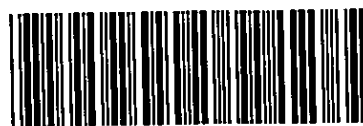


REGISTERED NUMBER: 05799376 (England and Wales)

Report of the Directors and
Financial Statements for the Year Ended 31 December 2012
for
Gocompare.com Limited

WEDNESDAY



A2H53XQ3

A31

18/09/2013

#344

COMPANIES HOUSE

Gocompare com Limited (Registered Number 05799376)

Contents of the Financial Statements
for the Year Ended 31 December 2012

	Page
Company Information	1
Report of the Directors	2
Independent Auditor's Report to the Members of Gocompare com Ltd	4
Profit and Loss Account	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Financial Statements	9

Gocompare.com Limited (Registered Number 05799376)

Company Information
for the Year Ended 31 December 2012

DIRECTORS:

H Parsons
K M Hughes
S A Salter*
L D Griffin (appointed 31 May 2012)
J L Antoniazzi* (appointed 24 October 2012)
R H Morgan* (appointed 24 October 2012)

* Non executive

SECRETARY:

K M Hughes

REGISTERED OFFICE:

Unit 6
Imperial Courtyard
Newport
Gwent
NP10 8UL

REGISTERED NUMBER:

05799376 (England and Wales)

AUDITORS:

KPMG Audit Plc
Chartered Accountants and Registered
Auditors
15 Canada Square
London
E14 5GL

Gocompare.com Limited (Registered Number 05799376)

Report of the Directors
for the Year Ended 31 December 2012

The directors present their report with the financial statements of the company for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of an internet based price comparison website for financial and non-financial products

REVIEW OF BUSINESS

Turnover for the year was £105.1m compared to £108.9m for the previous period indicating the maturing nature of the car insurance price comparison market. Gross profit margin of 22.9% has decreased from 31.7% in 2011.

Acquisition costs of customers have risen significantly as both competitors and insurers continue to invest heavily, particularly in media, in order to attract customers to their sites.

Marketing spend continues to comprise a significant proportion of total expenditure, with a new TV creative campaign launched in July 2012 supported by various online and offline media channels. The company continued to seek opportunities to develop the Gocompare.com brand in 2012 and beyond, while maintaining control of marketing channel cost efficiency.

The developments in 2012 included, telematics car insurance enhancements resulting in increased panel strength ahead of the introduction of the EU gender ruling. Another notable improvement in customer experience was the launch of the Covered news magazine.

Extensive research into customer journey improvements and customer feedback tools have been undertaken in 2012, which will be developed further in 2013.

The company has invested significantly in staff. The average number of permanent staff for 2012 has increased by 29% on 2011 as the company has recruited the expertise to support significant growth plans for 2013 and beyond.

It is envisaged that this growth strategy will continue throughout 2013 and plans to move the company to new and larger premises are already well underway.

This strategy will see the company consolidate its position as a leading comparison site seeking to deliver an exceptional customer experience and with continued diversification in the services offered.

The principal risks facing the company relate to the competitive environment in which it operates, specifically the potential impact of continued rises in media costs impacting both profitability and customer volumes. The company has developed a formal risk policy and risk management framework to monitor and mitigate the risk universe in which it operates.

During 2012 the company further strengthened corporate governance via the appointment of two non-executive directors and an executive director to the Board, this also included the creation of an Audit & Risk Committee.

DIVIDENDS

Interim dividends were paid as follows

£

12,000,000

4 December 2012

The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2012 will be £12,000,000 (2011: £14,000,000).

