

Registered number: 03979990



GIVING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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GIVING LIMITED
YEAR ENDED 31 DECEMBER 2015
COMPANY INFORMATION

Directors	B Hatvany A M Huby J Huysmans Z Kharas A King J McKay
Company Secretary	Z Kharas
Registered number	03979990
Registered office	2nd Floor Blue Fin Building 110 Southwark Street London SE1 0TA
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

GIVING LIMITED
YEAR ENDED 31 DECEMBER 2015
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Business review and future developments

In 2015 JustGiving continued to enable charities and good causes to raise millions of pounds, in fact an unprecedented £404m, at a particularly challenging time for charities in the UK.

As many charities reported flat or reducing levels of income, and traditional fundraising methods came under severe media scrutiny, JustGiving was proud not only to have grown giving on its platform by 12% on the previous year, but also to have welcomed its 15 millionth user, and won two of the most prestigious awards in the industry - for Best Giving Platform and Best Digital Partner (donor-facing) - at the Institute of Fundraising Partners Awards.

One of the Group's core values is taking a long-term view of the business, reflected in the continued reinvestment of any surpluses back into the business. Specifically, it increased its cost base by £2.9m over 2014 in order to deliver ground-breaking changes to the JustGiving website and mobile applications aimed at stimulating long-term sustainable growth.

Our long-term view involves placing a high value on innovation, and staying ahead of the curve of fast-changing consumer behaviours. This was evidenced in a number of improvements and new services launched on JustGiving in 2015, which are set to unlock new growth in giving in the years ahead:

- Our most significant new initiative in years, JustGiving's crowdfunding service launched as an integral part of the JustGiving website in April 2015. It enables people to raise money for any good cause, charitable or otherwise, for their local community, a personal project or someone in need. The public's response has been phenomenal, with significant month-on-month growth, and £9m raised by the end of the year. This new development illustrates people's appetite for supporting tangible, often small projects which JustGiving is uniquely positioned to grow in future years. From providing food and shelter for refugees, to funding urgent medical care, helping the homeless and buying new wheelchairs for friends and neighbours in need, JustGiving Crowdfunding funded almost 35,000 personal causes in 2015.
- Building on the strength of its crowdfunding experience, JustGiving responded to the growing interest of charities in this area, and launched a service called 'Campaigns' to enable charities to crowdfund for specific projects. This soon proved to be the fastest-growing charity product in JustGiving's history, used in some of the year's most high-profile campaigns, including the official appeal for the victims of the Cumbrian floods, and a number of highly successful grassroots appeals for refugees stranded in makeshift camps in Calais.
- JustGiving's most popular product, the event fundraising page, was also enhanced, with fundraisers being able to create and manage their pages entirely on mobile for the first time, a critical requirement for a growing number of users.
- And thanks to continued investment in sophisticated analytics, JustGiving is now putting good causes in front of more people through a personalised journey meaning individuals are now presented with other highly relevant causes for giving. Furthermore, every fundraiser was supported with uniquely personalised emails at every step of their fundraising journey – a form of one-to-one coaching highly valued by both the fundraisers themselves and the recipient charities eager to keep their support costs to a minimum. During 2015 more than 13 million personalised emails were sent by JustGiving on behalf of charities, resulting in more giving and keeping fundraisers engaged and motivated.
- A brand new, even more engaging version of the JustGiving fundraising page was in development, for launch in Q1 2016.
- JustGiving website was moved to a cloud-based service to provide unlimited capacity to handle sudden and huge spikes in traffic so that when the next #icebucketchallenge takes off it can scale up in minutes to serve its global charity, technology and corporate partners.

With its best-in-class event fundraising service, fast-growing crowdfunding for both individuals and charities, and unique analytical capabilities, the Group was uniquely positioned for a strong performance in 2016.

Principal Risks and Uncertainties

The directors consider the following to be principal risks and uncertainties facing the group:

Economic recession
Changes to government regulations; and
Competition from new entrants to the market.

GIVING LIMITED
GROUP STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors keep these risks under constant review and take measures, where possible, to minimise the group's exposure to such risks on an ongoing basis.

Financial key performance indicators

Turnover grew by 11% in 2015, driven by investment in product and platform. The Group's continued investment plan increased costs to £21.9m in 2015 (2014: £19.0m) resulting in a £1.3m increase in the operating losses incurred by the Group, and a cash outflow of £4.1m (2014: £1.5m). The directors continue to take the view that funds should be reinvested back into the company to drive innovation in the online giving space so as to ensure the company increases the amounts raised on its platform for good causes each year.

Other key performance indicators

The directors closely monitor a number of leading financial and non-financial performance indicators, including those focused on user satisfaction and usability, to monitor the overall health of the business.

This report was approved by the board and signed on its behalf.



.....
A M Hubby
Director

Date: 28th Sept. 2016

GIVING LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Principal activities

JustGiving is the world's social platform for giving, enabling people all over the world to raise funds for, and donate to, the charities and projects they care about. The Group provides charities with fundraising and reporting tools that maximise donations and cut administration costs.

