

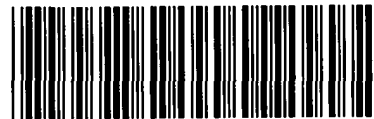
Group

BoC

Company Registration No. 04426857 (England and Wales)

FUNDRAISING INNOVATIONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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FUNDRAISING INNOVATIONS LIMITED

COMPANY INFORMATION

Directors	M Todd P A Green 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 2018

The directors present the strategic report for the year ended 31 March 2018.

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 a number of factors, including a new contract with our largest partner that has increased the amount of commission payments, and a switch towards online business by the same partner which has also increased the level of commission payments. The business was also working towards a possible merger during the year (this deal was completed on 17 April 2018 and created the Comparison Technologies group of companies). The costs related to the work on this deal occurring during the year have been expensed in this period.

Business Model

The business switches customers in the domestic and business energy markets. The greater majority of its business is in the domestic market. Customers switching are either directed to our own web sites (via Paid Search) or via Partner sites and marketing. 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.

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

It is important that the group 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 group.

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 group is able to take full advantage of rapid increases in demand. Also, the group'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 2018

Financial risk management

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

Liquidity

The parent company continues to tightly manage its cash flows and as a consequence the parent company did not have any borrowings during the financial year ended 31 March 2018 (2017: £Nil). The parent company had cash of £2,879,044 at 31 March 2018 (2017: £2,032,646). The company's principal foreign exchange exposure arises from services purchased overseas.

All customers who wish to trade with the parent company on credit terms are monitored on an ongoing basis by the finance team. By value over 85% of the parent company's revenue comes from blue chip companies.


Financial position

The financial position remains strong and in line with the directors expectations. Net assets for the group have increased from £5,332,127 as at 31 March 2017 to £5,256,011 as at 31 March 2018. The turnover of the group has increased from £24,874,474 in 2017 to £29,151,738 in 2018. This represents an increase of 17.2%. Profits before tax are reported for the year at £256,149 (2017: £1,247,038).

Financial performance indicators

We consider the key financial performance indicators of the group to be turnover and the gross profit margin. Turnover on the core business has increased by 23.76% on the previous financial year. The overall gross profit margin has moved to 18.47% in 2018 compared with 24.19% in 2017.

On behalf of the board



P A Green

Director

11 December 2018

FUNDRAISING INNOVATIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report and financial statements for the year ended 31 March 2018.

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 group was the provision of 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:

M Todd

P A Green

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.

An interim ordinary dividend was paid amounting to £203,849. The directors do not recommend payment of a final dividend.

Future developments

Investment in Innovation - Innovation is important to the future success of the group. The group'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 internet and voice operations.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 2018

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 auditor of the company 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 auditor of the company is aware of that information.

On behalf of the board



P A Green

Director

11 December 2018

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 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Group Profit And Loss Account, the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group 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 group's and the parent company's affairs as at 31 March 2018 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.

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 group's or the parent 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.

FUNDRAISING INNOVATIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FUNDRAISING INNOVATIONS LIMITED

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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent 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 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.

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 group's and the parent 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 group or the parent 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.

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.

FUNDRAISING INNOVATIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FUNDRAISING INNOVATIONS LIMITED

Wilkins Kennedy Audit Services

Robert Reynolds (Senior Statutory Auditor)

For and on behalf of Wilkins Kennedy Audit Services

Statutory Auditor

13 December 2018

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

FUNDRAISING INNOVATIONS LIMITED

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Turnover	3	29,151,738	24,874,474
Cost of sales		(23,768,399)	(18,856,781)
Gross profit		5,383,339	6,017,693
Administrative expenses		(5,629,997)	(4,771,040)
Other operating income	4	500,000	-
Operating profit	5	253,342	1,246,653
Interest receivable and similar income	9	4,285	1,062
Interest payable and similar expenses	10	(1,478)	(677)
Profit before taxation		256,149	1,247,038
Tax on profit	11	(123,717)	(164,921)
Profit for the financial year	24	132,432	1,082,117

Profit for the financial year is all attributable to the owners of the parent company.

