

Registered number: 03979990



GIVING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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GIVING LIMITED
YEAR ENDED 31 DECEMBER 2016
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 2016
CONTENTS

	Page
Group strategic report	1-2
Directors' report	3-4
Statement of Directors' responsibilities	5
Independent auditor's report	6-7
Consolidated income statement	8
Consolidated statement of comprehensive income	9
Consolidated balance sheet	10
Consolidated statement of changes in equity	11
Consolidated cash flow statement	12
Company balance sheet	13
Company statement of changes in equity	14
Notes forming part of the financial statements	15-31

Business review and future developments

2016 saw another record year of giving on JustGiving, to an ever wider range of good causes, thanks to the simpler, more social and more rewarding experience that our users have come to expect of our service. The JustGiving community raised a record-breaking £456m, a 13% jump on the previous year. This stood in stark contrast with declining returns from other fundraising methods used by charities, and underscored the increasing importance of digital fundraising to the ability of charities and good causes to achieve their mission.

This growth was driven in large part by the JustGiving community's desire to support crowdfunding campaigns. Unlike traditional fundraising drives by charities, these campaigns often originate from social media platforms, and are launched to meet the specific, and often urgent, needs of an individual, a community or a charity project. Outstanding examples of the year included the public support for the victims of the Shoreham air disaster, which raised over £40,000 online for the Sussex Community Foundation within days, or the £30,000 raised by people all over the country and the world to help a Polish family rebuild their grocery shop after an arson attack in Norwich.

An unprecedented 50,000 such projects raised funds successfully on JustGiving in 2016, collecting well over four times the amounts raised by similar causes in the previous year. Most encouragingly, JustGiving reported that half of the donors to crowdfunding pages were both younger and new to charitable giving - a demographic group that charities have traditionally found elusive. The JustGiving community continued to grow apace in 2016, with its 20millionth user coming on board in November.

The Group continued to demonstrate its commitment to systematic re-investment for long-term sustainable growth for the benefit of the sector, with £3.6m spent on product development, technology and analytics in 2016 alone. In keeping with previous years of total re-investment, no dividends were paid.

Continued investment enabled a number of important enhancements to the JustGiving platform in 2016, designed to help charities and crowdfunding projects raise more money. The highlights are as follows:

- We made the creation of a crowdfunding page, including the page owner ID verification step, considerably easier, while maintaining the highest levels of trust and safety. This enabled people and projects in greatest need to activate their campaigns even faster.
- We helped crowdfunding page creators reach more people through enhanced social sharing and search engine optimization.
- Donors are impatient, and speed means more donations. We made a major investment in infrastructure to enable all our appeal pages – for crowdfunders, individual fundraisers and charities – to load at record speed, regardless of traffic volumes. We also added Whatsapp sharing to all mobile views to drive sharing through the fastest-growing social platform.
- We partnered with Eventbrite (www.eventbrite.com), one of the world's leading ticketing platforms, to improve the experience of event participants in the UK and the US, and make fundraising for charity a seamless and delightful part of enrolling in an event. This collaboration was widely welcome by charities, especially smaller ones with limited resources to build and maintain their own infrastructure.
- Because a story well told moves more people to give, we enabled charities to upload their own imagery and stories to appear by default on the fundraising pages of their supporters, thereby deepening the engagement between the cause and the donor that is so highly valued by charities.
- We also experimented with personalized content for event participants. Examples include MyMarathon, an app delivering bespoke video content to each Virgin London Marathon runner to encourage them to share their fundraising success further.
- And we continued to personalize the experience of each and every user of JustGiving online, through our app and in social notifications, offering new, relevant and timely opportunities to take more actions for good. In 2016, we sent out millions of personalized notifications to our users on behalf of our charities and good causes, helping them raise millions more.

JustGiving acquired certain assets of JustGive Inc, a US non-profit organisation, to enable the two organisations to better serve the fundraising needs of JustGive Inc's non-profit partners. The two parties now work closely together to enable all US non-profits to benefit from JustGiving's fundraising tools.