Results and dividends

The loss for the year, after taxation, amounted to £3,765,008 (2014 - £2,880,018).

The directors do not recommend the payment of a dividend (2014 - £Nil). The directors continue to take a long term view of continued re-investment in innovation by the group.

Directors

The directors who served during the year were:

B Hatvany
A M Huby
J Huysmans
Z Kharas
A King (appointed 10 February 2015)
J Mckay

Financial risk management objectives and policies

The group does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash risk associated with selling on credit and manages this through credit control procedures. However, since the majority of our revenues are deducted from the Gift Aid claimed from HMRC on behalf of charities (thus ensuring charities receive the full donation within days of it being made on our website), our credit and cash flow risk is minimal compared to other companies.

Research and development activities

The group incurs research and development costs in respect of the continued investment in their giving platform.

Employee involvement

The group is committed to the principle of employee involvement in all aspects of the business. All employees are eligible for share options. We are also committed to ensuring all staff are actively involved in regular personal and professional development initiatives.

Disabled employees

The group adopts a policy of giving full and fair consideration to the employment and training of disabled persons, having regard to their particular aptitudes and disabilities.

Subsequent events

On 14th January 2016, a subsidiary company signed a £3.5m loan facility agreement with Barclays Bank PLC, with a term of 2 years. There is a cross-guarantee under the terms of the facility with the company being held joint and severally liable for any indebtedness. No drawdown has been made under this facility to the date of signing of these financial statements.

In January 2016, the company took the decision to close down the operations of JustGiving Australia Pty Ltd following a management review. The group intends to continue trading to service charities and users in the Australia region on an ongoing basis from the UK.

GIVING LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015 (continued)

On 18th July 2016, the company purchased the trade and assets of JustGive Inc, a US based not-for-profit organisation, for initial consideration of US\$270,000. A further maximum payment of US\$100,000 consideration will be due upon finalisation of the closing accounts for JustGive Inc, although the impact of this has not yet been determined. There is further consideration payable contingent upon the performance of the US business over the subsequent 3 years.

Going Concern

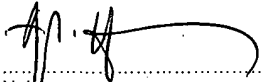
The group's business activities are described in the Strategic Report in pages 1 and 2. The group has adequate financial resources to support its financial position, and has a strong core business in the UK. As a consequence the directors believe that the group is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the group is to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing this report and financial statements.

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company and the Group's auditor in connection with preparing its report and to establish that the Company and the Group's auditor is aware of that information.

This report was approved by the board and signed on its behalf.



A M Hubby
Director

Date: 28th Sept. 2016.

GIVING LIMITED
DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires that the directors prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company 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 group and company 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 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.

GIVING LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIVING LIMITED

We have audited the consolidated financial statements of Giving Limited for the year ended 31 December 2015 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement, the company balance sheet, the company statement of changes in equity 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 Financial Reporting Council's (FRC'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 FRC's website at 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 group and parent company's affairs as at 31 December 2015 and of the group's loss 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 strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

GIVING LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIVING LIMITED

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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

Stuart Barnsdall (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date 28/9/2016

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

GIVING LIMITED
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
TURNOVER	2	21,662,013	19,433,875
Transaction processing costs		<u>(3,487,972)</u>	<u>(3,000,289)</u>
Gross profit		18,174,041	16,433,586
Other external charges		(10,645,562)	(9,877,554)
Staff costs	5	(11,279,969)	(9,137,937)
Depreciation and amortisation		<u>(1,203,429)</u>	<u>(1,041,110)</u>
OPERATING LOSS	3	(4,954,919)	(3,623,015)
Interest receivable and similar income	6	34,910	15,274
Interest payable and similar charges	7	<u>(402)</u>	<u>(1,037)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(4,920,411)	(3,608,778)
Tax on loss on ordinary activities	8	<u>1,155,403</u>	<u>728,760</u>
LOSS FOR THE FINANCIAL YEAR		<u><u>(3,765,008)</u></u>	<u><u>(2,880,018)</u></u>

All amounts relate to continuing operations.

The notes on pages 15 to 31 form part of these financial statements.

GIVING LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £	2014 £
LOSS FOR THE FINANCIAL YEAR	(3,765,008)	(2,880,018)
Exchange (loss)/gain on consolidation of foreign subsidiaries	<u>(33,162)</u>	<u>25,782</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>(3,798,170)</u>	<u>(2,854,236)</u>

All comprehensive loss is attributable to the owners of the parent company.

The notes on pages 15 to 31 form part of these financial statements.