Gocompare.com Limited (Registered Number 05799376)

Report of the Directors
for the Year Ended 31 December 2012

DIRECTORS

The directors who held office during the year and up to the date of signing the financial statements are given below

H Parsons
K M Hughes
S A Salter*
L D Griffin (appointed 31 May 2012)
J L Antoniazzi* (appointed 24 October 2012)
R H Morgan* (appointed 24 October 2012)

* Non executive

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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

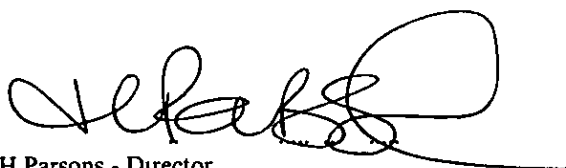
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

ON BEHALF OF THE BOARD:



H Parsons - Director

Date 22 APRIL 2013

Independent Auditor's Report to the Members of Gocompare.com Limited

We have audited the financial statements of Gocompare.com Limited for the year ended 31 December 2012 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

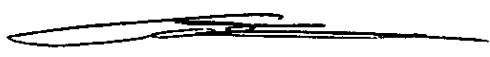
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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.



Jonathan Bell (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
15 Canada Square,
London,
E14 5GL

Date.....22 April 2013.....

Gocompare.com Limited (Registered Number 05799376)

Profit and Loss Account
for the Year Ended 31 December 2012

	Notes	31 12 12 £'000	31 12 11 £'000
TURNOVER		105,108	108,926
Administrative expenses		<u>(81,179)</u>	<u>(74,663)</u>
		23,929	34,263
Other operating income		<u>180</u>	<u>229</u>
OPERATING PROFIT	3	24,109	34,492
Interest receivable and similar income		<u>315</u>	<u>169</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		24,424	34,661
Tax on profit on ordinary activities	4	<u>(6,025)</u>	<u>(9,057)</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>18,399</u>	<u>25,604</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes on pages 9 to 15 form part of the financial statements

Gocompare.com Limited (Registered Number 05799376)

Balance Sheet

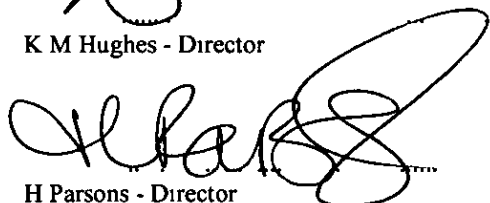
31 December 2012

	Notes	31 12 12 £'000	31 12 11 £'000
FIXED ASSETS			
Intangible assets	6	194	255
Tangible assets	7	<u>396</u>	<u>263</u>
		590	518
CURRENT ASSETS			
Debtors	8	9,077	7,444
Cash at bank		<u>29,925</u>	<u>26,857</u>
		39,002	34,301
CREDITORS			
Amounts falling due within one year	9	<u>(11,193)</u>	<u>(11,457)</u>
NET CURRENT ASSETS		<u>27,809</u>	<u>22,844</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		28,399	23,362
PROVISIONS FOR LIABILITIES	11	<u>(1,245)</u>	<u>(2,607)</u>
NET ASSETS		<u>27,154</u>	<u>20,755</u>
CAPITAL AND RESERVES			
Called up share capital	12	940	940
Profit and loss account	13	<u>26,214</u>	<u>19,815</u>
SHAREHOLDERS' FUNDS	17	<u>27,154</u>	<u>20,755</u>

The financial statements were approved by the Board of Directors on 22 APRIL 2013 and were signed on its behalf by



K M Hughes - Director



H Parsons - Director

The notes on pages 9 to 15 form part of the financial statements

Gocompare.com Limited (Registered Number 05799376)

Cash Flow Statement
for the Year Ended 31 December 2012

	Notes	31 12 12 £'000	31 12 11 £'000
Net cash inflow from operating activities	1	22,498	34,366
Returns on investments and servicing of finance	11	315	169
Taxation		(7,262)	(7,766)
Capital expenditure	11	(483)	(482)
Equity dividends paid		(12,000)	(14,000)
		<hr/>	<hr/>
Increase in cash in the period		<u>3,068</u>	<u>12,287</u>
Cash and cash equivalents at 1 January		<u>26,857</u>	<u>14,570</u>
Cash and cash equivalents at 31 December		<u>29,925</u>	<u>26,857</u>

