

Company Registration No. 04426857 (England and Wales)

FUNDRAISING INNOVATIONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



FUNDRAISING INNOVATIONS LIMITED

COMPANY INFORMATION

Directors	P A Green M Todd J Manek A H Baloch P F Callander (Appointed 17 April 2018)
Secretary	H C Kenny
Company number	04426857
Registered office	The Cart Wagon Lodge Friday Street Farm East Sutton Kent ME17 3DD
Auditor	Wilkins Kennedy Audit Services 5th Floor Ashford Commercial Quarter 1 Dover Place Ashford Kent TN23 1FB
Business address	The Cart Wagon Lodge Friday Street Farm East Sutton Kent ME17 3DD
Bankers	National Westminster Bank plc 3 High Street Maidstone Kent ME14 1HJ HSBC Bank plc 39 High Street Ashford Kent TN24 8TG
Solicitors	Whitehead Monckton Monckton House 72 King Street Maidstone Kent ME14 1BL

FUNDRAISING INNOVATIONS LIMITED

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FUNDRAISING INNOVATIONS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present the strategic report for the year ended 31 March 2019.

Fair review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

This year's results have been lowered by the merger that was completed on the 17 April 2018 that created the Comparison Technologies group of companies. The costs relating to the work on this deal incurred during the year have been expensed in this period.

Business Model

The business switches customers in the domestic energy market. Customers switching are either directed to our own web sites, or via our Partner sites. Customers complete the switch on our own websites that link into energy suppliers systems. The energy supplier pays Fundraising Innovations a finder's fee for the customer and part of that payment is paid to partners, which covers their costs.

The section of the business dealing with switches in the Business Energy market was discontinued in October 2018 to focus on the domestic energy offering and was subsequently sold on 11 April 2019.

Business Trends

During the financial year, Fundraising Innovations has seen an increase in customers switching, driven by price increases from the major suppliers. We have also seen a continued increase in sales coming from our largest partner, who has committed to make energy switching a core component of their offering. We fully expect this growth to continue into the future.

Business risks and opportunities

The merger to create Comparison Technologies Limited provides a number of growth opportunities including, but not limited to, the ability to deepen relationships with Brand Partners and suppliers, as well as cross-sell into consumers. Additionally, the anticipated increase in consumer traffic will enable the business to gather larger amounts of market data which can be sold onto suppliers as part of the data insight offering.

It is important that the company is able to offer the full range of available energy tariffs to as many customers as possible in order to maintain its share of the energy switching market. The year has seen a number of new entrants to the energy markets and inclusion of these new tariffs on the price comparison is essential in order to maintain market share. However, payment terms of these tariffs are not advantageous and there are risks associated with the financial stability of new market entrants. These risks are being carefully managed to reduce exposure to the company.

Consumer interest in switching energy supplier is both seasonal and price change driven, however, with the increased political and media interest in energy costs, demand remains strong. Fundraising Innovations' continued investment in new technological and communication equipment means that the company is able to take full advantage of rapid increases in demand. Also, the company's strategy of developing its internet, inbound voice and outbound voice channels allows the stimulation of demand during periods of low consumer interest. Our objectives are to have the highest quality call centres – dealing with our own and partners' customers, the highest quality supplier management and partner management.

FUNDRAISING INNOVATIONS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Key performance indicators

Financial risk management

It is the company's objective to manage its financial risks so as to minimise any adverse fluctuations and maximise cash flow whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Liquidity

The company continues to tightly manage its cash flows and as a consequence the company had cash of £3,521,854 at 31 March 2019 (2018: £2,879,044). The company's principal foreign exchange exposure arises from services purchased overseas.

Financial position

The financial position remains strong and in line with the directors' expectations. Net assets have decreased from £5,252,261 as at 31 March 2018 to £5,160,524 as at 31 March 2019. The turnover of the company has increased from £29,151,738 in 2018 to £39,882,091 in 2019. This represents an increase of 36.8%. Losses before tax are reported for the year ended 31 March 2019 at £97,814 (2018: Profit of £211,709). The primary reason for the financial loss is due to costs associated with the merger.