GIVING LIMITED
REGISTERED NUMBER: 03979990
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Intangible assets	9	980,748	1,175,088
Tangible assets	10	<u>1,144,921</u>	<u>1,570,456</u>
		2,125,669	2,745,544
CURRENT ASSETS			
Debtors	12	6,740,704	5,064,686
Cash at bank and in hand		<u>2,687,867</u>	<u>6,742,504</u>
		9,428,571	11,807,190
CREDITORS: amounts falling due within one year	13	<u>(4,886,276)</u>	<u>(4,253,668)</u>
NET CURRENT ASSETS		<u>4,542,295</u>	<u>7,553,522</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,667,964	10,299,066
CREDITORS: amounts falling due in more than one year	14	<u>(48,568)</u>	<u>(225,177)</u>
PROVISIONS FOR LIABILITIES			
Deferred tax	16	(1,676)	(11,828)
Other provisions	16	<u>(288,036)</u>	<u>(247,369)</u>
		(289,712)	(259,197)
NET ASSETS		<u>6,329,684</u>	<u>9,814,692</u>
CAPITAL AND RESERVES			
Called up share capital	17	487,615	472,458
Share premium account		4,197,950	4,002,540
Merger reserve		230,436	230,436
Profit and loss account		<u>1,413,683</u>	<u>5,109,258</u>
SHAREHOLDERS' FUNDS		<u>6,329,684</u>	<u>9,814,692</u>

All equity is attributable to the owners of the parent company.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Zamir Kharas

Z Kharas
Director

Date:

28th September 2016

The notes on pages 15 to 31 form part of these financial statements.

GIVING LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share Capital £	Share Premium £	Merger reserve £	Profit and loss account £	Total Equity £
1 January 2014	472,458	4,002,540	230,436	7,073,680	11,779,114
Loss for the year	-	-	-	(2,880,018)	(2,880,018)
Exchange gain on consolidation of foreign subsidiaries	-	-	-	25,782	25,782
Total comprehensive loss for the year	-	-	-	(2,854,236)	(2,854,236)
Issue of shares during the year	-	-	-	-	-
Share based payment charge	-	-	-	889,814	889,814
Total contributions by and distributions to owners	-	-	-	889,814	889,814
31 December 2014	472,458	4,002,540	230,436	5,109,258	9,814,692
1 January 2015	472,458	4,002,540	230,436	5,109,258	9,814,692
Loss for the year	-	-	-	(3,765,008)	(3,765,008)
Exchange loss on consolidation of foreign subsidiaries	-	-	-	(33,162)	(33,162)
Total comprehensive loss for the year	-	-	-	(3,798,170)	(3,798,170)
Issue of shares during the year	15,157	195,410	-	-	210,567
Share based payment charge	-	-	-	102,595	102,595
Total contributions by and distributions to owners	15,157	195,410	-	102,595	313,162
31 December 2015	487,615	4,197,950	230,436	1,413,683	6,329,684

The notes on pages 15 to 31 form part of these financial statements.

GIVING LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
<i>Cash flows from operating activities</i>			
Cash (outflow)/inflow from operations	19	(4,684,903)	242,284
Interest paid		-	(1,037)
Taxation credits received		<u>1,273,629</u>	<u>600,308</u>
Net cash (outflow)/inflow from operating activities		<u>(3,411,274)</u>	<u>841,555</u>
<i>Cash flows from investing activities</i>			
Interest received		34,910	15,274
Capital expenditure	20	<u>(701,965)</u>	<u>(2,391,134)</u>
Net cash used in investing activities		<u>(667,055)</u>	<u>(2,375,860)</u>
Net cash generated from financing activities	20	<u>23,692</u>	<u>-</u>
Net decrease in cash and cash equivalents		<u>(4,054,637)</u>	<u>(1,534,305)</u>
Cash and cash equivalents at beginning of year		6,742,504	8,276,809
Decrease in cash and cash equivalents during the year		<u>(4,054,637)</u>	<u>(1,534,305)</u>
Cash and cash equivalents at end of year		<u>2,687,867</u>	<u>6,742,504</u>
Cash and cash equivalents comprise:			
Cash at bank and in hand		<u>2,687,867</u>	<u>6,742,504</u>
Cash and cash equivalents at end of year		<u>2,687,867</u>	<u>6,742,504</u>

The notes on pages 15 to 31 form part of these financial statements.

GIVING LIMITED
REGISTERED NUMBER: 03979990
COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Intangible assets	9	193,090	266,207
Tangible assets	10	-	-
Investments	11	<u>93,750</u>	<u>93,750</u>
		286,840	359,957
CURRENT ASSETS			
Debtors	12	2,194,968	304,811
Cash at bank and in hand		<u>5,730</u>	<u>1,887,103</u>
		2,200,698	2,191,914
CREDITORS: amounts falling due within one year	13	<u>(24,282)</u>	<u>(101)</u>
NET CURRENT ASSETS		2,176,416	2,191,813
NET ASSETS		2,463,256	2,551,770
CAPITAL AND RESERVES			
Called up share capital	17	487,615	472,458
Share premium account		4,197,950	4,002,540
Profit and loss account		<u>(2,222,309)</u>	<u>(1,923,228)</u>
SHAREHOLDERS' FUNDS		2,463,256	2,551,770

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Zamir Kharas

Z Kharas
Director

Date: *28th September 2016*

The notes on pages 15 to 31 form part of these financial statements.