The notes on page 8 form part of the cash flow statement

Notes to the Cash Flow Statement
for the Year Ended 31 December 2012

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 12 12	31 12 11
	£'000	£'000
Operating profit	24,109	34,492
Depreciation charges	408	346
Loss on disposal of fixed assets	3	-
Decrease in debtors	(1,633)	(816)
(Decrease)/Increase in creditors	<u>(389)</u>	<u>344</u>
Net cash inflow from operating activities	<u>22,498</u>	<u>34,366</u>

11 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31 12 12	31 12 11
	£'000	£'000
Returns on investments and servicing of finance		
Interest received	315	169
Interest paid	<u>-</u>	<u>-</u>
Net cash outflow for returns on investments and servicing of finance	<u>315</u>	<u>169</u>
 Capital expenditure		
Purchase of tangible and intangible fixed assets	<u>(483)</u>	<u>(482)</u>
Net cash outflow for capital expenditure	<u>(483)</u>	<u>(482)</u>

Notes to the Financial Statements
for the Year Ended 31 December 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards

Turnover

Turnover represents amounts receivable for insurance and other product introductions. Revenue received from the insurers and other product providers is credited to the profit and loss account when the relevant policy is sold.

Intangible fixed assets

Licences are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the assets over their estimated useful lives.

Tangible fixed assets

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

Fixtures and fittings	- 20% on cost
Computer equipment	- 25% or 33% on cost

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Lease commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company makes contributions to individual staff stakeholder pension schemes. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Grants

Government grants staged payments are recognised in the period when claims have been assessed by the issuing body and confirmation has been received that the criteria have been met for payment.

Research and development

Research and development expenditure is written off in the profit and loss account in the year in which it is incurred. Research and development tax credits are recognised in the period that the claim is accepted.

2 STAFF COSTS

	31 12 12	31 12 11
	£'000	£'000
Wages and salaries	5,042	3,859
Social security costs	567	431
Other pension costs	95	71
	<u>5,704</u>	<u>4,361</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

2 STAFF COSTS - continued

The average monthly number of employees during the year was as follows

31 12 12	31 12 11
<u>125</u>	<u>97</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	31 12 12	31 12 11
	£'000	£'000
Other operating leases	129	98
Depreciation and amortisation - owned assets	408	345
Auditors' remuneration		
Audit of financial statements – Gocompare.com Ltd	23	20
Other services pursuant to legislation	<u>-</u>	<u>47</u>

Government grants of £nil were received during the year (2011 £300k)

	31 12 12	31 12 11
	£	£
Directors' remuneration	383,833	315,000
Directors' pension contributions to money purchase schemes	<u>7,500</u>	<u>7,500</u>

Information regarding the highest paid director is as follows

	31 12 12	31 12 11
	£	£
Emoluments etc	165,000	165,000
Pension contributions to money purchase schemes	<u>7,500</u>	<u>7,500</u>

4 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	31 12 12	31 12 11
	£'000	£'000
Current tax		
UK corporation tax	6,048	9,075
Deferred tax	<u>(23)</u>	<u>(18)</u>
Tax on profit on ordinary activities	<u>6,025</u>	<u>9,057</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

4 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	31 12 12 £'000	31 12 11 £'000
Profit on ordinary activities before tax	<u>24,424</u>	<u>34,661</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.5% (2011 – 26.5%)	5,983	9,183
Effects of		
Capital allowances in excess of depreciation	25	37
R&D tax credit	-	(9)
Adjustment to tax charge in respect of previous periods	-	(54)
Disallowable items	84	(21)
Group relief	(44)	(61)
Losses brought forward	<u>-</u>	<u>-</u>
Current tax charge	<u>6,048</u>	<u>9,075</u>

With effect from April 1st 2013 the standard rate of corporation tax will be reduced to 23% from 24%. The applicable corporation tax rate for the year will be 23.75%

5 DIVIDENDS

	31 12 12 £'000	31 12 11 £'000
Ordinary shares of £1 each		
Interim - Paid	<u>12,000</u>	<u>14,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