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

FUNDRAISING INNOVATIONS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	2018 £	2017 £
Profit for the year	132,432	1,082,117
Other comprehensive income		
Currency translation differences	(4,699)	(447)
Total comprehensive income for the year	<u>127,733</u>	<u>1,081,670</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

FUNDRAISING INNOVATIONS LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Goodwill	13	23,991		39,749	
Other intangible assets	13	794,510		882,973	
Total intangible assets		818,501		922,722	
Tangible assets	14	102,984		159,461	
		921,485		1,082,183	
Current assets					
Debtors	18	9,894,041	8,307,883		
Cash at bank and in hand		2,885,261	2,060,459		
		12,779,302	10,368,342		
Creditors: amounts falling due within one year	19	(8,444,776)	(6,100,688)		
Net current assets		4,334,526		4,267,654	
Total assets less current liabilities		5,256,011		5,349,837	
Provisions for liabilities	20	-		(17,710)	
Net assets		5,256,011		5,332,127	
Capital and reserves					
Called up share capital	22	15,790	15,790		
Share premium account	23	38,757	38,757		
Profit and loss reserves	24	5,201,464	5,277,580		
Total equity		5,256,011		5,332,127	

The financial statements were approved by the board of directors and authorised for issue on 11 December 2018 and are signed on its behalf by:


P A Green
Director

FUNDRAISING INNOVATIONS LIMITED

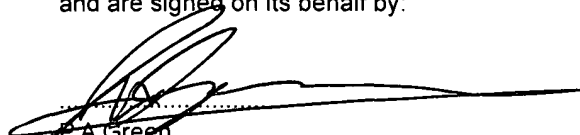
COMPANY BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Goodwill	13		15,045		22,568
Other intangible assets	13		783,615		869,236
Total intangible assets			798,660		891,804
Tangible assets	14		75,003		105,554
Investments	15		106,057		106,057
			979,720		1,103,415
Current assets					
Debtors	18	9,696,734		8,197,933	
Cash at bank and in hand		2,879,044		2,032,646	
			12,575,778		10,230,579
Creditors: amounts falling due within one year	19	(8,303,237)		(5,964,626)	
Net current assets			4,272,541		4,265,953
Total assets less current liabilities			5,252,261		5,369,368
Provisions for liabilities	20		-		(14,820)
Net assets			5,252,261		5,354,548
Capital and reserves					
Called up share capital	22		15,790		15,790
Share premium account	23		38,757		38,757
Profit and loss reserves	24		5,197,714		5,300,001
Total equity			5,252,261		5,354,548

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £101,562 (2017 - £1,046,637 profit).

The financial statements were approved by the board of directors and authorised for issue on 11 December 2018 and are signed on its behalf by:


P A Green
Director

Company Registration No. 04426857

FUNDRAISING INNOVATIONS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 April 2016		15,790	38,757	4,300,124	4,354,671
Year ended 31 March 2017:					
Profit for the year		-	-	1,082,117	1,082,117
Other comprehensive income:					
Currency translation differences		-	-	(447)	(447)
Total comprehensive income for the year		-	-	1,081,670	1,081,670
Dividends	12	-	-	(104,214)	(104,214)
Balance at 31 March 2017		15,790	38,757	5,277,580	5,332,127
Year ended 31 March 2018:					
Profit for the year		-	-	132,432	132,432
Other comprehensive income:					
Currency translation differences on overseas subsidiaries		-	-	(4,699)	(4,699)
Total comprehensive income for the year		-	-	127,733	127,733
Dividends	12	-	-	(203,849)	(203,849)
Balance at 31 March 2018		15,790	38,757	5,201,464	5,256,011

FUNDRAISING INNOVATIONS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 April 2016		15,790	38,757	4,357,578	4,412,125
Year ended 31 March 2017:					
Profit and total comprehensive income for the year		-	-	1,046,637	1,046,637
Dividends	12	-	-	(104,214)	(104,214)
Balance at 31 March 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	12	-	-	(203,849)	(203,849)
Balance at 31 March 2018		15,790	38,757	5,197,714	5,252,261