GIVING LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share Capital £	Share Premium £	Profit and loss account £	Total Equity £
1 January 2014	472,458	4,002,540	(2,155,553)	2,319,445
Loss for the year	-	-	(657,489)	(657,489)
Total comprehensive loss for the year	-	-	(657,489)	(657,489)
Issue of shares during the year	-	-	-	-
Share option charge	-	-	889,814	889,814
Total contributions by and distributions to owners	-	-	889,814	889,814
31 December 2014	472,458	4,002,540	(1,923,228)	2,551,770
1 January 2015	472,458	4,002,540	(1,923,228)	2,551,770
Loss for the year	-	-	(401,676)	(401,676)
Total comprehensive loss for the year	-	-	(401,676)	(401,676)
Issue of shares during the year	15,157	195,410	-	210,567
Share option charge	-	-	102,595	102,595
Total contributions by and distributions to owners	15,157	195,410	102,595	313,162
31 December 2015	487,615	4,197,950	(2,222,309)	2,463,256

The notes on pages 15 to 31 form part of these financial statements.

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention except for items required to be measured at fair value, in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The financial statements are prepared on a going concern basis, as described in the Directors' Report on page 4.

Parent company disclosure exemptions:

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- No cash flow statement has been presented for the parent company;
- Disclosures in respect of the parent company's financial instruments and share-based payment arrangements have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as the parent company has no employees; all key management personnel are employed by wholly owned subsidiary Giving.com Limited.

No profit and loss statement has been presented for the parent company in accordance with s408(4) of the Companies Act 2006.

The following principal accounting policies have been applied:

1.2 Basis of consolidation

The financial statements consolidate the accounts of Giving Limited and all of its subsidiary undertakings ("The Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

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 required by sections 612 and 615 of the Companies Act 2006 no premium has been recorded on the shares issued in consideration. On consolidation, the difference between the nominal value of shares issued and received has been debited directly to the merger reserve.

1.3 Revenue

Turnover represents commissions, fees and subscriptions revenue earned during the period, net of commission rebates due to charities. All revenue is recorded net of Value Added Tax. Commissions and fees revenue is based on charitable donations, and is recognised when the Group has performed the services it has been engaged to perform, and it is probable that the Group will receive the agreed upon payment. Subscriptions are charged to members of the JustGiving website. Revenue from subscriptions is recognised over the period that services are provided. Commission rebates due to charities are calculated based on contractual agreements with specific charities to provide discounts on commission rates when certain donation volumes are exceeded.

1. ACCOUNTING POLICIES *(continued)*

1.4 Depreciation and amortisation

Depreciation on tangible assets and amortisation on intangible assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Leasehold Improvements	- over the life of the lease
Fixtures and fittings	- 3 years
Computer licences and hardware	- 3 years
Software development	- 3 years
Intangible assets	- 5 years

1.5 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

1.6 Share based payments

Directors, senior managers and other qualifying staff of the group have been granted options to subscribe for ordinary shares. All options are share settled.

The fair value of services received in return for share options granted is measured by reference to the fair value of the share options granted, at date of grant, and this is expensed on a straight line basis over the estimated vesting period. This estimate is determined using the Black-Scholes valuation model considering the effects of the vesting conditions, expected exercise period and the payment of dividends by the Group.

1.7 Foreign currencies

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in pounds sterling, which is the company's functional and the Group's presentation currency.

On consolidation, the results of overseas operations are translated into pounds sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'Interest payable and similar charges'. All other foreign exchange gains and losses are presented in the Income Statement within 'Other external charges'.

Foreign currency transactions are translated into the group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

1. ACCOUNTING POLICIES (continued)

1.8 Operating leases

Rentals under operating leases are charged to the income statement on a straight line basis over the period of the lease. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the non-cancellable lease term.

1.9 Research and development

Research and development costs are incurred in respect of the Group's continued investment in its donation platform. Where development costs incurred meet the criteria for capitalisation they are recognised within fixed assets and subsequently written off over their estimated useful life. Research and development costs which are not capitalised are written off to the income statement as they are incurred.

1.10 Investments in subsidiary undertakings

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Intangible assets

Intangible assets include software development costs and domain names, and are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. No internally generated costs are capitalised. Intangible assets are amortised on a straight line basis over their useful economic lives.

1.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

1.13 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.14 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.15 Financial Instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable. All debt instruments are repayable or receivable within one year, and are therefore measured at the undiscounted amount.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability.

1. ACCOUNTING POLICIES *(continued)*

1.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.17 Provisions for dilapidations

Provisions for dilapidations are recognised in full when the facilities are installed. A corresponding amount equivalent to the provision is also recognised as part of the leasehold improvements. The amount recognised is the estimated cost of dilapidations, and where the effect of time value of money is material the provision is discounted to its net present value, and is reassessed each year.

1.18 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

1.19 Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either the Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept voluntary redundancy in exchange for those benefits. A provision is recognised in full when the Group has demonstrably committed to terminating employment of an employee, or when an offer has been made to encourage voluntary redundancy.