With a powerful product suite, a growing community spanning continents, and a unique ability to serve any good cause, the Group is forecasting healthy growth in donations, and enhanced financial performance, in the year ahead.

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 2016

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 15% in 2016, driven by long term investment in product and platform, whilst the Group reduced costs excluding depreciation and amortisation to £19.8m in 2016 (2015: increased to £21.9m). This resulted in an operating profit of £0.3m, and a cash inflow of £2.6m (2015: outflow of £4.1m). 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 Huby
Director

Date: 8th June 2017

GIVING LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

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 profit for the year, after taxation, amounted to £821,399 (2015 - loss of £3,765,008).

The directors do not recommend the payment of a dividend (2015 - £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
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 our 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 2 June 2017 1,600,000 unapproved share options were granted to a director and senior management of the company, at an issue price £0.01 per share. According to the terms of the option contracts, these options vest according to term of employment.

GIVING LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

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

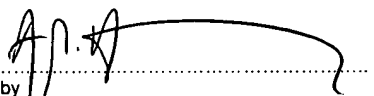
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- 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 Huby
Director

Date:


8th June 2017

GIVING LIMITED
DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

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 2016 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 2016 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report of the directors' report.

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.



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

Date: 8 June 2017.

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 2016

		2016 £	2015 £
TURNOVER	Note 2	24,940,244	21,662,013
Transaction processing costs		<u>(3,526,726)</u>	<u>(3,487,972)</u>
Gross profit		21,413,518	18,174,041
Other external charges		(8,808,036)	(10,645,562)
Staff costs	5	(11,018,989)	(11,279,969)
Depreciation and amortisation		<u>(1,238,036)</u>	<u>(1,203,429)</u>
OPERATING PROFIT/(LOSS)	3	348,457	(4,954,919)
Interest receivable and similar income	6	18,902	34,910
Interest payable and similar charges	7	<u>(86,544)</u>	<u>(402)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		280,815	(4,920,411)
Tax on profit/(loss) on ordinary activities	8	<u>540,584</u>	<u>1,155,403</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>821,399</u>	<u>(3,765,008)</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 2016

	2016 £	2015 £
PROFIT / (LOSS) FOR THE FINANCIAL YEAR	821,399	(3,765,008)
Exchange gain/(loss) on consolidation of foreign subsidiaries	<u>21,325</u>	<u>(33,162)</u>
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE YEAR	<u>842,724</u>	<u>(3,798,170)</u>

All comprehensive profit/(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 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Intangible assets	9	1,497,825	980,748
Tangible assets	10	<u>596,670</u>	<u>1,144,921</u>
		2,094,495	2,125,669
CURRENT ASSETS			
Debtors	12	5,354,868	6,740,704
Cash at bank and in hand		<u>5,248,390</u>	<u>2,687,867</u>
		10,603,258	9,428,571
CREDITORS: amounts falling due within one year	13	<u>(4,888,840)</u>	<u>(4,886,276)</u>
NET CURRENT ASSETS		<u>5,714,418</u>	<u>4,542,295</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,808,913	6,667,964
CREDITORS: amounts falling due in more than one year	14	-	<u>(48,568)</u>
PROVISIONS FOR LIABILITIES			
Deferred tax	16	-	(1,676)
Other provisions	16	<u>(474,389)</u>	<u>(288,036)</u>
		(474,389)	(289,712)
NET ASSETS		<u>7,334,524</u>	<u>6,329,684</u>
CAPITAL AND RESERVES			
Called up share capital	17	499,100	487,615
Share premium account		4,317,627	4,197,950
Merger reserve		230,436	230,436
Profit and loss account		<u>2,287,361</u>	<u>1,413,683</u>
SHAREHOLDERS' FUNDS		<u>7,334,524</u>	<u>6,329,684</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: 8 June 2017