FUNDRAISING INNOVATIONS LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	32	1,855,796		1,912,323	
Interest paid		(1,478)		(677)	
Income taxes paid		(298,031)		(162,500)	
Net cash inflow from operating activities		1,556,287		1,749,146	
Investing activities					
Purchase of intangible assets		(511,474)		(570,507)	
Purchase of tangible fixed assets		(22,170)		(34,172)	
Proceeds from other investments and loans		1,723		(1,662)	
Interest received		4,285		1,062	
Net cash used in investing activities		(527,636)		(605,279)	
Financing activities					
Dividends paid to equity shareholders		(203,849)		(104,214)	
Net cash used in financing activities		(203,849)		(104,214)	
Net increase in cash and cash equivalents		824,802		1,039,653	
Cash and cash equivalents at beginning of year		2,060,459		1,020,806	
Cash and cash equivalents at end of year		2,885,261		2,060,459	

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

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

The group consists of Fundraising Innovations Limited and all of its subsidiaries.

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 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.

1.2 Basis of consolidation

The consolidated financial statements incorporate those of Fundraising Innovations Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

The dormant subsidiaries have differing year ends from the parent company but this does not affect the consolidation. The trading subsidiary, SaveBySwitching Global Solutions Private Limited, has a financial year end of 31 March 2018 and accordingly their financial statements are drawn up to this date.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

1.3 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.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.4 Turnover

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

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

1.5 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.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business 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.

1.7 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	16 2/3% - 33 1/3% straight line basis
Website development costs	33 1/3% straight line basis

1.8 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	10 - 33 1/3% straight line basis
Motor vehicles	20% reducing balance or 12.5% straight line 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 recognised in the profit and loss account.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

1.10 Impairment of fixed assets

At each reporting period end date, the group 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.

1.11 Cash and cash equivalents

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.

1.12 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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.

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 group 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 group after deducting all of its 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.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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.

Derecognition of financial liabilities

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

1.13 Equity instruments

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

1.14 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 group'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.

1.15 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.

1.16 Retirement benefits

The group 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.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

1.18 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.

2 Judgements and key sources of estimation uncertainty

In the application of the group'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 2017 – October 2017 and is applied by the source of sale; both partner and channel. 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 group's turnover is as follows:

	2018	2017
	£	£
Turnover analysed by class of business		
Sales	29,151,738	24,874,474

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3	Turnover and other revenue	(Continued)	
		2018	2017
		£	£
	Other significant revenue		
	Interest income	4,285	1,062
		<u> </u>	<u> </u>
		2018	2017
		£	£
	Turnover analysed by geographical market		
	UK	29,151,738	24,874,474
		<u> </u>	<u> </u>
4	Other operating income		
	Other operating income includes a contingent settlement sum of £500,000 received in the year due to a realisation event occurring in relation to a settlement agreement entered into by the company in the year ended 31 March 2014.		
5	Operating profit	2018	2017
		£	£
	Operating profit for the year is stated after charging/(crediting):		
	Exchange losses/(gains)	62,426	(31,309)
	Depreciation of owned tangible fixed assets	72,358	68,298
	Loss on disposal of tangible fixed assets	98	-
	Amortisation of intangible assets	614,117	611,413
	Operating lease charges	199,188	129,817
		<u> </u>	<u> </u>
	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 £62,426 (2017 - £31,309).		
6	Auditor's remuneration	2018	2017
		£	£
	Fees payable to the company's auditor and associates:		
	For audit services		
	Audit of the financial statements of the group and company	25,000	25,000
	Audit of the financial statements of the company's subsidiaries	5,154	5,025
		<u> </u>	<u> </u>
		30,154	30,025
		<u> </u>	<u> </u>

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Employees

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

	Group 2018 Number	2017 Number	Company 2018 Number	2017 Number
Directors	5	7	4	4
Non sales staff	78	73	55	51
Call centre staff	235	215	74	77
	<u>318</u>	<u>295</u>	<u>133</u>	<u>132</u>

Their aggregate remuneration comprised:

	Group 2018 £	2017 £	Company 2018 £	2017 £
Wages and salaries	4,285,037	4,181,192	3,514,466	3,506,464
Social security costs	394,735	383,847	354,906	350,615
Pension costs	91,196	104,272	91,196	104,272
	<u>4,770,968</u>	<u>4,669,311</u>	<u>3,960,568</u>	<u>3,961,351</u>

8 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	458,587	435,218
Company pension contributions to defined contribution schemes	37,750	53,087
	<u>496,337</u>	<u>488,305</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2017 - 4).