1.20 Current and deferred taxation

The tax credit for the period comprises current and deferred tax. The current income tax credit is calculated on the basis of tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred balances are recognised in respect of all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation, that have originated but not reversed by the balance sheet date.

Deferred tax is recognised in respect of the retained earnings of an overseas subsidiary, associate or joint venture only to the extent that there is a commitment to remit the earnings. A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

1.21 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determined whether there are indicators of impairment of the group's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determined which costs charged to the profit and loss account during the year are regarded as research and development costs for the purposes of the tax credits and which development costs should be capitalised.
- Determined the fair value of share options issued during the year. The value of the issue is calculated using the Black Scholes model and is affected by various assumptions such as share price at time of issue and expected volatility of the share price.

GIVING LIMITED
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2 TURNOVER

A geographical analysis of turnover is as follows:

	2015	2014
	£	£
United Kingdom	21,601,979	19,384,572
Rest of European Union	37,877	41,038
Rest of World	22,157	8,265
	<u>21,662,013</u>	<u>19,433,875</u>

3 OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2015	2014
	£	£
Amortisation of intangible fixed assets	603,532	454,317
Depreciation of tangible fixed assets	599,140	586,793
Impairment of intangible fixed assets	99,702	-
Fees payable to the Group's auditor and its associates for the audit of the company's annual accounts	65,136	59,018
Fees payable to the Group's auditor and its associates for other services to the group	83,664	58,260
Operating lease rentals:		
- land and buildings	738,166	792,356
Exchange differences	(4,227)	41,807
Share based payments	160,391	889,814
Research and development expenditure	<u>3,543,009</u>	<u>3,579,804</u>

All audit costs of the Company were borne by subsidiary Giving.com Limited in both the current and prior year.

4 DIRECTORS' REMUNERATION

	2015	2014
	£	£
Directors' emoluments	543,790	456,789
Amounts paid to third parties in respect of directors' services	<u>7,369</u>	<u>8,072</u>
	<u>551,159</u>	<u>464,861</u>
Company pension contributions to defined contribution pension scheme	<u>62,776</u>	<u>58,872</u>

During the year retirement benefits were accruing to 2 directors (2014 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £152,000 (2014 - £136,000). None of the directors exercised any share options during the current or prior period.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £46,600 (2014 - £45,600).

5 EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	2015	2014
	£	£
Wages and salaries	9,759,026	7,246,330
Social security costs	1,044,119	773,731
Cost of defined contribution pension costs	316,433	228,062
Share-based payments	160,391	889,814
	<u>11,279,969</u>	<u>9,137,937</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015	2014
	No.	No.
Administration	61	54
Information technology	87	66
Sales and distribution	14	13
	<u>162</u>	<u>133</u>

A defined contribution pension scheme is operated by the group on behalf of the employees of Giving.com Limited. The assets of the scheme are held separately from those of the group in an independently administered fund. The amount recognised in the income statement as an expense in relation to the group's defined contribution schemes is £316,433 (2014: £228,062). At the year end there was £53,880 accrued costs payable to the scheme (2014: nil).

In 2014 there was an error in the share-based payment charge presented. The 2014 comparative stated in this note has been corrected for this, please see note 28 for more information.

6 INTEREST RECEIVABLE

	2015	2014
	£	£
Bank interest receivable	<u>34,910</u>	<u>15,274</u>

7 INTEREST PAYABLE

	2015	2014
	£	£
Exchange differences on cash & cash equivalents balances	<u>402</u>	<u>1,037</u>

8 TAXATION

	2015 £	2014 £
Analysis of tax credit in the year		
Current tax		
Tax charge on loss for the year	(1,149,565)	(989,382)
Adjustments in respect of prior periods	<u>4,314</u>	<u>(292,611)</u>
Total current tax	<u><u>(1,145,251)</u></u>	<u><u>(1,281,993)</u></u>
Deferred tax		
Origination and reversal of timing differences	(15,010)	128,939
Adjustment in respect of prior years	<u>4,858</u>	<u>424,294</u>
Total deferred tax (see note 15)	<u><u>(10,152)</u></u>	<u><u>553,233</u></u>
Tax on loss on ordinary activities	<u><u>(1,155,403)</u></u>	<u><u>(728,760)</u></u>

Factors affecting total tax charge for the period

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.50%). The differences are explained below.

