

REGISTERED NUMBER: 05799376 (England and Wales)

Report of the Directors and
Financial Statements for the Year Ended 31 December 2009
for
GoCompare.com Limited



GoCompare.com Limited (Registered number: 05799376)

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for the Year Ended 31 December 2009

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GoCompare.com Limited

Company Information
for the Year Ended 31 December 2009

DIRECTORS:

H Parsons
S A Salter
K M Hughes

SECRETARY:

K M Hughes

REGISTERED OFFICE

Unit 6
Imperial Courtyard
Newport
Gwent
NP10 8UL

REGISTERED NUMBER:

05799376 (England and Wales)

AUDITORS:

McLay, McAlister & McGibbon LLP
Chartered Accountants & Registered Auditors
145 St Vincent Street
Glasgow
G2 5JF

GoCompare.com Limited (Registered number, 05799376)

Report of the Directors
for the Year Ended 31 December 2009

The directors present their report with the financial statements of the company for the year ended 31 December 2009

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of web based insurance, marketing and intermediary services

REVIEW OF BUSINESS

Turnover for the year was £74,993,622 compared to £49,052,618 for the previous period

The company has established itself as a market leader within the comparison website industry. The directors are taking appropriate steps to maintain its position within a competitive landscape. As the brand has become more established there has been a positive impact on quote volumes which have increased to 19.4 million from 12.3 million in 2008. Growth has been experienced across all product segments.

The company continues to invest in the development of the website to ensure customer expectations are exceeded and activity to maintain the strength and depth of panels has continued.

Marketing spend remains in line with the sector. The company will continue to react to market conditions and the competition to maintain and grow the Gocompare.com brand.

Due to substantial growth the company has increased staffing levels. The company will continue to invest in staff development as it recognises that their skills and enthusiasm is vital to maintain its position as a market leader.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2009

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2009 to the date of this report

H Parsons
S A Salter
K M Hughes

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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.

GoCompare.com Limited (Registered number: 05799376)

Report of the Directors
for the Year Ended 31 December 2009

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 17/3/2010

Report of the Independent Auditors to the Shareholders of
GoCompare.com Limited

We have audited the financial statements of GoCompare.com Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

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 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors 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.

Mary M MacCormick

Mary M MacCormick (Senior Statutory Auditor)
for and on behalf of McLay, McAlister & McGibbon LLP
Chartered Accountants & Registered Auditors
145 St Vincent Street
Glasgow
G2 5JF

Date *24/3/10*

GoCompare.com Limited (Registered number 05799376)

Profit and Loss Account
for the Year Ended 31 December 2009

	Notes	31 12 09 £	31 12 08 £
TURNOVER		74,993,622	49,052,618
Administrative expenses		(61,569,414)	(52,208,771)
OPERATING PROFIT/(LOSS)	3	13,424,208	(3,156,153)
Interest receivable and similar income		49,644	-
		13,473,852	(3,156,153)
Interest payable and similar charges	4	(1,399,199)	(980,262)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		12,074,653	(4,136,415)
Tax on profit/(loss) on ordinary activities	5	(10,425)	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		12,064,228	(4,136,415)

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 profit for the current year and the loss for the previous year

The notes form part of these financial statements

GoCompare.com Limited (Registered number 05799376)

Balance Sheet
31 December 2009

	Notes	31 12 09 £	31 12 08 £
FIXED ASSETS			
Tangible assets	6	319,786	128,520
CURRENT ASSETS			
Debtors	7	10,747,617	6,609,565
Cash at bank and in hand		13,702,759	4,543,591
		<u>24,450,376</u>	<u>11,153,156</u>
CREDITORS			
Amounts falling due within one year	8	(23,041,548)	(2,131,824)
NET CURRENT ASSETS		<u>1,408,828</u>	<u>9,021,332</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,728,614	9,149,852
CREDITORS			
Amounts falling due after more than one year	9	-	(17,561,997)
PROVISIONS FOR LIABILITIES	12	(2,890,551)	(4,814,020)
NET LIABILITIES		<u>(1,161,937)</u>	<u>(13,226,165)</u>
CAPITAL AND RESERVES			
Called up share capital	13	940,200	940,200
Profit and loss account	14	(2,102,137)	(14,166,365)
SHAREHOLDERS' FUNDS	17	<u>(1,161,937)</u>	<u>(13,226,165)</u>