Key performance indicators

We consider the key financial performance indicators of the company to be turnover and the gross profit margin. Turnover on our core business has increased by 38.4% on the previous financial year. The overall gross profit margin has moved to 21.44% for 2019 compared with 18.49% in 2018.

On behalf of the board



P F Callander

Director

28.8.2019

FUNDRAISING INNOVATIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

The company is a limited company incorporated in England, registered number 04426857 with its registered office at The Cart Wagon Lodge, Friday Street Farm, Friday Street, East Sutton, Kent.

The principal activity of the company continued to be that of providing an energy price comparison service for domestic and business customers through its websites and call centres.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P A Green

M Todd

J Manek

A H Baloch

P F Callander

(Appointed 17 April 2018)

Results and dividends

The results for the year are set out on page 8.

Future developments

Investment in Innovation - Innovation is important to the future success of the company. The company's expenditure is predominantly associated with computer and internet software systems. Successfully developed software is used to develop new services and to improve and extend the functionality and scope of the company's internet and voice operations.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

FUNDRAISING INNOVATIONS LIMITED

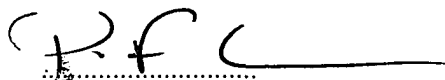
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



P F Callander

Director

Date: 28.8.2019

FUNDRAISING INNOVATIONS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FUNDRAISING INNOVATIONS LIMITED

Opinion

We have audited the financial statements of Fundraising Innovations Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

FUNDRAISING INNOVATIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FUNDRAISING INNOVATIONS 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 and 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

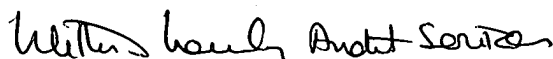
FUNDRAISING INNOVATIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FUNDRAISING INNOVATIONS LIMITED

Use of our report

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.



Robert Reynolds (Senior Statutory Auditor)

for and on behalf of Wilkins Kennedy Audit Services

28.08.2019

Statutory Auditor

5th Floor
Ashford Commercial Quarter
1 Dover Place
Ashford
Kent
TN23 1FB

FUNDRAISING INNOVATIONS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Turnover	3	39,882,091	29,151,738
Cost of sales		(31,329,872)	(23,761,048)
Gross profit		8,552,219	5,390,690
Administrative expenses		(8,708,005)	(5,681,648)
Other operating income		-	500,000
Operating (loss)/profit	4	(155,786)	209,042
Interest receivable and similar income	7	57,972	2,725
Interest payable and similar expenses	8	-	(58)
(Loss)/profit before taxation		(97,814)	211,709
Tax on (loss)/profit	9	6,077	(110,147)
(Loss)/profit for the financial year		(91,737)	101,562

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

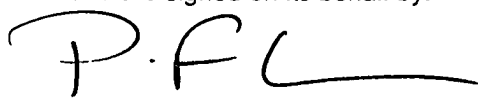
FUNDRAISING INNOVATIONS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Goodwill	11		7,522		15,045
Other intangible assets	11		1,014,074		783,615
Total intangible assets			1,021,596		798,660
Tangible assets	12		549,863		75,003
Investments	13		106,057		106,057
			1,677,516		979,720
Current assets					
Debtors	15	13,096,858		9,696,734	
Cash at bank and in hand		3,521,854		2,879,044	
			16,618,712		12,575,778
Creditors: amounts falling due within one year	16	(13,135,704)		(8,303,237)	
Net current assets			3,483,008		4,272,541
Total assets less current liabilities			5,160,524		5,252,261
Capital and reserves					
Called up share capital	19		15,790		15,790
Share premium account	20		38,757		38,757
Profit and loss reserves	21		5,105,977		5,197,714
Total equity			5,160,524		5,252,261