	2015 £	2014 £
Loss on ordinary activities before tax	<u>(4,920,411)</u>	<u>(3,608,778)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in UK of 20.25% (2014 - 21.50%)	(996,383)	(775,887)
Effects of:		
Non-tax deductible expenses	176,382	358,037
Adjustments to tax charge in respect of prior periods	9,172	131,683
R&D relief	(2,073,261)	(962,072)
Losses surrendered	1,728,687	519,479
Unrelieved tax losses carried forward	<u>-</u>	<u>-</u>
Current tax credit for the year (see note above)	<u><u>(1,155,403)</u></u>	<u><u>(728,760)</u></u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

9 INTANGIBLE FIXED ASSETS

Group	Software Development costs £	Domain names £	Total £
Cost			
At 1 January 2015	3,198,053	365,585	3,563,638
Additions	514,998	-	514,998
Foreign exchange	(5,504)	-	(5,504)
At 31 December 2015	<u>3,707,547</u>	<u>365,585</u>	<u>4,073,132</u>
Amortisation			
At 1 January 2015	2,289,172	99,378	2,388,550
Charge for the year	530,415	73,117	603,532
Impairment	99,702	-	99,702
Foreign exchange	600	-	600
At 31 December 2015	<u>2,919,889</u>	<u>172,495</u>	<u>3,092,384</u>
Net book value			
At 31 December 2015	<u>787,658</u>	<u>193,090</u>	<u>980,748</u>
At 31 December 2014	<u>908,881</u>	<u>266,207</u>	<u>1,175,088</u>

The remaining amortisation period of intangible assets at the period end is 1.85 years for software development costs (2014 - 2.09 years) and 2.69 years for domain names (2014 - 3.69 years).

Company	Domain names £
Cost	
At 1 January 2015 and 31 December 2015	<u>365,585</u>
Amortisation	
At 1 January 2015	99,378
Charge for the year	<u>73,117</u>
At 31 December 2015	<u>172,495</u>
Net book value	
At 31 December 2015	<u>193,090</u>
At 31 December 2014	<u>266,207</u>

10 TANGIBLE FIXED ASSETS

Group	Leasehold Improvements £	Fixtures and Fittings £	Computer licences and hardware £	Total £
Cost				
At 1 January 2015	1,001,364	238,956	2,107,304	3,347,624
Additions	37,149	4,026	133,338	174,513
Disposals	-	(12,761)	(313,485)	(326,246)
At 31 December 2015	<u>1,038,513</u>	<u>230,221</u>	<u>1,927,157</u>	3,195,891
Depreciation				
At 1 January 2015	132,028	45,861	1,599,279	1,777,168
Charge for the year	280,422	78,156	240,562	599,140
On disposals	-	(12,761)	(312,577)	(325,338)
At 31 December 2015	<u>412,450</u>	<u>111,256</u>	<u>1,527,264</u>	2,050,970
Net book value				
At 31 December 2015	<u>626,063</u>	<u>118,965</u>	<u>399,893</u>	1,144,921
At 31 December 2014	<u>869,336</u>	<u>193,095</u>	<u>508,025</u>	1,570,456
Company				
Cost			Computer licences hardware £	
At 1 January 2015 and 31 December 2015				<u>800,000</u>
Depreciation				
At 1 January 2015 and 31 December 2015				<u>800,000</u>
Net book value				
At 1 January 2015 and 31 December 2015				<u>-</u>

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11 FIXED ASSET INVESTMENTS

Company	Investments in subsidiary companies £
Cost	
At 1 January 2015 and 31 December 2015	<u>93,750</u>
Net book value	
At 31 December 2015	<u>93,750</u>
At 31 December 2014	<u>93,750</u>

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 and causes on one site. The cost of investment 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 controls JustGiving Nederland BV, a subsidiary incorporated in the Netherlands, and JustGiving Australia Pty Ltd, a subsidiary incorporated in Australia. Investments in both companies have been impaired in prior years. In December 2015, the company took the decision to close down the operations of JustGiving Nederland BV in 2016, following a management review. The group intends to continue trading to service charities and users in these regions on an ongoing basis from the UK.

The company 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. The company also controls JustGiving Foundation, a UK charity that is limited by guarantee.

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12 DEBTORS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	153,231	97,855	-	-
Amounts owed by group undertakings	-	-	1,939,722	164,666
Corporation tax recoverable	1,149,565	1,277,943	-	-
Other debtors	4,516,495	2,805,728	216,028	86,952
Prepayments and accrued income	921,413	883,160	-	-
Deferred tax asset (see note 15)	-	-	39,218	53,193
	6,740,704	5,064,686	2,194,968	304,811

Other debtors includes amounts receivable from the JustGiving trust account in relation to commission and fee revenue, of £2,757,780 (2014: £1,301,445)

The expense recognised in the group income statement in the year in respect of bad and doubtful trade debtors was £3,700 (2014: £9,500). The expense recognised in the company income statement for in respect of bad or doubtful trade debtors was £nil (2014: £nil)

13 CREDITORS:

Amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	931,762	901,923	-	-
Other taxation and social security	495,345	469,240	-	-
Other creditors	220,634	411,065	-	-
Rebate accrual	1,588,406	1,463,321	-	-
Other accruals	819,473	449,179	24,282	101
Deferred income	830,656	558,940	-	-
	4,886,276	4,253,668	24,282	101

14 CREDITORS:

Amounts falling due in more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Other creditors	48,568	225,177	-	-

Amounts falling due in more than one year are rent free accruals.