The financial statements were approved by the Board of Directors on behalf by



K M Hughes - Director



H Parsons - Director

17-3-2010

and were signed on its

The notes form part of these financial statements

GoCompare.com Limited (Registered number 05799376)

Cash Flow Statement
for the Year Ended 31 December 2009

	Notes	31 12 09 £	31 12 08 £
Net cash inflow from operating activities	1	9,376,601	899,473
Returns on investments and servicing of finance	2	(1,349,555)	(980,262)
Capital expenditure	2	(267,077)	(100,314)
		<u>7,759,969</u>	<u>(181,103)</u>
Financing	2	1,399,199	3,730,028
Increase in cash in the period		<u>9,159,168</u>	<u>3,548,925</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		9,159,168	3,548,925
Cash inflow from increase in debt		<u>(1,399,199)</u>	<u>(3,730,028)</u>
Change in net debt resulting from cash flows		<u>7,759,969</u>	<u>(181,103)</u>
Movement in net debt in the period		7,759,969	(181,103)
Net debt at 1 January		<u>(13,018,406)</u>	<u>(12,837,303)</u>
Net debt at 31 December		<u>(5,258,437)</u>	<u>(13,018,406)</u>

The notes form part of these financial statements

GoCompare.com Limited (Registered number 05799376)

Notes to the Cash Flow Statement
for the Year Ended 31 December 2009

1 RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 12 09 £	31 12 08 £
Operating profit/(loss)	13,424,208	(3,156,153)
Depreciation charges	75,796	46,469
Loss on disposal of fixed assets	16	1,388
Increase in debtors	(4,138,052)	(1,492,077)
Increase in creditors	14,633	5,499,846
Net cash inflow from operating activities	9,376,601	899,473

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

	31 12 09 £	31 12 08 £
Returns on investments and servicing of finance		
Interest received	49,644	-
Interest paid	(1,399,199)	(980,262)
Net cash outflow for returns on investments and servicing of finance	(1,349,555)	(980,262)
Capital expenditure		
Purchase of tangible fixed assets	(267,077)	(114,313)
Sale of tangible fixed assets	-	13,999
Net cash outflow for capital expenditure	(267,077)	(100,314)
Financing		
New loans in year	1,399,199	3,730,028
Net cash inflow from financing	1,399,199	3,730,028

The notes form part of these financial statements

GoCompare.com Limited (Registered number: 05799376)

Notes to the Cash Flow Statement
for the Year Ended 31 December 2009

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 1 09 £	Cash flow £	At 31 12 09 £
Net cash			
Cash at bank and in hand	4,543,591	9,159,168	13,702,759
	<u>4,543,591</u>	<u>9,159,168</u>	<u>13,702,759</u>
Debt			
Debts falling due within one year	-	(18,961,196)	(18,961,196)
Debts falling due after one year	(17,561,997)	17,561,997	-
	<u>(17,561,997)</u>	<u>(1,399,199)</u>	<u>(18,961,196)</u>
Total	<u>(13,018,406)</u>	<u>7,759,969</u>	<u>(5,258,437)</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2009

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The directors have prepared and reviewed the company's projections for the period to December 2011 which indicate that the company should be able to operate within the level of its agreed funding and accordingly the accounts have been prepared on a going concern basis

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

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

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	- 33% on cost and 25% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that the directors consider it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on the tax rates and laws enacted or substantively enacted at the balance sheet date

Hire purchase and leasing 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 operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

2 STAFF COSTS

	31 12 09	31 12 08
	£	£
Wages and salaries	2,019,002	1,343,904
Social security costs	219,895	119,596
Other pension costs	31,882	30,997
	<u>2,270,779</u>	<u>1,494,497</u>

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

31 12 09	31 12 08
<u>52</u>	<u>29</u>

GoCompare.com Limited (Registered number: 05799376)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2009

3 OPERATING PROFIT/(LOSS)

The operating profit (2008 - operating loss) is stated after charging

	31 12 09	31 12 08
	£	£
Other operating leases	47,471	42,860
Depreciation - owned assets	75,796	46,469
Loss on disposal of fixed assets	16	1,388
Auditors' remuneration	5,400	3,600
Auditors non-audit work	9,600	16,700
	<u> </u>	<u> </u>
Directors' remuneration	375,833	224,530
Directors' pension contributions to money purchase schemes	7,500	7,500
	<u> </u>	<u> </u>

