and embedding of our services in other websites. Crucially it will mean a lot less code and a more robust, malleable, common software system for the Group, resulting in fewer bugs, greater productivity and faster time to market.

We also achieved PCI compliance, the payment card industry's new higher security standards for the protection of credit card and personal data.

In addition to building our new platform, our technology team released some exciting new features in 2007. Justgiving and Firstgiving took further steps in 'social media giving' with a Facebook application, led by the newly formed Consumer Team. As the web landscape has changed towards a more social platform, the Consumer Team has responded in kind with upgrades to widgets, official compatibility with MySpace.com and the Facebook application. Facebook is, as of now, the biggest referrer of web traffic to fundraising pages (Google is now second). This is no surprise considering the social nature of friends asking friends for money – and Facebook has helped streamline this process further. Justgiving users are using tools of all kinds to help market their cause and effort, from established blogging platforms, mainstream and niche social networks as well as newly emerging web 2.0 tools. The presence of Justgiving applications on these sites has increased brand awareness and exposed the concept of online fundraising to a much wider audience.

The value of social network referrals is almost as high as that of email, and it is a continuing trend, which we will

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

**REVIEW OF THE BUSINESS (continued)**

continue to monitor and act upon where necessary to maintain competitive advantage and our focus on a great user experience

We continued to focus relentlessly on the user experience. By making small, sometimes imperceptible, changes to our service, we improved the success rate of key processes such as the way fundraising pages are built on our site. These seemingly modest efforts helped improve the experience of our users – and therefore raise even more for charity.

While social networking and web 2.0 stories made the headlines in the charity press in 2007, it is the trusted flagship events in the UK charity calendar that continued to break online fundraising records. The Flora London Marathon 2007 raised £17m through Justgiving, with event participants raising record averages online, and proving once again the extraordinary reach and power of the medium.

3,363 charities raised funds through Justgiving in 2007, up from 2,036 in 2006. Most of our new members are very small charities for which funds are hard to come by and online fundraising is therefore a genuine source of new money. We believe that Justgiving can be a transformative force for thousands more small and local charities in the future and we look forward to welcoming more of them in 2008.

**Firstgiving**

In 2007, Firstgiving experienced continued growth as donations made to non-profits through Firstgiving grew from \$14m to \$23m.

Charity events continued to drive our growth. Charity-run events such as walkathons, bike rides and runs are particularly prevalent in the US. These events tend to cluster around the Spring and Fall months as these events are typically held outdoors in the months that promise the best weather. January and February 2007 saw stronger growth than in previous years as a result of more non-profit 'polar-plunge' and bowl-athon events. In 2007, Firstgiving was used by charities for over 1,800 fundraising events, up from 1,100 in 2006.

In 2007, we took a significant step in opening up the platform to any of the 1.5 million registered non-profit organizations in the Guidestar database and offering them the option of a free account. In the first month over 80 charities took up the opportunity, and at the time of writing over 200 organizations signed up each month.

In 2007, over 2,100 charities had donations made to them through Firstgiving, up from 1,290 in 2006. This growth is largely due to the increase in small and mid-sized charities that use Firstgiving and to the number of individuals who come directly to Firstgiving to raise money for the organization of their choice.

The Firstgiving team grew from 10 members at the end of 2006 to 13 at the end of 2007. The team is focused on the development, sales, marketing and support of our service in the US market.

To find out more about the Giving Group, please visit [www.justgiving.com](http://www.justgiving.com) and [www.firstgiving.com](http://www.firstgiving.com).

**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 £640,708 (2006 £1,535,707) 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  
AM Huby (appointed 5<sup>th</sup> October 2007)

The beneficial interests of the directors holding office at 31 December 2007 in the issued share capital of the company were as follows -

	<u>Share Options</u>		<u>Ordinary 1p shares</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Z Kharas	3,300,183	3,300,183	2,039,816	2,039,816
AM Huby	3,709,922	3,709,922	465,078	465,078

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.

**STATEMENT OF INFORMATION PROVIDED TO AUDITORS**

Each of the directors has confirmed that

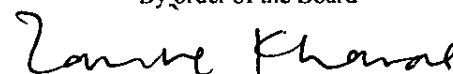
- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that 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

30<sup>th</sup> June 2008

**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.

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

We have audited the financial statements of Giving Limited for the year ended 31 December 2007 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated statement of total recognised gains and losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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's and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which 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, of the state of the group's and parent company's affairs as at 31 December 2007 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.