The financial statements were approved by the board of directors and authorised for issue on 28.8.2019 and are signed on its behalf by:



P F Callander
Director

Company Registration No. 04426857

FUNDRAISING INNOVATIONS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 April 2017		15,790	38,757	5,300,001	5,354,548
Year ended 31 March 2018:					
Profit and total comprehensive income for the year		-	-	101,562	101,562
Dividends	10	-	-	(203,849)	(203,849)
Balance at 31 March 2018		15,790	38,757	5,197,714	5,252,261
Year ended 31 March 2019:					
Loss and total comprehensive income for the year		-	-	(91,737)	(91,737)
Balance at 31 March 2019		15,790	38,757	5,105,977	5,160,524

FUNDRAISING INNOVATIONS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	29	2,200,013		1,859,699	
Interest paid		-		(58)	
Income taxes paid		(130,000)		(287,011)	
Net cash inflow from operating activities		2,070,013		1,572,630	
Investing activities					
Purchase of intangible assets		(908,124)		(504,830)	
Purchase of tangible fixed assets		(601,576)		(22,001)	
Proceeds from other investments and loans		24,525		1,723	
Interest received		57,972		2,725	
Net cash used in investing activities		(1,427,203)		(522,383)	
Financing activities					
Dividends paid		-		(203,849)	
Net cash used in financing activities		-		(203,849)	
Net increase in cash and cash equivalents		642,810		846,398	
Cash and cash equivalents at beginning of year		2,879,044		2,032,646	
Cash and cash equivalents at end of year		3,521,854		2,879,044	

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Fundraising Innovations Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Cart Wagon Lodge, Friday Street Farm, East Sutton, Kent, ME17 3DD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Fundraising Innovations Limited is a wholly owned subsidiary of Comparison Technologies Limited and the results of Fundraising Innovations Limited are included in the consolidated financial statements of Comparison Technologies Limited which are available from The Cart Wagon Lodge, Friday Street Farm, East Sutton, Kent ME17 3DD.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts.

The company generates fees from internet lead generation and telesales through a variety of contractual arrangements. The company's policy is to recognise turnover and its associated costs in the period that the lead was generated.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	25 - 33 1/3% straight line basis / over the term of the licence
Website & development costs	33 1/3% straight line basis

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Over the term of the lease
Fixtures, fittings & equipment	25% straight line basis
Motor vehicles	20% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.8 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.9 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.10 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Fundraising Innovations has two main types of income where it uses judgements and estimates:

Energy sales to consumers – Fundraising Innovations generates income once a customer has completed an energy switch to a supplier. It can take up to 6 months for a switch to be completed and confirmation to be received from the energy suppliers. Therefore this revenue needs to be estimated in the financial statements as some of the income will not be finalised at the time of signing the accounts. The predicted revenue has been calculated by taking the number of domestic energy fuels initiated before the year end, multiplied by the contracted revenue per fuel. A conversion rate is then applied to this revenue figure to take account of any expected cancellations. These conversion rates have been determined by actual results from April 2018 – November 2018 and is applied by the source of sale; both partner and channel and also factoring in the relevant energy supplier. These conversion rates have also been applied to the cost of sales of the pending fuels; multiplying this by the number of fuels initiated before year end and the contracted cost per partner fuel.