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 2016

	Share Capital	Share Premium	Merger reserve	Profit and loss account	Total Equity
	£	£	£	£	£
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
1 January 2016	487,615	4,197,950	230,436	1,413,683	6,329,684
Profit for the year	-	-	-	821,399	821,399
Exchange gain on consolidation of foreign subsidiaries	-	-	-	21,325	21,325
Total comprehensive income for the year	-	-	-	842,724	842,724
Issue of shares during the year	11,485	119,677	-	-	131,162
Share based payment charge	-	-	-	30,954	30,954
Total contributions by and distributions to owners	11,485	119,677	-	30,954	162,116
31 December 2016	499,100	4,317,627	230,436	2,287,361	7,334,524

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 2016

	Note	2016 £	2015 £
<i>Cash flows from operating activities</i>			
Cash inflow/(outflow) from operations	19	2,193,303	(4,684,903)
Interest paid		(26,274)	-
Taxation credits received		1,175,260	1,273,629
Net cash inflow/(outflow) from operating activities		3,342,289	(3,411,274)
<i>Cash flows from investing activities</i>			
Interest received		18,902	34,910
Purchase of trade and assets	20	(392,621)	-
Capital expenditure	20	(539,210)	(701,965)
Net cash used in investing activities		(912,929)	(667,055)
Net cash generated from financing activities	20	131,163	23,692
Net increase/(decrease) in cash and cash equivalents		2,560,523	(4,054,637)
Cash and cash equivalents at beginning of year		2,687,867	6,742,504
Increase/(decrease) in cash and cash equivalents during the year		2,560,523	(4,054,637)
Cash and cash equivalents at end of year		5,248,390	2,687,867
Cash and cash equivalents comprise:			
Cash at bank and in hand		5,248,390	2,687,867
Cash and cash equivalents at end of year		5,248,390	2,687,867

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 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Intangible assets	9		119,973		193,090
Tangible assets	10		-		-
Investments	11		942,354		93,750
			<u>1,062,327</u>		<u>286,840</u>
CURRENT ASSETS					
Debtors	12	1,437,910		2,194,968	
Cash at bank and in hand		<u>142,874</u>		<u>5,730</u>	
		1,580,784		2,200,698	
CREDITORS: amounts falling due within one year	13	<u>(19,613)</u>		<u>(24,282)</u>	
NET CURRENT ASSETS			<u>1,561,171</u>		<u>2,176,416</u>
NET ASSETS			<u>2,623,498</u>		<u>2,463,256</u>
CAPITAL AND RESERVES					
Called up share capital	17		499,100		487,615
Share premium account			4,317,627		4,197,950
Profit and loss account			<u>(2,193,229)</u>		<u>(2,222,309)</u>
SHAREHOLDERS' FUNDS			<u>2,623,498</u>		<u>2,463,256</u>

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

Zanie Kharas

Z Kharas
Director

Date: *8 June 2017*

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 2016

	Share Capital £	Share Premium £	Profit and loss account £	Total Equity £
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
1 January 2016	487,615	4,197,950	(2,222,309)	2,463,256
Loss for the year	-	-	(1,874)	(1,874)
Total comprehensive loss for the year	-	-	(1,874)	(1,874)
Issue of shares during the year	11,485	119,677	-	131,162
Share option charge	-	-	30,954	30,954
Total contributions by and distributions to owners	11,485	119,677	30,954	162,116
31 December 2016	499,100	4,317,627	(2,193,229)	2,623,498

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.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at fair value at the acquisition date.

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 amount. 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 of 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	- From 3 years to life of the lease
Fixtures and fittings	- 3 years
Computer licences and hardware	- 3 years
Goodwill	- 5 years
Software development	- 3 years
Domain names	- 5 years

1.5 Impairment of fixed assets and goodwill

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.

1.8 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. ACCOUNTING POLICIES *(continued)*

1.11 Intangible assets (including goodwill)

Intangible assets include goodwill, software development costs and domain names.