London, UK  
3<sup>rd</sup> July 2008

  
**PKF (UK) LLP**  
Registered auditors



**GIVING LIMITED**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2007**

	<u>Notes</u>	<u>2007</u> <u>£</u>	<u>Restated</u> <u>2006</u> <u>£</u>
<b>Turnover</b>	2	5,979,925	3,991,121
Operating charges		(2,156,096)	(1,497,334)
Staff costs	4	(2,666,703)	(1,643,955)
Depreciation	3	(71,410)	(34,505)
<b>Operating profit</b>	3	<b>1,085,716</b>	<b>815,327</b>
Interest receivable and similar income		121,015	51,414
<b>Profit on ordinary activities before taxation</b>		<b>1,206,731</b>	<b>866,741</b>
<b>Tax on profit on ordinary activities</b>	6	<b>(566,023)</b>	<b>668,966</b>
<b>Profit for the financial period after taxation</b>		<b>640,708</b>	<b>1,535,707</b>

All amounts reflected above relate to continuing operations

**GIVING LIMITED**  
**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**YEAR ENDED 31 DECEMBER 2007**

	<u><b>2007</b></u> <b>£</b>	<u><b>Restated</b></u> <u><b>2006</b></u> <b>£</b>
<b>Profit for the financial year</b>	<b>640,708</b>	<b>1,535,707</b>
Exchange gain on consolidation of foreign subsidiary	<u>7,654</u>	<u>75,914</u>
Total recognized gains for the year	<b>648,362</b>	<b>1,611,621</b>
Prior year adjustment (note 6)	<u>(300,000)</u>	<u>-</u>
<b>Total recognised gains since last financial statements</b>	<u><b>348,362</b></u>	<u><b>1,611,621</b></u>

**GIVING LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**31 DECEMBER 2007**

	<u>Notes</u>	<u>£</u>	<u>2007</u>	<u>£</u>	<u>Restated</u>	<u>2006</u>	<u>£</u>
<b>FIXED ASSETS</b>							
Tangible assets	8		433,028			57,062	
<b>CURRENT ASSETS</b>							
Debtors	9	1,038,937		536,581			
Deferred tax	11	454,943		978,734			
Cash at bank and in hand		585,799		430,815			
			<u>2,079,679</u>		<u>1,946,130</u>		
<b>CREDITORS</b>							
Amounts falling due within one year	10	(766,354)		(905,201)			
			<u></u>	<u></u>			
<b>NET CURRENT ASSETS</b>			<u>1,313,325</u>			<u>1,040,929</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,746,353</u>			<u>1,097,991</u>	
<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		(2,788,085)			(3,436,447)	
			<u></u>			<u></u>	
<b>EQUITY SHAREHOLDERS' FUNDS</b>	16		<u>1,746,353</u>			<u>1,097,991</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 30<sup>th</sup> June 2008 and signed on its behalf by

*Zanir Kharas*

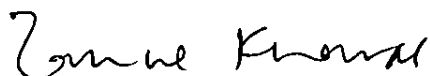
Z Kharas  
Director

**GIVING LIMITED  
BALANCE SHEET  
31 DECEMBER 2007**

	<u>Notes</u>	£	<u>2007</u>	£	£	<u>2006</u>	£
<b>FIXED ASSETS</b>							
Investments	7		93,750			93,750	
<b>CURRENT ASSETS</b>							
Debtors – due after more than one year	9	3,820,162		4,438,798			
<b>CREDITORS</b>							
Amounts falling due within one year	10	(100)		(618,736)			
<b>NET CURRENT ASSETS</b>			<u>3,820,062</u>			<u>3,820,062</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,913,812</u>			<u>3,913,812</u>	
<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		<u>3,913,812</u>			<u>3,913,812</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 30<sup>th</sup> June 2008 and signed on its behalf by



Z Kharas  
Director

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

**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 2007

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 2007.