Energy sales to businesses – Fundraising Innovations generates income over the life of a business contract. These contracts can be between 1-5 years in length. An estimate of the full contract value is created at the start of the contract, with a significant proportion of this recognised in the revenue line at start. This estimate is then further refined once actual usage is understood and at this stage it is possible for revenue to have been overstated and therefore recovered, this process continues throughout the lifetime of the contract.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019 £	2018 £
Turnover analysed by class of business		
Sales	39,882,091	29,151,738
	<u> </u>	<u> </u>
	2019 £	2018 £
Other significant revenue		
Interest income	57,972	2,725
	<u> </u>	<u> </u>
	2019 £	2018 £
Turnover analysed by geographical market		
UK	39,882,091	29,151,738
	<u> </u>	<u> </u>

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

4 Operating (loss)/profit

	2019	2018
	£	£
Operating (loss)/profit for the year is stated after charging:		
Exchange losses	37,328	-
Fees payable to the company's auditor for the audit of the company's financial statements	35,000	25,000
Depreciation of owned tangible fixed assets	126,535	52,454
Loss on disposal of tangible fixed assets	181	98
Amortisation of intangible assets	685,188	597,974
Operating lease charges	278,065	199,188
	<u> </u>	<u> </u>

Transaction costs amounting to £1,282,010 were incurred in relation to the acquisition of the company by Comparison Technologies Limited in the year ended 31 March 2019.

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £37,328 (2018 - £-).

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019	2018
	Number	Number
Directors	5	4
Non sales staff	48	55
Call centre staff	109	74
	<u> </u>	<u> </u>
	162	133
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2019	2018
	£	£
Wages and salaries	4,804,499	3,514,466
Social security costs	469,015	354,906
Pension costs	108,446	91,196
	<u> </u>	<u> </u>
	5,381,960	3,960,568
	<u> </u>	<u> </u>

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

6 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	1,050,902	458,587
Company pension contributions to defined contribution schemes	32,378	37,750
	<u>1,083,280</u>	<u>496,337</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 5 (2018 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2019 £	2018 £
Remuneration for qualifying services	800,243	141,585
Company pension contributions to defined contribution schemes	24,007	28,248
	<u>824,250</u>	<u>169,833</u>

7 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	876	1,997
Interest receivable from group companies	57,096	-
Other interest income	-	728
	<u>57,972</u>	<u>2,725</u>
Total income	<u>57,972</u>	<u>2,725</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>57,972</u>	<u>1,997</u>
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8 Interest payable and similar expenses

	2019 £	2018 £
Other finance costs:		
Other interest	<u>-</u>	<u>58</u>

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

9 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	-	153,000
Adjustments in respect of prior periods	(141)	(531)
Total current tax	<u>(141)</u>	<u>152,469</u>
Deferred tax		
Origination and reversal of timing differences	<u>(5,936)</u>	<u>(42,322)</u>
Total tax (credit)/charge	<u>(6,077)</u>	<u>110,147</u>

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
(Loss)/profit before taxation	<u>(97,814)</u>	<u>211,709</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(18,585)	40,225
Tax effect of expenses that are not deductible in determining taxable profit	84,793	91,582
Group relief	(52,822)	-
Depreciation on assets not qualifying for tax allowances	5,099	1,575
Amortisation on assets not qualifying for tax allowances	2,808	-
Research and development tax credit	(25,761)	(24,250)
Under/(over) provided in prior years due to research and development claim	(141)	(531)
Other tax adjustments	(1,468)	1,546
Taxation (credit)/charge for the year	<u>(6,077)</u>	<u>110,147</u>

10 Dividends

	2019 £	2018 £
Interim paid	<u>-</u>	<u>203,849</u>

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

11 Intangible fixed assets

	Goodwill	Software	Website & development costs	Total
	£	£	£	£
Cost				
At 1 April 2018	44,253	-	2,615,258	2,659,511
Additions - internally developed	-	-	507,283	507,283
Additions - separately acquired	-	96,979	303,862	400,841
At 31 March 2019	44,253	96,979	3,426,403	3,567,635
Amortisation and impairment				
At 1 April 2018	29,208	-	1,831,643	1,860,851
Amortisation charged for the year	7,523	79,083	598,582	685,188
At 31 March 2019	36,731	79,083	2,430,225	2,546,039
Carrying amount				
At 31 March 2019	7,522	17,896	996,178	1,021,596
At 31 March 2018	15,045	-	783,615	798,660

