



Grant Thornton

# Financial Statements Verivox Holdings Limited

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**For the year ended 31 December 2012**



**Registered number: 05965414**

## Company Information

<b>Directors</b>	A Goodwin A Preston M Joseph A Collins J G Holden T Prangermeier S Ohlund
<b>Company secretary</b>	M Bavinton
<b>Company number</b>	05965414
<b>Registered office</b>	3 Cadogan Gate London England SW1X 0AS
<b>Auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP

## Contents

	Page
<b>Directors' report</b>	1 - 2
<b>Independent auditor's report</b>	3 - 4
<b>Profit and loss account</b>	5
<b>Balance sheet</b>	6
<b>Notes to the financial statements</b>	7 - 15

# Directors' Report

For the year ended 31 December 2012

The directors present their report and the financial statements for the year ended 31 December 2012

## Principal activities

The principal activity of the company is the intermediate holding and management of investments in companies which operate price comparison websites

## Post balance sheet event

On 15 April 2013, Verivox GmbH declared a dividend to Verivox Holdings Limited of €7.5m. On the same date, Verivox Holdings Limited declared a dividend payable of €7.2m.

## Business review and future developments

The company is a holding company only.

There was a profit for the year of €38k (2011: €8,793m). The profit for the year includes dividend income of €0.6m (2011: €9.0m). No dividend (2011: €9.198m) has been paid during the year.

## Financial risk management and objectives

The company uses various financial instruments, principally cash. The main purpose of these financial instruments is to raise finance to support the company's activities.

The principal risk to the company is credit risk as the company's principal financial asset is cash. The credit risk associated with cash is limited as counterparties have high credit ratings assigned to them by international credit rating agencies.

## Principal risks and uncertainties

The company is a holding company which is supported by other group companies. The principal risk is that other group companies are not able to provide the required level of support.

## Qualifying third party indemnity provisions

During the financial year, a qualifying third party indemnity provision for the benefit of the directors was in force.

## Directors

The directors who served during the year and up to the date of this report are as follows:

A Goodwin  
A Preston  
M Joseph  
A Collins  
J G Holden  
T Prangemeier  
S Ohlund - appointed 1 May 2012

## Directors' Report

For the year ended 31 December 2012

### Directors' responsibilities statement

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

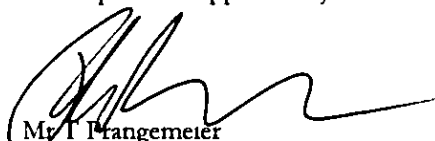
- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 15 April 2013 and signed on its behalf

  
Mr T Frangemeier  
Director



## Independent Auditor's Report to the Members of Verivox Holdings Limited

We have audited the financial statements of Verivox Holdings Limited for the year ended 31 December 2012, which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **Respective responsibilities of directors and auditor**

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. 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 Auditing Practices Board's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **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 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent Auditor's Report to the Members of Verivox Holdings Limited

### **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

*Grant Thornton UK LLP*

Richard Hagley (Senior statutory auditor)  
for and on behalf of

**Grant Thornton UK LLP**

Chartered Accountants

Statutory Auditor

London

Date *28 May 2013*

## Profit and Loss Account

For the year ended 31 December 2012

	Note	2012 €000	2011 €000
<b>Turnover</b>	1	585	175
Administrative expenses		<u>(1,170)</u>	<u>(402)</u>
<b>Operating loss</b>	2	(585)	(227)
Income from fixed asset investments		600	9,000
Interest receivable and similar income	3	45	39
Interest payable and similar charges	4	<u>(22)</u>	<u>(19)</u>
<b>Profit on ordinary activities before taxation</b>		38	8,793
Tax on profit on ordinary activities	8	<u>-</u>	<u>-</u>
<b>Profit for the financial year</b>	14	<u><u>38</u></u>	<u><u>8,793</u></u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account

The notes on pages 7 to 15 form part of these financial statements




## Balance Sheet

As at 31 December 2012

	Note	€000	2012 €000	€000	2011 €000
<b>Fixed assets</b>					
Intangible assets	9		4		15
Investments	10		6,416		6,416
			<u>6,420</u>		<u>6,431</u>
<b>Current assets</b>					
Debtors	11	997		819	
Cash at bank		136		114	
		<u>1,133</u>		<u>933</u>	
<b>Creditors' amounts falling due within one year</b>	12	(459)		(308)	
<b>Net current assets</b>			<u>674</u>		<u>625</u>
<b>Total assets less current liabilities</b>			<u>7,094</u>		<u>7,056</u>
<b>Capital and reserves</b>					
Called up share capital	13		65		65
Share premium account	14		3,168		3,168
Capital reserve	14		325		325
Merger reserve	14		3,297		3,297
Profit and loss account	14		239		201
<b>Shareholders' funds</b>	15		<u>7,094</u>		<u>7,056</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 April 2013



Mr T Prangemeier  
Director

The notes on pages 7 to 15 form part of these financial statements

# **Notes to the Financial Statements**

**For the year ended 31 December 2012**

## **1. Accounting Policies**

### **1.1 Basis of accounting**

The financial statements have been prepared on a going concern basis under the historical cost convention, in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards

### **1.2 Consolidated financial statements**

The company has taken advantage of the exemption under section 400 (1) of the Companies Act 2006 not to prepare consolidated accounts as consolidated accounts are prepared by the immediate parent company, VVX Investments Limited, a company incorporated in the United Kingdom

These financial statements present information about the entity as an individual undertaking and not about its group

### **1.3 Turnover**

Turnover represents management charges to subsidiary undertakings provided during the course of the year, exclusive of VAT. All turnover arises in the United Kingdom

### **1.4 Intangible fixed assets**

Trademarks, patents and similar rights are recorded at cost and amortised over the directors' estimate of their useful life (5 years)

### **1.5 Functional currency**

These financial statements have been prepared and presented in the company's functional currency which is the euro. The euro sterling exchange rate used at the balance sheet is €1 to £0.817 (2011: €1 to £0.838)

### **1.6 Leased assets**

Leases under which all of the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Rental costs arising from operating leases are charged to the profit and loss account on a straight line basis over the lease term

# Notes to the Financial Statements

For the year ended 31 December 2012

## 1. Accounting Policies (continued)

### 1.7 Deferred taxation

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date. Timing differences are differences between the company's taxable profit and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A deferred tax asset is only recognised when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Amounts relating to deferred taxation are undiscounted as the impact would be insignificant to these financial statements.