Goodwill represents the excess of the cost of a business combination over the fair value of the group's share of net identifiable assets as of the acquisition date.

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, and tested at each reporting date for any indicators of impairment.

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 simultaneously.

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. ACCOUNTING POLICIES *(continued)*

1.18 Provisions for contingent consideration

Provisions for contingent consideration are recognised in full when it is probable that consideration will be payable in respect of a contract. The amount recognised is the estimated amount payable, 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. The discounted element is charged to the income statement on a straight line basis over time until the contracted payment date of the contingent consideration at which point the provision will equal its full contractual value.

1.19 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.

1.20 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.

1.21 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.

1.22 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.
- 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.
- Considered the contingent consideration payable in respect of the group's business combination, by taking into account the likely profitability of the acquired operations with reference to the contractual obligations agreed as part of the purchase.
- Determined that the point at which the group has completed its obligations for the services it provides for card fee revenue is deemed to be the point at which payment is received from the merchant processor, whereas for commission fee revenue the obligations of the group and therefore the revenue recognition point is deemed to be the point of payment of the net donation to the beneficiary, and then the subsequent payment of Gift Aid.

GIVING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2 TURNOVER

A geographical analysis of turnover is as follows:

	2016	2015
	£	£
United Kingdom	24,513,094	21,601,979
Rest of European Union	16,801	37,877
Rest of World	410,349	22,157
	<u>24,940,244</u>	<u>21,662,013</u>

3 OPERATING PROFIT

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

	2016	2015
	£	£
Amortisation of intangible fixed assets	627,795	603,532
Depreciation of tangible fixed assets	610,240	599,140
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	79,379	65,136
Fees payable to the Group's auditor and its associates for other services to the group	11,160	83,664
Operating lease rentals:		
- land and buildings	739,471	738,166
Exchange differences	(37,286)	(4,227)
Share based payments	30,954	160,391
Research and development expenditure	<u>2,602,896</u>	<u>3,543,009</u>

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

4 DIRECTORS' REMUNERATION

	2016	2015
	£	£
Directors' emoluments	658,238	543,790
Amounts paid to third parties in respect of directors' services	-	7,369
	<u>658,238</u>	<u>551,159</u>
Company pension contributions to defined contribution pension scheme	<u>42,500</u>	<u>62,776</u>

During the year retirement benefits were accruing to 4 directors (2015 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £218,863 (2015 - £152,000). 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 £22,500 (2015 - £46,600).

GIVING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

5 EMPLOYEES

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

	2016	2015
	£	£
Wages and salaries	9,626,320	9,759,026
Social security costs	1,037,466	1,044,119
Cost of defined contribution pension costs	324,249	316,433
Share-based payments	30,954	160,391
	<u>11,018,989</u>	<u>11,279,969</u>

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

	2016	2015
	No.	No.
Administration	58	61
Information technology	77	87
Sales and distribution	<u>11</u>	<u>14</u>
	<u>146</u>	<u>162</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 £324,249 (2015: £316,433). At the year end there was Nil accrued costs payable to the scheme (2015: 53,880).

6 INTEREST RECEIVABLE

	2016	2015
	£	£
Bank interest receivable	<u>18,902</u>	<u>34,910</u>

7 INTEREST PAYABLE

	2016	2015
	£	£
Bank interest & arrangement fees payable in respect of loan facility	50,524	-
Unwinding discount on contingent consideration	3,703	-
Exchange differences on cash & cash equivalents balances	<u>32,317</u>	<u>402</u>
	<u>86,544</u>	<u>402</u>