**(d) Tangible fixed assets**

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

Leasehold improvements	- 5 years
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 2007**

**1 ACCOUNTING POLICIES (Continued)**

**(g) Deferred taxation**

Deferred tax is provided or recognised using the full provision method set out in the FRSSE. 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>2007</b></u> <b>£</b>	<u><b>2006</b></u> <b>£</b>
	United Kingdom	5,212,935	3,371,309
	Rest of the world	956,990	619,812
		<hr/> 6,169,925 <hr/>	<hr/> 3,991,121 <hr/>

<b>3</b>	<b>OPERATING PROFIT</b>	<u><b>2007</b></u> <b>£</b>	<u><b>2006</b></u> <b>£</b>
	The operating profit is stated after charging -		
	Foreign exchange loss	13,250	14,156
	Depreciation – owned assets	71,410	34,505
	Operating leases payments – land and buildings	193,858	40,506
	Auditors' remuneration – audit services	33,050	26,540
		<hr/> 6,169,925 <hr/>	<hr/> 3,991,121 <hr/>

<b>4</b>	<b>STAFF COSTS</b>	<u><b>2007</b></u> <b>£</b>	<u><b>2006</b></u> <b>£</b>
	Including directors' emoluments		
	Wages and salaries	2,428,247	1,486,404
	Social security	238,456	157,551
		<hr/> 2,666,703 <hr/>	<hr/> 1,643,955 <hr/>

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

	<u><b>Number</b></u>	<u><b>Number</b></u>
Administrative	25	17
IT	19	9
Sales and distribution	8	11
	<hr/> 52 <hr/>	<hr/> 37 <hr/>

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

<b>5</b>	<b>DIRECTORS' REMUNERATION</b>	<u><b>2007</b></u> <b>£</b>	<u><b>2006</b></u> <b>£</b>
	Directors' emoluments	<u>257,497</u>	<u>149,231</u>
	Highest paid director	<u>134,435</u>	<u>125,231</u>
	During the period there were no directors accruing benefits under pension schemes		
<b>6</b>	<b>TAXATION</b>	<u><b>2007</b></u> <b>£</b>	<u><b>Restated</b></u> <u><b>2006</b></u> <b>£</b>
	<b>a) Analysis of tax charge in the year</b>		
	Current tax		
	UK corporation tax on profits in the period	42,232	9,768
	Total current tax charge	<u>42,232</u>	<u>9,768</u>
	Deferred tax		
	Origination and reversal of timing differences	523,791	(678,734)
	Tax charge/(credit) on profit on ordinary activities	<u>566,023</u>	<u>(668,966)</u>

The 2006 deferred tax has been restated. The Directors have determined that the deferred tax asset recognised requires correction and this is most appropriately reflected by a prior year adjustment.

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

As at the 31 December 2007, there are UK trading losses of approximately £1,664,666 (2006 £3,175,972) available to carry forward against future profits of the same trade. A deferred tax asset of £454,943 (2006 £978,734) 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 £1,395,000 (2006 £813,000) in respect of the US subsidiary. A potential deferred tax asset of £390,000 exists which has not been recognized as the US subsidiary is not yet profitable.

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

**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>Leasehold Improvements £</b>	<b>Fixtures and fittings £</b>	<b>Computer hardware £</b>	<b>Computer software £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 January 2007	-	9,674	167,410	407,270	584,354
Additions	168,865	57,478	213,148	14,603	454,094
Disposals	-	(9,676)	(4,468)	-	(14,144)
Exchange difference	-	-	(828)	-	(828)
<b>At 31 December 2007</b>	<b>168,865</b>	<b>57,476</b>	<b>375,262</b>	<b>421,873</b>	<b>1,023,476</b>
<b>Depreciation</b>					
At 1 January 2007	-	4,308	128,451	394,533	527,292
Charge for the period	19,175	6,754	34,575	10,906	71,410
Disposals	-	(4,308)	(3,269)	-	(7,577)
Exchange difference	-	-	(677)	-	(677)
<b>At 31 December 2007</b>	<b>19,175</b>	<b>6,754</b>	<b>159,080</b>	<b>405,439</b>	<b>590,448</b>
<b>Net book value</b>					
At 31 December 2007	<b>149,690</b>	<b>50,722</b>	<b>216,182</b>	<b>16,434</b>	<b>433,028</b>
At 31 December 2006	-	5,366	38,959	12,737	57,062

**Company**

The company holds no fixed assets



**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2007**

**9 DEBTORS**

	<u>2007</u> <u>Group</u>	<u>2007</u> <u>Company</u>	<u>2006</u> <u>Group</u>	<u>2006</u> <u>Company</u>
	£	£	£	£
Trade debtors	206,000	-	179,911	-
Other debtors	749,272	-	341,015	-
Amounts owed by group undertaking	-	3,820,162	-	4,438,798
Prepayments and accrued income	83,665	-	15,655	-
	<u>1,038,937</u>	<u>3,820,162</u>	<u>536,581</u>	<u>4,438,798</u>