15 DEFERRED TAXATION

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
At beginning of year	(11,828)	541,405	53,193	32,803
Movement	10,152	(553,233)	(13,975)	20,390
At end of year	(1,676)	(11,828)	39,218	53,193

The deferred taxation balance is made up as follows:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Fixed asset timing differences	(11,518)	(11,988)	39,218	53,193
Trade losses	-	-	-	-
Short-term timing differences	9,842	160	-	-
	(1,676)	(11,828)	39,218	53,193

GIVING LIMITED
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16 PROVISIONS

Group	Note	Deferred taxation £	Dilapidations £	Restructuring £	Total £
At 1 January 2015	15	11,828	247,369	-	259,197
Charged to profit and loss account		(10,152)	-	40,667	30,515
Utilised in year		-	-	-	-
At 31 December 2015		<u>1,676</u>	<u>247,369</u>	<u>40,667</u>	<u>289,712</u>

The Company has no provisions.

17 SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
43,747,392 Ordinary shares (2014: 43,477,892) of £0.01 each	437,474	434,779
37,679 Ordinary A shares of £1 each	37,679	37,679
Allotted, called up and not yet paid		
1,246,167 Ordinary shares (2014: nil) of £0.01 each	<u>12,462</u>	<u>-</u>
	<u>487,615</u>	<u>472,458</u>

Each holder of the Ordinary shares shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company; on a show of hands every holder of Ordinary shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote and on a poll every holder of Ordinary shares so present shall have one vote for each Ordinary share held.

Each holder of the A Ordinary shares shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company; on a show of hands every holder of A Ordinary shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have 100 votes and on a poll every holder of A Ordinary shares so present shall have 100 votes for each A Ordinary share held.

18 FINANCIAL INSTRUMENTS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
<i>Financial liabilities</i>				
Financial liabilities measured at amortised cost	3,666,523	3,295,340	24,282	101

Financial liabilities measured at amortised cost comprise trade creditors, accruals and other creditors.

	2015 £	2014 £
Loss after tax	(3,765,008)	(2,880,018)
<i>Adjustments for:</i>		
Amortisation of intangible fixed assets	603,532	454,317
Depreciation of tangible fixed assets	599,140	586,793
Interest receivable and similar income	(34,910)	(15,274)
Interest payable and similar charges	402	1,037
Taxation credit	(1,155,403)	(728,760)
Impairment of tangible fixed assets	99,702	-
Loss on disposal of tangible fixed assets	908	-
(Increase)/decrease in debtors	(1,675,718)	67,194
Increase in creditors	468,453	1,594,030
Increase in provisions	40,667	247,369
Share based payment charge	160,391	889,814
Currency fluctuations on foreign currency net assets	(27,059)	25,782
Net cash (outflow)/inflow from operating activities	(4,684,903)	242,284

20 ANALYSIS OF CASH FLOWS

	2015 £	2014 £
Capital expenditure		
Purchase of intangible fixed assets	(519,849)	(664,963)
Purchase of tangible fixed assets	<u>(182,116)</u>	<u>(1,726,171)</u>
Net cash outflow from capital expenditure	<u><u>(701,965)</u></u>	<u><u>(2,391,134)</u></u>
	2015 £	2014 £
Financing		
Issue of ordinary shares	23,692	-
Repayment of loans	<u>-</u>	<u>-</u>
Net cash inflow from financing	<u><u>23,692</u></u>	<u><u>-</u></u>

21 ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2015 £	Cashflow £	31 December 2015 £
Cash at bank and in hand	<u>6,742,504</u>	<u>(4,054,637)</u>	<u>2,687,867</u>
Net funds	<u><u>6,742,504</u></u>	<u><u>(4,054,637)</u></u>	<u><u>2,687,867</u></u>

22 SHARE BASED PAYMENTS

The group operates a share option plan, under which directors, senior management and other qualifying staff have been granted options to subscribe for ordinary shares in Giving Limited. All options are settled by the issue of shares. The number and weighted average exercise price of share options in existence at the balance sheet date are as follows:

	2015	2015	2014	2014
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at 1 January 2015	6.7p	13,523,954	13.16p	2,921,797
Granted during the year	24.0p	1,429,500	6.7p	13,523,954
Exercised during the year	8.8p	(273,250)	-	-
Forfeit during the year	13.5p	(81,750)	13.16p	(2,921,797)
Outstanding at the end of the year	8.3p	14,598,454	6.7p	13,523,954

Share options outstanding at 31 December 2015 had a weighted average exercise price of 8.3 pence (2014 - 6.7 pence) and a weighted average remaining contractual life of 8.4 years (2014 - 9.6 years). During the current year 273,250 (2014 - Nil) share options were exercised for a total consideration of £24,158 (2014 - £Nil). There are no performance conditions attached to any of the share options granted up to the balance sheet date, other than continued employment to the vesting date.

The total charge recorded in the year was £102,595 (2014: £889,814). In the prior year there was an error in the share based payment charge recorded in the accounts. The incorrect charge recorded in the loss for the year ended 31 December 2014 being understated by £714,738. For further information please refer to note 28.