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

	2018 £	2017 £
Remuneration for qualifying services	141,585	140,557
Company pension contributions to defined contribution schemes	28,248	44,217

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

9 Interest receivable and similar income

	2018 £	2017 £
Interest income		
Interest on bank deposits	1,997	94
Other interest income	2,288	968
Total income	<u>4,285</u>	<u>1,062</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>1,997</u>	<u>94</u>
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10 Interest payable and similar expenses

	2018 £	2017 £
Other finance costs:		
Other interest	<u>1,478</u>	<u>677</u>

11 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	173,757	293,182
Adjustments in respect of prior periods	(531)	(72,150)
Total current tax	<u>173,226</u>	<u>221,032</u>
Deferred tax		
Origination and reversal of timing differences	<u>(49,509)</u>	<u>(56,111)</u>
Total tax charge for the year	<u>123,717</u>	<u>164,921</u>

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

11 Taxation

(Continued)

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

	2018 £	2017 £
Profit before taxation	256,149	1,247,038
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	48,668	249,408
Tax effect of expenses that are not deductible in determining taxable profit	100,735	32,767
Tax effect of utilisation of tax losses not previously recognised	-	(14,980)
Change in unrecognised deferred tax assets	(7,445)	(1,834)
Depreciation on assets not qualifying for tax allowances	1,575	1,089
Research and development tax credit	(24,250)	(33,688)
Effect of overseas tax rates	3,161	3,283
Foreign exchange differences	258	(628)
Under/(over) provided in prior years due to research and development claim	(531)	(72,150)
Other tax adjustments	1,546	1,654
Taxation charge for the year	123,717	164,921

12 Dividends

	2018 £	2017 £
Interim paid	203,849	104,214

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

13 Intangible fixed assets

Group	Goodwill	Software	Website development costs	Total
	£	£	£	£
Cost				
At 1 April 2017	92,692	84,920	2,120,182	2,297,794
Additions - internally developed	-	-	410,938	410,938
Additions - separately acquired	-	5,876	94,660	100,536
Exchange adjustments	-	(9,749)	(1,122)	(10,871)
At 31 March 2018	92,692	81,047	2,624,658	2,798,397
Amortisation and impairment				
At 1 April 2017	52,943	72,127	1,250,002	1,375,072
Amortisation charged for the year	15,758	6,870	591,489	614,117
Exchange adjustments	-	(8,281)	(1,012)	(9,293)
At 31 March 2018	68,701	70,716	1,840,479	1,979,896
Carrying amount				
At 31 March 2018	23,991	10,331	784,179	818,501
At 31 March 2017	39,749	12,793	870,180	922,722

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

13 Intangible fixed assets

(Continued)

Company	Goodwill	Website development costs	Total
	£	£	£
Cost			
At 1 April 2017	44,253	2,110,428	2,154,681
Additions - internally developed	-	410,938	410,938
Additions - separately acquired	-	93,892	93,892
At 31 March 2018	44,253	2,615,258	2,659,511
Amortisation and impairment			
At 1 April 2017	21,685	1,241,192	1,262,877
Amortisation charged for the year	7,523	590,451	597,974
At 31 March 2018	29,208	1,831,643	1,860,851
Carrying amount			
At 31 March 2018	15,045	783,615	798,660
At 31 March 2017	22,568	869,236	891,804

14 Tangible fixed assets

Group	Leasehold improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2017	110,994	292,919	22,061	425,974
Additions	-	22,170	-	22,170
Disposals	-	(1,173)	-	(1,173)
Exchange adjustments	-	(17,427)	(1,225)	(18,652)
At 31 March 2018	110,994	296,489	20,836	428,319
Depreciation and impairment				
At 1 April 2017	60,909	198,992	6,612	266,513
Depreciation charged in the year	26,131	43,194	3,033	72,358
Eliminated in respect of disposals	-	(1,075)	-	(1,075)
Exchange adjustments	-	(11,766)	(695)	(12,461)
At 31 March 2018	87,040	229,345	8,950	325,335
Carrying amount				
At 31 March 2018	23,954	67,144	11,886	102,984
At 31 March 2017	50,085	93,927	15,449	159,461