GIVING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

8 TAXATION

	2016 £	2015 £
Analysis of tax credit in the year		
Current tax		
Tax credit on profit/(loss) for the year	(321,248)	(1,149,565)
Adjustments in respect of prior periods	<u>(25,695)</u>	<u>4,314</u>
Total current tax	<u><u>(346,943)</u></u>	<u><u>(1,145,251)</u></u>
Deferred tax		
Origination and reversal of timing differences	(185,543)	(15,010)
Adjustment in respect of prior years	<u>(8,098)</u>	<u>4,858</u>
Total deferred tax (see note 15)	<u><u>(193,641)</u></u>	<u><u>(10,152)</u></u>
Tax on profit/(loss) on ordinary activities	<u><u>(540,584)</u></u>	<u><u>(1,155,403)</u></u>

Factors affecting total tax charge for the period

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20.0% (2015 - 20.25%). The differences are explained below.

	2016 £	2015 £
Profit/(loss) on ordinary activities before tax	<u>280,815</u>	<u>(4,920,411)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in UK of 20.0% (2015 - 20.25%)	56,163	(996,383)
Effects of:		
Non-tax deductible expenses	148,464	176,382
Adjustments to tax charge in respect of prior periods	(33,793)	9,172
Deferred tax assets not previously recognised	(215,710)	-
R&D relief	(971,972)	(2,073,261)
Tax rate changes	33,162	-
Losses surrendered	<u>443,102</u>	<u>1,728,687</u>
Current tax credit for the year (see note above)	<u><u>(540,584)</u></u>	<u><u>(1,155,403)</u></u>

9 INTANGIBLE FIXED ASSETS

Group	Software Development costs £	Goodwill on consolidation £	Domain names £	Total £
Cost				
At 1 January 2016	3,707,547	-	365,585	4,073,132
Additions	480,959	623,619	-	1,104,578
Foreign exchange	-	45,037	-	45,037
At 31 December 2016	<u>4,188,506</u>	<u>668,656</u>	<u>365,585</u>	<u>5,222,747</u>
Amortisation				
At 1 January 2016	2,919,889	-	172,495	3,092,384
Charge for the year	503,700	50,978	73,117	627,795
Impairment	-	-	-	-
Foreign exchange	-	4,743	-	4,743
At 31 December 2016	<u>3,423,589</u>	<u>55,721</u>	<u>245,612</u>	<u>3,724,922</u>
Net book value				
At 31 December 2016	<u>764,917</u>	<u>612,935</u>	<u>119,973</u>	<u>1,497,825</u>
At 31 December 2015	<u>787,658</u>	<u>-</u>	<u>193,090</u>	<u>980,748</u>

The remaining amortisation period of intangible assets at the period end is 1.39 years for software development costs (2015 - 1.85 years), 4.55 years for goodwill (2015 - nil) and 1.69 years for domain names (2015 - 2.69 years).

Company	Domain names £
Cost	
At 1 January 2016 and 31 December 2016	<u>365,585</u>
Amortisation	
At 1 January 2016	172,495
Charge for the year	<u>73,117</u>
At 31 December 2016	<u>245,612</u>
Net book value	
At 31 December 2016	<u>119,973</u>
At 31 December 2015	<u>193,090</u>

10 TANGIBLE FIXED ASSETS

Group	Leasehold Improvements	Fixtures and Fittings	Computer licences and hardware	Total
	£	£	£	£
Cost				
At 1 January 2016	1,038,513	230,221	1,927,157	3,195,891
Additions	-	1,278	60,712	61,990
Disposals	-	(2,160)	(138,692)	(140,852)
At 31 December 2016	<u>1,038,513</u>	<u>229,339</u>	<u>1,849,177</u>	3,117,028
Depreciation				
At 1 January 2016	412,450	111,256	1,527,264	2,050,970
Charge for the year	288,451	76,267	245,522	610,240
Charge eliminated on disposals	-	(2,160)	(138,692)	(140,852)
At 31 December 2016	<u>700,901</u>	<u>185,363</u>	<u>1,634,095</u>	2,520,359
Net book value				
At 31 December 2016	<u>337,612</u>	<u>43,976</u>	<u>215,082</u>	596,670
At 31 December 2015	<u>626,063</u>	<u>118,965</u>	<u>399,893</u>	1,144,921
Company				
Cost				
At 1 January 2016 and 31 December 2016				800,000
Depreciation				
At 1 January 2016 and 31 December 2016				800,000
Net book value				
At 1 January 2016 and 31 December 2016				-