12 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2018	110,994	161,942	11,395	284,331
Additions	441,539	160,037	-	601,576
Disposals	(830)	(16,012)	-	(16,842)
At 31 March 2019	551,703	305,967	11,395	869,065
Depreciation and impairment				
At 1 April 2018	87,040	119,755	2,533	209,328
Depreciation charged in the year	80,693	44,070	1,772	126,535
Eliminated in respect of disposals	(649)	(16,012)	-	(16,661)
At 31 March 2019	167,084	147,813	4,305	319,202
Carrying amount				
At 31 March 2019	384,619	158,154	7,090	549,863
At 31 March 2018	23,954	42,187	8,862	75,003

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

13 Fixed asset investments

	Notes	2019 £	2018 £
Investments in subsidiaries	14	106,057	106,057

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2018 & 31 March 2019	106,057
Carrying amount	
At 31 March 2019	106,057
At 31 March 2018	106,057

14 Subsidiaries

Details of the company's subsidiaries at 31 March 2019 are as follows:

Name of undertaking	Registered office key	Nature of business	Class of shares held	% Held Direct Indirect
Energyhelpline Business Limited	1	Dormant Company	Ordinary	100.00
First Helpline Limited	1	Dormant Company	Ordinary	100.00
Money Helpline Limited	1	Dormant Company	Ordinary	100.00
Save by Switching Limited	1	Dormant Company	Ordinary	100.00
SaveBySwitching Global Solutions Private Limited	2	Service Company	Ordinary	100.00
Switch and Give Limited	1	Dormant Company	Ordinary	100.00
Switch and Save Limited	1	Dormant Company	Ordinary	100.00
The Energy Helpline Limited	1	Dormant Company	Ordinary	100.00

Registered Office addresses:

- 1 The Cart Wagon Lodge, Friday Street Farm, East Sutton, Kent, ME17 3DD
- 2 Karle Premium, 3rd Floor, 134, Leela Palace Road, 6th Cross, HAL 2nd stage, Kodihalli, Bangalore 560017, Karnataka, India

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

14 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Energyhelpline Business Limited	-	1
First Helpline Limited	-	1
Money Helpline Limited	-	1
Save by Switching Limited	-	1
SaveBySwitching Global Solutions Private Limited	116,255	220,011
Switch and Give Limited	-	1
Switch and Save Limited	-	1
The Energy Helpline Limited	-	1

15 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	3,149,668	3,447,436
Corporation tax recoverable	163,266	33,125
Amounts owed by group undertakings	2,558,372	107,826
Other debtors	14,643	38,051
Prepayments and accrued income	7,013,469	5,834,253
	<u>12,899,418</u>	<u>9,460,691</u>
Deferred tax asset (note 17)	33,438	27,502
	<u>12,932,856</u>	<u>9,488,193</u>
	2019	2018
	£	£
Amounts falling due after more than one year:		
Prepayments and accrued income	<u>164,002</u>	<u>208,541</u>
Total debtors	<u>13,096,858</u>	<u>9,696,734</u>

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

16 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	4,199,434	2,121,258
Amounts owed to group undertakings	966,804	-
Taxation and social security	597,396	549,546
Other creditors	46,001	77,449
Accruals and deferred income	7,326,069	5,554,984
	<u>13,135,704</u>	<u>8,303,237</u>

On 17 April 2018, a composite guarantee and debenture has been given by Fundraising Innovations Limited, and the rest of the Project Flame Topco Limited group of companies, in favour of Inflexion Private Equity Partners LLP.