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

14 Tangible fixed assets

(Continued)

Company	Leasehold improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2017	110,994	141,114	11,395	263,503
Additions	-	22,001	-	22,001
Disposals	-	(1,173)	-	(1,173)
At 31 March 2018	110,994	161,942	11,395	284,331
Depreciation and impairment				
At 1 April 2017	60,909	96,487	553	157,949
Depreciation charged in the year	26,131	24,343	1,980	52,454
Eliminated in respect of disposals	-	(1,075)	-	(1,075)
At 31 March 2018	87,040	119,755	2,533	209,328
Carrying amount				
At 31 March 2018	23,954	42,187	8,862	75,003
At 31 March 2017	50,085	44,627	10,842	105,554

15 Fixed asset investments

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Investments in subsidiaries	16	-	-	106,057	106,057

Movements in fixed asset investments

Company	Shares in group undertakings £
Cost or valuation	
At 1 April 2017 and 31 March 2018	106,057
Carrying amount	
At 31 March 2018	106,057
At 31 March 2017	106,057

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

16 Subsidiaries

Details of the company's subsidiaries at 31 March 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Energyhelpline Business Limited	1	Dormant Company	Ordinary	100
First Helpline Limited	1	Dormant Company	Ordinary	100
Money Helpline Limited	1	Dormant Company	Ordinary	100
Save by Switching Limited	1	Dormant Company	Ordinary	100
SaveBySwitching Global Solutions Private Limited	2	Service Company	Ordinary	100
Switch and Give Limited	1	Dormant Company	Ordinary	100
Switch and Save Limited	1	Dormant Company	Ordinary	100
The Energy Helpline Limited	1	Dormant Company	Ordinary	100

Registered Office addresses:

1 The Cart Wagon Lodge, Friday Street Farm, East Sutton, Kent, ME17 3DD

2 Maruthi Chambers, No. 17/9C, Roopena Agrahara, Hosur Main Road, Bommanahalli, Bangalore, 560068

17 Financial instruments

	Group 2018 £	2017 £	Company 2018 £	2017 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	8,811,763	7,331,854	8,767,829	7,379,243
Carrying amount of financial liabilities				
Measured at amortised cost	7,875,624	5,342,120	7,753,691	5,219,566

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

18 Debtors

	Group 2018	2017	Company 2018	2017
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	3,447,436	2,720,747	3,447,436	2,720,747
Corporation tax recoverable	33,125	80,235	33,125	78,583
Amounts due from group undertakings	-	-	107,826	249,484
Other debtors	338,887	451,006	38,051	93,224
Prepayments and accrued income	5,834,253	4,696,279	5,834,253	4,696,279
	<u>9,653,701</u>	<u>7,948,267</u>	<u>9,460,691</u>	<u>7,838,317</u>
Deferred tax asset (note 20)	31,799	-	27,502	-
	<u>9,685,500</u>	<u>7,948,267</u>	<u>9,488,193</u>	<u>7,838,317</u>
Amounts falling due after more than one year:				
Prepayments and accrued income	<u>208,541</u>	<u>359,616</u>	<u>208,541</u>	<u>359,616</u>
Total debtors	<u>9,894,041</u>	<u>8,307,883</u>	<u>9,696,734</u>	<u>8,197,933</u>

19 Creditors: amounts falling due within one year

	Group 2018	2017	Company 2018	2017
	£	£	£	£
Trade creditors	2,189,085	1,785,555	2,121,258	1,730,450
Corporation tax payable	8,085	180,000	-	180,000
Other taxation and social security	561,067	578,568	549,546	565,060
Other creditors	97,920	77,426	77,449	65,089
Accruals and deferred income	5,588,619	3,479,139	5,554,984	3,424,027
	<u>8,444,776</u>	<u>6,100,688</u>	<u>8,303,237</u>	<u>5,964,626</u>

20 Deferred taxation

Deferred tax assets and liabilities are offset where the group or 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:

	Liabilities 2018	Liabilities 2017	Assets 2018	Assets 2017
	£	£	£	£
Group				
Accelerated capital allowances	-	23,198	24,592	-
Retirement benefit obligations	-	(5,488)	7,207	-
	<u>-</u>	<u>17,710</u>	<u>31,799</u>	<u>-</u>

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

20 Deferred taxation

(Continued)

	Liabilities 2018 £	Liabilities 2017 £	Assets 2018 £	Assets 2017 £
Company				
Accelerated capital allowances	-	16,958	24,876	-
Retirement benefit obligations	-	(2,138)	2,626	-
	<u>-</u>	<u>14,820</u>	<u>27,502</u>	<u>-</u>
			Group 2018 £	Company 2018 £
Movements in the year:				
Liability at 1 April 2017			17,710	14,820
Credit to profit or loss			(49,509)	(42,322)
			<u>(31,799)</u>	<u>(27,502)</u>
Liability/(asset) at 31 March 2018				

21 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>91,196</u>	<u>104,272</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share capital

	Group and company 2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
15,790 Ordinary shares of £1 each	<u>15,790</u>	<u>15,790</u>

23 Share premium account

	Group 2018 £	2017 £	Company 2018 £	2017 £
At beginning and end of year	<u>38,757</u>	<u>38,757</u>	<u>38,757</u>	<u>38,757</u>

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

24 Profit and loss reserves

	Group 2018 £	2017 £	Company 2018 £	2017 £
At the beginning of the year	5,277,580	4,300,124	5,300,001	4,357,578
Profit for the year	132,432	1,082,117	101,562	1,046,637
Dividends	(203,849)	(104,214)	(203,849)	(104,214)
Currency translation differences	(4,699)	(447)	-	-
At the end of the year	5,201,464	5,277,580	5,197,714	5,300,001

25 Financial commitments, guarantees and contingent liabilities

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.

26 Operating lease commitments

Lessee

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

	Group 2018 £	2017 £	Company 2018 £	2017 £
Within one year	137,500	196,706	137,500	150,000
Between two and five years	-	137,500	-	137,500
	137,500	334,206	137,500	287,500

27 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2018 £	2017 £	Company 2018 £	2017 £
Acquisition of tangible fixed assets	11,309	-	11,309	-

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

28 Events after the reporting date

Subsequent to the year end in April 2018, there was a change in beneficial ownership of the company, so that the company's ultimate controlling party became Inflexion Private Equity Partners LLP. At the same date a fixed and floating charge over the company's assets was registered in favour of Inflexion Private Equity Partners LLP.

29 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018 £	2017 £
Aggregate compensation	680,214	674,572

Transactions with related parties

No guarantees have been given or received.

30 Directors' transactions

Dividends totalling £139,299 (2017 - £71,214) were paid in the year in respect of shares held by the company's directors.

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

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Total loans to directors	-	26,248	1,297	(3,020)	24,525
		<u>26,248</u>	<u>1,297</u>	<u>(3,020)</u>	<u>24,525</u>

31 Controlling party

At the balance sheet date the company does not have an ultimate controlling party. However, in the opinion of the directors, the company is controlled by J Manek, H C Kenny, M Todd and A H Baloch by virtue of the fact that they own 100% of the issued share capital.

Subsequent to the period end, there was a change in beneficial ownership so that the company became a subsidiary of Comparison Technologies Limited, and the ultimate controlling party became Inflexion Private Equity Partners LLP.

FUNDRAISING INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

32 Cash generated from group operations

	2018 £	2017 £
Profit for the year after tax	132,432	1,082,117
Adjustments for:		
Taxation charged	123,717	164,921
Finance costs	1,478	677
Investment income	(4,285)	(1,062)
Loss on disposal of tangible fixed assets	98	-
Amortisation and impairment of intangible assets	614,117	611,413
Depreciation and impairment of tangible fixed assets	72,358	68,298
Net effect of foreign exchange differences	3,070	(17,744)
Movements in working capital:		
(Increase)/decrease in debtors	(1,609,803)	351,097
Increase/(decrease) in creditors	2,522,614	(347,394)
Cash generated from operations	1,855,796	1,912,323