The following inputs were used in the calculations of the fair value of the share options granted during the year:

	2015	2014
	£	£
Option pricing model used	Black-Scholes	Black-Scholes
Weighted average share price at grant date	24.0p	13.3p
Exercise price	24.0p	4p-12.4p
Weighted average contractual life (years)	4	4
Expected volatility	60%	60%
Risk-free interest rate	0.60%	0.60%

The Black-Scholes option pricing model was used to value the share-based payment awards as it was considered that this approach would result in a materially accurate estimate of the fair value of options granted. The volatility assumption was determined with reference to comparable companies.

The share-based payment charge recorded in the income statement comprises:

	2015	2014
	£	£
Share option charge	102,595	889,814
Other share based payments	57,796	-
Equity-settled schemes	160,391	889,814

The charge in respect of other share based payments relates to an issue of shares in the Company made to a director for which the consideration was deferred. The charge represents the difference between the issue price and share price at the time of issue.

23 OPERATING LEASE COMMITMENTS

At 31 December 2015 the company and group had minimum commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Company and Group		
Expiry date:		
Not later than 1 year	915,315	914,776
Later than 1 year and not later than 5 years	266,967	1,181,743
Later than 5 years	-	-
Total	1,182,282	2,096,519

During the year, £738,166 (2014: £792,356) was recorded as an expense in the income statement relating to operating leases.

24 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions available under FRS 102 for Related Party Disclosures, not to disclose any transactions or balances with entities that are 100% controlled by Giving Limited.

Key management personnel include all directors of the parent company and certain senior managers who together have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £896,477 (2014 - £1,469,092).

At 31 December 2015 there were balances outstanding receivable to the company at the year end of £27,070 (2014: £27,070) from John Huysmans and Bela Hatvany, which was a loan in respect of stamp duty on share purchases made in 2013. There was an additional £99,078 balance receivable (2014: £nil) from one director in respect of nil paid shares issued in 2014.

25 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate controlling party is John Huysmans and Bela Hatvany.

26 POST BALANCE SHEET EVENT

On 14th January 2016, a subsidiary company signed a £3.5m loan facility agreement with Barclays Bank PLC, with a term of 2 years. There is a cross-guarantee under the terms of the facility with the company being held joint and severally liable for any indebtedness. No drawdown has been made under this facility to the date of signing of these financial statements.

In January 2016, the company took the decision to close down the operations of JustGiving Australia Pty Ltd following a management review. The group intends to continue trading to service charities and users in the Australia region on an ongoing basis from the UK.

On 18th July 2016, the company purchased the trade and assets of JustGive Inc, a US based not-for-profit organisation, for initial consideration of US\$270,000. A further maximum payment of US\$100,000 consideration will be due upon finalisation of the closing accounts for JustGive Inc, although the impact of this has not yet been determined. There is further consideration payable contingent upon the performance of the US business over the subsequent 3 years.

27 FIRST TIME ADOPTION OF FRS 102

Group

	Equity as at 1 January 2014	Loss for the year ended 31 December 2014	Other changes in equity for the year ended 31 December 2014	Equity as at 31 December 2014
	£	£	£	£
As previously stated under former UK GAAP	11,779,114	(2,078,165)	200,858	9,901,807
Prior year adjustments				
Share based payment charge	-	(714,738)	714,738	-
Transitional adjustments				
Charge for holiday pay accrued during the period	-	(87,115)	-	(87,115)
As stated in accordance with FRS 102	11,779,114	(2,880,018)	915,596	9,814,692

Company

	Equity as at 1 January 2014	Loss for the year ended 31 December 2014	Other changes in equity for the year ended 31 December 2014	Equity as at 31 December 2014
	£	£	£	£
As previously stated under former UK GAAP	2,319,445	(832,564)	175,076	1,661,957
Prior year adjustments				
Share based payment charge	-	175,076	714,737	889,813
Transitional adjustments				
	-	-	-	-
As stated in accordance with FRS 102	2,319,445	(657,488)	889,813	2,551,770

Explanation of changes to previously reported profit and equity:

FRS 102 requires that all employee benefits are accrued in the period to which they relate. Therefore an annual leave accrual has been recognised to reflect the liability of accumulated days owed to employees at the end of the period.

Other changes:

FRS 102 permits recognition of non-monetary assets without physical substance as intangible assets. Therefore software development costs have been reclassified from tangible assets to intangible assets.

28 PRIOR YEAR ADJUSTMENT

In the prior year there was an error in the share based payment charge recorded. This resulted in the loss for the year ended 31 December 2014 being understated by £714,738. This correction consists of a reduction in the loss of the Company of £175,076, and an increase in the loss of subsidiary Giving.com Ltd of £889,914.

As this is the first year of application of FRS 102 the correction of the error is shown in the transition reconciliation in note 27, separately identified as an error under the previous UK GAAP. If this was not the first year of application of FRS 102, the correction would have been highlighted in the statement of changes in equity and all comparatives would have been restated.