17 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2019 £	Assets 2018 £
Balances:		
ACAs	29,032	24,876
Retirement benefit obligations	4,406	2,626
	<u>33,438</u>	<u>27,502</u>
		2019 £
Movements in the year:		
Liability/(Asset) at 1 April 2018		(27,502)
Credit to profit or loss		(5,936)
Liability/(Asset) at 31 March 2019		<u>(33,438)</u>

18 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>108,446</u>	<u>91,196</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

19 Share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
15,790 Ordinary shares of £1 each	15,790	15,790

20 Share premium account

	2019 £	2018 £
At the beginning and end of the year	38,757	38,757

21 Profit and loss reserves

	2019 £	2018 £
At the beginning of the year	5,197,714	5,300,001
(Loss)/profit for the year	(91,737)	101,562
Dividends declared and paid in the year	-	(203,849)
At the end of the year	5,105,977	5,197,714

22 Financial commitments, guarantees and contingent liabilities

The company is disputing charges made by an advisor related to the reorganisation transaction, the amount at issue for this company being approximately £499,000. The directors are confident in their position and consider that no further amounts will be payable.

The financial statements include an amount in the sum of £41,437 within other creditors in respect of telesales services provided to the company. Correspondence has been received from the supplier's legal representative indicating that the liability is in the region of £85,000. The directors do not consider this claim to have any validity and have not accrued for the disputed amount of £43,563. The amount is contingent upon a final agreement with the supplier being reached.

The intermediate parent company Project Flame Midco Limited has loan note financing £29,121,471 at 31 March 2019 which is secured on the assets of all Comparison Technologies Limited group companies, including Fundraising Innovations Limited.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

23 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	70,274	137,500

24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2019 £	2018 £
Acquisition of tangible fixed assets	-	11,309

25 Events after the reporting date

In the period after the reporting date, the Project Flame Topco Limited group of companies entered into a bank refinancing agreement. As part of this agreement a cross guarantee and fixed and floating charges over the assets of companies in the group has been created in favour of the bank.

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2019 £	2018 £
Aggregate compensation	1,287,359	680,214

Transactions with related parties

During the year the company entered into the following transactions with related parties:

Fundraising Innovations Limited seeks to invoke the exemption provided in Financial Reporting Standard 102 allowing non disclosure of transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member.

No guarantees have been given or received.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

27 Directors' transactions

Interest free loans have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Amounts repaid £	Closing balance £
Total loans to directors	-	24,525	(24,525)	-
		<u>24,525</u>	<u>(24,525)</u>	<u>-</u>

Dividends totalling £0 (2018 - £139,299) were paid in the year in respect of shares held by the company's directors.

28 Ultimate controlling party

The parent company is Comparison Technologies Limited, a company incorporated in England and Wales.

The intermediate parent undertaking that prepares group financial statements into which the company's accounts are consolidated is Comparison Technologies Limited, a company incorporated in England and Wales.

The largest group that prepares group financial statements into which the company's accounts are consolidated is Project Flame Topco Limited, a company also incorporated in England and Wales. The group financial statements of both Comparison Technologies Limited and Project Flame Topco Limited can be obtained from The Cart Wagon Lodge, Friday Street Farm, East Sutton, Kent, ME17 3DD.

The company's ultimate controlling party is Inflexion Private Equity Partners LLP.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

29 Cash generated from operations

	2019 £	2018 £
(Loss)/profit for the year after tax	(91,737)	101,562
Adjustments for:		
Taxation (credited)/charged	(6,077)	110,147
Finance costs	-	58
Investment income	(57,972)	(2,725)
Loss on disposal of tangible fixed assets	181	98
Amortisation and impairment of intangible assets	685,188	597,974
Depreciation and impairment of tangible fixed assets	126,535	52,454
Movements in working capital:		
(Increase) in debtors	(3,288,572)	(1,518,480)
Increase in creditors	4,832,467	2,518,611
Cash generated from operations	<u>2,200,013</u>	<u>1,859,699</u>

30 Analysis of changes in net funds

	1 April 2018 £	Cash flows £	31 March 2019 £
Cash at bank and in hand	<u>2,879,044</u>	<u>642,810</u>	<u>3,521,854</u>