GIVING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

11 FIXED ASSET INVESTMENTS

<i>Company</i>	Investments in subsidiary companies £
Cost	
At 1 January 2016	93,750
Additions	848,604
Net book value	
At 31 December 2016	942,354
At 31 December 2015	93,750

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.

During the year, Giving Limited has made £848,604 investment in JG US Inc, a wholly owned subsidiary incorporated in the USA in March 2016. The cost of investment includes initial funding to the subsidiary in order to purchase the trade and assets of JustGive Inc, for more information please see Note 27.

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.

Subsidiary undertakings

The principal undertakings in which the company's had a controlling interest at the year end are as follows:

Name	Country of incorporation or registration	Proportion of voting rights and	Registered address
Giving.com Limited	UK	100%	Level 11, 1 Margaret Street, Sydney NSW 2000
JG US, Inc.	USA	100%	2711 Centerville Road, Suite 400, City of Wilmington, Delaware 19808
JustGiving Nederland BV	Netherlands	100%	2nd Floor, Blue Fin Building, 110 Southwark Street, London SE1 0TA
JustGiving Australia Pty Limited	Australia	100%	2nd Floor, Blue Fin Building, 110 Southwark Street, London SE1 0TA
Yimby Limited	UK	100%	2nd Floor, Blue Fin Building, 110 Southwark Street, London SE1 0TA
Giving Employees' Trustees Limited	UK	100%	2nd Floor, Blue Fin Building, 110 Southwark Street, London SE1 0TA

GIVING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

12 DEBTORS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	390,240	153,231	-	-
Amounts owed by group undertakings	-	-	1,198,544	1,939,722
Corporation tax recoverable	321,248	1,149,565	-	-
Rent deposit	1,387,895	1,387,895	-	-
Other debtors	2,195,973	3,128,600	208,995	216,028
Prepayments and accrued income	867,547	921,413	-	-
Deferred tax asset (see note 15)	191,965	-	30,371	39,218
	5,354,868	6,740,704	1,437,910	2,194,968

Other debtors includes amounts receivable from the JustGiving trust account in relation to commission and card fee revenue, of £1,792,931 (2015: £2,757,780)

Deferred tax assets are recoverable in more than one year.

The expense recognised in the group income statement in the year in respect of bad and doubtful trade debtors was £1,670 (2015: £3,700). The expense recognised in the company income statement for in respect of bad or doubtful trade debtors was £nil (2015: £nil)

13 CREDITORS:

Amounts falling due within one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	509,947	931,762	-	-
Other taxation and social security	574,914	495,345	-	-
Other creditors	188,333	220,634	-	-
Rebate accrual	1,660,307	1,588,406	-	-
Other accruals	918,581	819,473	19,613	24,282
Deferred income	1,036,758	830,656	-	-
	4,888,840	4,886,276	19,613	24,282

14 CREDITORS:

Amounts falling due in more than one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Other creditors	-	48,568	-	-

Amounts falling due in more than one year in 2015 were rent free accruals.

15 DEFERRED TAXATION

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
At beginning of year	(1,676)	(11,828)	39,218	53,193
Movement	193,641	10,152	(8,847)	(13,975)
At end of year	191,965	(1,676)	30,371	39,218

The deferred taxation balance is made up as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Fixed asset timing differences	28,492	(11,518)	30,371	39,218
Trade losses	-	-	-	-
Short-term timing differences	163,473	9,842	-	-
	191,965	(1,676)	30,371	39,218

GIVING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

16 PROVISIONS

Group	Note	Deferred taxation £	Dilapidations £	Contingent consideration £	Restructuring £	Total £
At 1 January 2016	15	1,676	247,369	-	40,667	289,712
Charged to profit and loss account		(1,676)	-	3,703	48,000	50,027
Arising on business combinations		-	-	163,187	-	163,187
Foreign exchange		-	-	12,130	-	12,130
Utilised in year		-	-	-	(40,667)	(40,667)
At 31 December 2016		-	247,369	179,020	48,000	474,389

Contingent consideration is payable on the third anniversary of the business combination, 2019.
The Company has no provisions.