The amounts owed by group undertakings are due after one year

**10 CREDITORS**

	<u>2007</u> <u>Group</u>	<u>2007</u> <u>Company</u>	<u>2006</u> <u>Group</u>	<u>2006</u> <u>Company</u>
	£	£	£	£
<b>Amounts falling due within one year</b>				
Trade creditors	105,450	-	45,796	-
Social security and other taxes	290,272	-	168,293	-
Corporation tax creditor	42,232	-	9,768	-
Accruals and deferred income	265,838	100	42,300	101
Other creditors	62,562	-	-	-
Shareholder's loan	-	-	639,044	618,635
	<u>766,354</u>	<u>100</u>	<u>905,201</u>	<u>618,736</u>

**11 DEFERRED TAX ASSET**

	<u>2007</u> <u>£</u>	<u>Restated</u> <u>2006</u> <u>£</u>
Provision for deferred tax asset b/fwd	(978,734)	(300,000)
Accelerated capital allowances	13,449	(2,285)
Unpaid interest	23,658	(23,658)
Trading losses	486,684	(652,791)
	<u>(454,943)</u>	<u>(978,734)</u>

**GIVING LIMITED**  
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<b>12</b>	<b>CALLED UP SHARE CAPITAL</b>	<b><u>2007</u></b> <b>£</b>	<b><u>2006</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>2007</u></b> <b>£</b>	<b><u>2006</u></b> <b>£</b>
	<u>Group and company</u>		
	At 1 January and at 31 December 2007	3,882,301	3,882,301
		<hr/>	<hr/>
<b>14</b>	<b>MERGER RESERVE</b>	<b><u>2007</u></b> <b><u>Group</u></b> <b>£</b>	<b><u>2006</u></b> <b><u>Group</u></b> <b>£</b>
	At 1 January and at 31 December 2007	230,436	230,436
		<hr/>	<hr/>
<b>15</b>	<b>PROFIT AND LOSS ACCOUNT</b>	<b><u>2007</u></b> <b><u>Group</u></b> <b>£</b>	<b><u>Restated</u></b> <b><u>2006</u></b> <b><u>Group</u></b> <b>£</b>
	At 1 January 2007	(3,436,447)	(5,048,068)
	Profit for the year	640,708	1,535,707
	Exchange gain on consolidation of foreign subsidiary	7,654	75,914
		<hr/>	<hr/>
	At 31 December 2007	(2,788,085)	(3,436,447)
		<hr/>	<hr/>
		<b><u>2007</u></b> <b><u>Company</u></b> <b>£</b>	<b><u>2006</u></b> <b><u>Company</u></b> <b>£</b>
	At 1 January and 31 December 2007	(390,190)	(390,190)
		<hr/>	<hr/>

**GIVING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**16 RECONCILIATION OF EQUITY SHAREHOLDERS' FUNDS**

	<b>2007</b>	<b><u>Restated</u></b>
	<b><u>Group</u></b>	<b><u>2006</u></b>
	<b>£</b>	<b><u>Group</u></b>
		<b>£</b>
At 1 January 2007	1,097,991	(513,630)
Profit arising in the period	640,708	1,535,707
Exchange gain on consolidation of foreign subsidiary	7,654	75,914
	<hr/>	<hr/>
At 31 December 2007	1,746,353	1,097,991
	<hr/>	<hr/>
	<b>2007</b>	<b>2006</b>
	<b><u>Company</u></b>	<b><u>Company</u></b>
	<b>£</b>	<b>£</b>
At 1 January and 31 December 2007	3,913,812	3,913,812
	<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 £21,128 (2006 £41,775) 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

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**19 FINANCIAL COMMITMENTS**

At 31 December 2007 the group had annual commitments under non-cancellable operating leases as follows

	2007		2006	
	<u>Land and buildings</u>	<u>Other</u>	<u>Land and buildings</u>	<u>Other</u>
	£	£	£	£
Expiring within one year	30,927	-	7,500	-
Expiring between two and five years	-	-	30,361	-
Expiring over five years	168,280	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	199,207	-	37,861	-
	<hr/>	<hr/>	<hr/>	<hr/>