Information regarding the highest paid director is as follows

	31 12 09	31 12 08
	£	£
Emoluments etc	226,250	140,780
Pension contributions to money purchase schemes	7,500	7,500
	<u> </u>	<u> </u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	31 12 09	31 12 08
	£	£
Bank interest	-	234
Loan	1,399,199	980,028
	<u> </u>	<u> </u>
	<u>1,399,199</u>	<u>980,262</u>

5 TAXATION

Analysis of the tax charge

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

	31 12 09	31 12 08
	£	£
Current tax		
UK corporation tax	10,425	-
	<u> </u>	<u> </u>
Tax on profit/(loss) on ordinary activities	<u>10,425</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2009

5 **TAXATION - continued**

Factors affecting the tax charge

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

	31 12 09 £	31 12 08 £
Profit/(loss) on ordinary activities before tax	12,074,653	(4,136,415)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2008 - 21%)	2,535,677	(868,647)
Effects of		
Depreciation	15,918	9,758
Capital allowances	(32,235)	(17,397)
Disallowable items	(7,111)	12,041
Losses carried forward	-	864,245
Losses brought forward	(2,501,824)	-
Current tax charge	10,425	-

Factors that may affect future tax charges

Deferred tax asset in respect of losses carried forward has not been recognised in the financial statements. Had it been recognised, the deferred tax asset would have amounted to £430,000

6 **TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2009	29,688	164,263	193,951
Additions	79,934	187,143	267,077
Disposals	-	(209)	(209)
At 31 December 2009	109,622	351,197	460,819
DEPRECIATION			
At 1 January 2009	9,002	56,428	65,430
Charge for year	11,757	64,039	75,796
Eliminated on disposal	-	(193)	(193)
At 31 December 2009	20,759	120,274	141,033
NET BOOK VALUE			
At 31 December 2009	88,863	230,923	319,786
At 31 December 2008	20,686	107,835	128,521

GoCompare.com Limited (Registered number: 05799376)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2009

7 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 09	31 12 08
	£	£
Trade debtors	7,742,384	5,484,652
Other debtors	23,950	23,450
Prepayments and accrued income	2,981,283	1,101,463
	<u>10,747,617</u>	<u>6,609,565</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 09	31 12 08
	£	£
Other loans (see note 10)	18,961,196	-
Trade creditors	1,857,861	1,123,376
Tax	10,425	-
Social security and other taxes	1,309,290	43,231
Other creditors	6,684	3,190
Accrued expenses	896,092	962,027
	<u>23,041,548</u>	<u>2,131,824</u>

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 12 09	31 12 08
	£	£
Other loans (see note 10)	-	17,561,997

10 LOANS

An analysis of the maturity of loans is given below

	31 12 09	31 12 08
	£	£
Amounts falling due within one year or on demand		
Other loans	<u>18,961,196</u>	<u>-</u>
Amounts falling due between two and five years		
Other loans - 2-5 years	<u>-</u>	<u>17,561,997</u>

The loan is a subordinated loan and accordingly is not secured over GoCompare.com Limited

GoCompare com Limited (Registered number: 05799376)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2009

11 OPERATING LEASE COMMITMENTS

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

		Land and buildings
	31 12 09 £	31 12 08 £
Expiring Between one and five years	83,190	60,512

12 PROVISIONS FOR LIABILITIES

	31 12 09 £	31 12 08 £
Other provisions	2,890,551	4,814,020

13 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	31 12 09 £	31 12 08 £
940,200	Ordinary shares		940,200	940,200

14 RESERVES

	Profit and loss account £
At 1 January 2009	(14,166,365)
Profit for the year	12,064,228
At 31 December 2009	(2,102,137)

15 ULTIMATE PARENT COMPANY

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

16 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Ms Hayley Parsons.

GoCompare.com Limited (Registered number 05799376)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2009

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 12 09 £	31 12 08 £
Profit/(Loss) for the financial year	12,064,228	(4,136,415)
Net addition/(reduction) to shareholders' funds	12,064,228	(4,136,415)
Opening shareholders' funds	(13,226,165)	(9,089,750)
Closing shareholders' funds	<u>(1,161,937)</u>	<u>(13,226,165)</u>