17 SHARE CAPITAL

	2016 £	2015 £
Allotted, called up and fully paid		
44,895,890 Ordinary shares (2015: 43,747,392) of £0.01 each	448,959	437,474
37,679 Ordinary A shares of £1 each	37,679	37,679
Allotted, called up and not yet paid		
1,246,167 Ordinary shares (2015: 1,246,167) of £0.01 each	12,462	12,462
	499,100	487,615

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.

Any lawful distribution which the Directors resolve to distribute in the course of ordinary business or in liquidation, reduction of capital or otherwise, is to be applied to holders of Ordinary shares and A Ordinary shares *pari passu* and *pro rata* to the number of shares held.

During the year share options were exercised under the group's share option plan. A total of 1,148,499 shares were issued, with issue price ranging from £0.04 to £0.24 per share.

18 FINANCIAL INSTRUMENTS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
<i>Financial liabilities</i>				
Financial liabilities measured at amortised cost	3,702,990	3,666,523	19,613	24,282

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

19 NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Profit/(loss) after tax	821,399	(3,765,008)
<i>Adjustments for:</i>		
Amortisation of intangible fixed assets	627,795	603,532
Depreciation of tangible fixed assets	610,240	599,140
Interest receivable and similar income	(18,902)	(34,910)
Interest payable and similar charges	86,544	402
Taxation credit	(540,584)	(1,155,403)
Impairment of tangible fixed assets	-	99,702
Loss on disposal of tangible fixed assets	-	908
Decrease/(increase) in debtors	804,491	(1,675,718)
(Decrease)/increase in creditors	(216,999)	468,453
Increase in provisions	7,333	40,667
Share based payment charge	30,954	160,391
Currency fluctuations on foreign currency net assets	(18,968)	(27,059)
Net cash inflow/(outflow) from operating activities	2,193,303	(4,684,903)

GIVING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

20 ANALYSIS OF CASH FLOWS

	Note	2016 £	2015 £
Capital expenditure			
Purchase of intangible fixed assets		(484,811)	(519,849)
Purchase of trade and assets	27	(392,621)	-
Purchase of tangible fixed assets		<u>(54,399)</u>	<u>(182,116)</u>
Net cash outflow from capital expenditure		<u>(931,831)</u>	<u>(701,965)</u>
		2016 £	2015 £
Financing			
Issue of ordinary shares		131,163	23,692
Repayment of loans		<u>-</u>	<u>-</u>
Net cash inflow from financing		<u>131,163</u>	<u>23,692</u>

21 ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2016 £	Cashflow £	31 December 2016 £
Cash at bank and in hand	<u>2,687,867</u>	<u>2,560,523</u>	<u>5,248,390</u>
Net funds	<u>2,687,867</u>	<u>2,560,523</u>	<u>5,248,390</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:

	2016	2016	2015	2015
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at 1 January 2016	8.3p	14,598,454	6.7p	13,523,954
Granted during the year	24.0p	444,300	24.0p	1,429,500
Exercised during the year	10.9p	(1,144,749)	8.8p	(273,250)
Forfeit during the year	13.1p	(432,900)	13.5p	(81,750)
Outstanding at the end of the year	8.4p	13,465,105	8.3p	14,598,454