6 INTANGIBLE FIXED ASSETS

	Software licenses £'000
COST	
At 1 January 2012	350
Additions	186
Disposals	<u>(89)</u>
At 31 December 2012	<u>447</u>
AMORTISATION	
At 1 January 2012	95
Charge for year	244
Eliminated on disposal	<u>(86)</u>
At 31 December 2012	<u>253</u>
NET BOOK VALUE	
At 31 December 2012	<u>194</u>
At 31 December 2011	<u>255</u>

7 TANGIBLE FIXED ASSETS

	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
COST			
At 1 January 2012	128	364	492
Additions	106	191	297
Disposals	<u>(1)</u>	<u>(98)</u>	<u>(99)</u>
At 31 December 2012	<u>233</u>	<u>457</u>	<u>690</u>
DEPRECIATION			
At 1 January 2012	55	174	229
Charge for year	26	138	164
Eliminated on disposal	<u>(1)</u>	<u>(98)</u>	<u>(99)</u>
At 31 December 2012	<u>80</u>	<u>214</u>	<u>294</u>
NET BOOK VALUE			
At 31 December 2012	<u>153</u>	<u>243</u>	<u>396</u>
At 31 December 2011	<u>73</u>	<u>190</u>	<u>263</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 12	31 12 11
	£'000	£'000
Trade debtors	7,583	6,820
Other debtors	5	-
Prepayments and accrued income	<u>1,489</u>	<u>624</u>
	<u>9,077</u>	<u>7,444</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 12	31 12 11
	£'000	£'000
Trade creditors	1,894	2,613
Amounts owed to group undertakings	1,001	1
Tax	3,378	4,592
Social security and other taxes	1,698	1,785
Other creditors	1,835	1,734
Accrued expenses	<u>1,387</u>	<u>732</u>
	<u>11,193</u>	<u>11,457</u>

10 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings	
	31.12 12	31 12 11
	£'000	£'000
Expining		
Between one and five years	<u>119</u>	<u>109</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

11 PROVISIONS FOR LIABILITIES

	Deferred Tax	Other Provisions
	£'000	£'000
As at 1 January 2012	(3)	2,610
Released / utilised in the year	-	(1,910)
(Credited) / charged to profit and loss in the year	<u>(23)</u>	<u>571</u>
As at 31 December 2012	<u>(26)</u>	<u>1,271</u>

Other provisions relate to present cost obligations and revenue recoverability provisions. Controls around revenue have improved in the year to the extent that a significant proportion of the provision held at 31 December 2011 has now been released.

	Deferred tax
	£'000
Accelerated capital allowances	<u>(26)</u>
Balance at 31 December 2012	<u>(26)</u>

12 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			31 12 12	31 12 11
Number	Class	Nominal value.	£'000	£'000
940,200	Ordinary shares	£1	<u>940</u>	<u>940</u>

13 RESERVES

	Profit and loss account
	£'000
At 1 January 2012	19,815
Profit for the year	18,399
Dividends	<u>(12,000)</u>
At 31 December 2012	<u>26,214</u>

14 ULTIMATE PARENT COMPANY

The immediate parent company is Gocompare.com Holdings Limited who own 100% of the issued share capital

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

15 RELATED PARTY DISCLOSURES

Sales of £6,154K (2011 £7,060K) were made to a major shareholder of the group during the year, of which £240K (2011 £386K) remained due at 31 December 2012

Commissions of £64K (2011 £109K) were paid to a major shareholder of the group during the year, of which £3K (2011 £5K) remained payable at 31 December 2012

The company has taken advantage of the exemption in FRS 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company

16 ULTIMATE CONTROLLING PARTY

Gocompare.com Holdings is controlled by Hayley Parsons who holds 50% of the issued share capital and esure Services Limited which holds 50% of the issued share capital

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 12 12	31 12 11
	£'000	£'000
Profit for the financial year	18,399	25,604
Dividends	<u>(12,000)</u>	<u>(14,000)</u>
Net addition to shareholders' funds	6,399	11,604
Opening shareholders' funds	<u>20,755</u>	<u>9,151</u>
Closing shareholders' funds	<u>27,154</u>	<u>20,755</u>