Share options outstanding at 31 December 2016 had a weighted average exercise price of 8.4 pence (2015 - 8.3 pence) and a weighted average remaining contractual life of 7.5 years (2015 - 8.4 years). During the current year 1,144,749 (2015 - 273,250) share options were exercised for a total consideration of £131,163 (2015 - £24,158). 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 £30,954 (2015: £102,595)

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

	2016	2015
	£	£
Option pricing model used	Black-Scholes	Black-Scholes
Weighted average share price at grant date	24.0p	24.0p
Exercise price	24.0p	24.0p
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:

	2016	2015
	£	£
Share option charge	30,954	102,595
Other share based payments	-	57,796
Equity-settled schemes	30,954	160,391

The charge in 2015 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 2016 the company and group had minimum commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
Company and Group		
Expiry date:		
Not later than 1 year	266,967	915,315
Later than 1 year and not later than 5 years	-	266,967
Later than 5 years	-	-
Total	266,967	1,182,282

During the year, £739,471 (2015: £738,166) 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.

The JustGiving Trust is controlled by common director and ultimate controlling party, John Huysmans, and is therefore a related party. All commission and card fee revenues relating to wholly owned subsidiary Giving.com Limited are derived from operations associated with the JustGiving Trust.

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 £1,090,169 (2015 - £896,477).

At 31 December 2016 there were balances outstanding receivable to the company at the year end of £27,070 (2015: £27,070) from John Huysmans and Bela Hatvany, which was a loan in respect of stamp duty on share purchases made in 2013. This loan has been repaid in full post year end. There was an additional £99,078 balance receivable (2015: £99,078) from Jonathan McKay in respect of nil paid shares issued in 2014.

Zarine Kharas is a trustee of JustGiving Foundation, a UK registered charity and a company limited by guarantee. JustGiving Foundation supports the JustTextGiving service in partnership with Vodafone Limited and Vodafone Foundation. During the year there were no direct transactions between the company or any wholly owned subsidiaries of the company and JustGiving Foundation.

25 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate controlling party is John Huysmans.

26 POST BALANCE SHEET EVENT

On 2 June 2017 1,600,000 unapproved share options were granted to a director and senior management of the company, at an issue price £0.01 per share. According to the terms of the option contracts, these options vest according to term of employment.

GIVING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

27 ACQUISITION

Acquisition of the assets of JustGive

On 18th July 2016 a wholly owned subsidiary of the group, JG US, Inc., acquired the trade and assets of JustGive Inc, a US non profit, for initial consideration of £205,684 (USD 270,000) paid in cash. In addition there is further consideration payable contingent upon the performance of the US business over the subsequent 3 years.

In calculating the goodwill arising on acquisition, the fair value of net assets of JustGive have been assessed and adjustments from book value have been made where necessary.

	Book value and Fair value £
<i>Balance sheet at acquisition, translated at the rate prevailing on 18th July 2016:</i>	
Current assets	
Debtors	75,721
Prepayments	31,794
Total assets	107,515
Creditors due within one year	
Accruals	(17,041)
Deferred income	(165,386)
	(182,427)
Fair value of net assets at acquisition date	(74,912)
<i>Purchase consideration at the prevailing rate on payment date:</i>	
Purchase consideration settled in cash	205,684
Legal fees of purchase capitalised	186,937
Cash outflow on acquisition	392,621
Contingent consideration payable at acquisition rate	163,187
Less foreign exchange gain on cash flows	(7,101)
Goodwill at acquisition date	623,619
<i>Future payments due in respect of acquisition:</i>	
Contingent consideration payable	179,020

A minimum contingent consideration of USD 250,000 is payable on the third anniversary of the acquisition date. It is the view of management that no more than this will be payable. At 31 December 2016 this balance is held as a provision. The contingent consideration provision has been discounted at a rate of 5%.

The useful economic life of goodwill has been estimated to be 5 years, therefore the goodwill balance is being amortised

The results of JG US Inc since acquisition of the assets of JustGive Inc are as follows:

	Current period since acquisition £
Turnover	362,329
Loss for the year	(169,293)