### 1.8 Foreign Currency

Transactions denominated in foreign currencies are translated into euros at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are translated into euros at the rates of exchange prevailing at the year end. Exchange gains and losses are dealt with in the profit and loss account.

### 1.9 Fixed asset investments

Fixed asset investments are shown at the cost less amounts provided or written off for impairment.

### 1.10 Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to the financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

# Notes to the Financial Statements

For the year ended 31 December 2012

## 1. Accounting Policies (continued)

### 1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

### 1.12 Cash flow statement

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

## 2. Operating loss

The operating loss is stated after charging/(crediting)

	2012 €000	2011 €000
Amortisation - intangible fixed assets	11	11
Auditors' remuneration - company audit	3	3
Auditors' remuneration for other services - tax services	4	4
Difference on foreign exchange	(10)	10
	<u>          </u>	<u>          </u>

## 3. Interest receivable and similar income

	2012 €000	2011 €000
Interest receivable from group companies	45	35
Interest receivable on directors' loans	-	4
	<u>          </u>	<u>          </u>
	<u>45</u>	<u>39</u>

## 4. Interest payable and similar charges

	2012 €000	2011 €000
On loans from group undertakings	22	10
Other interest payable	-	9
	<u>          </u>	<u>          </u>
	<u>22</u>	<u>19</u>

# Notes to the Financial Statements

For the year ended 31 December 2012

## 5. Income from fixed asset investments

Income from fixed asset investments represents a dividend receivable from a subsidiary company amounting to €0.6m (2011: €9m)

## 6. Staff

The company had no staff in either the current or prior year. Information on directors' remuneration is provided in the note below.

## 7. Directors

	2012 €000	2011 €000
Emoluments	393	70
Pension contributions to defined contribution pension schemes	15	-

During the year retirement benefits were accruing to 1 director (2011: NIL) in respect of defined contribution pension schemes.

In addition to the above, the company's operating loss for the year includes €25,000 (2011: €25,000) of fees payable to Oakley Capital Limited and €400,000 (2011: €nil) of fees payable to APAG Services GmbH in respect of director services provided. Further details are provided in Note 18 to these financial statements.

The amounts set out above include remuneration in respect of the highest paid director as follows:

	2012 €000	2011 €000
Emoluments	350	50
Pension contributions to defined benefit pension schemes	15	-
Total	365	50

## 8. Tax on profit on ordinary activities

There is no tax charge in the current or prior year.

# Notes to the Financial Statements

For the year ended 31 December 2012

## 8. Tax on profit on ordinary activities (continued)

### Factors affecting tax charge for the year

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 24.5% (2011: 26.5%). The differences are explained below

	2012 €000	2011 €000
Profit on ordinary activities before tax	38	8,793
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011: 26.5%)	9	2,330
Effects of:		
Income not taxable	(147)	(2,385)
Tax losses carried forward	138	55
Current tax charge for the year (see note above)	-	-

The directors have not recognised a deferred tax asset of €775,261 (2011: €707,646) arising on trading losses due to a lack of certainty over the timing of sufficient future profits to recover the asset

## 9. Intangible fixed assets

	Trademarks, patents, licenses and similar rights €000
Cost	
At 1 January 2012 and 31 December 2012	52
Amortisation	
At 1 January 2012	37
Charge for the year	11
At 31 December 2012	48
Net book value	
At 31 December 2012	4
At 31 December 2011	15

## Notes to the Financial Statements

For the year ended 31 December 2012

**10. Fixed asset investments**

	Investments in subsidiary undertakings €000	Total €000
<b>Cost or valuation</b>		
At 1 January 2012 and 31 December 2012	6,416	6,416
<b>Net book value</b>		
At 31 December 2012	6,416	6,416
At 31 December 2011	6,416	6,416

**Subsidiary undertakings**

The investments in subsidiary undertakings at 31 December 2012 consist of the following and the company owns the entire issued share capital of each company (with the exception of those owned indirectly by Verivox GmbH, which owns 100% of these) The company holds investments in the following

- Verivox GmbH
- i12 GmbH (Indirect subsidiary held by Verivox GmbH)
- Maximilian Online Media GmbH (Indirect subsidiary held by Verivox GmbH)
- Verivox Versicherungsvergleich GmbH (Indirect subsidiary held by Verivox GmbH)
- Verivox Finanzvergleich GmbH (Indirect subsidiary held by Verivox GmbH)

All subsidiaries are registered in Germany Verivox GmbH, Maximilian Online Media GmbH and i12 GmbH trade as domestic utilities price comparison websites Verivox Versicherungsvergleich GmbH trades as an insurance price comparison website and Verivox Finanzvergleich GmbH trades as a financial products price comparison website

**11. Debtors**

	2012 €000	2011 €000
Amounts owed by group undertakings	994	643
Other debtors	-	162
Prepayments and accrued income	-	12
Other taxation and social security	3	2
	<u>997</u>	<u>819</u>

# Notes to the Financial Statements

For the year ended 31 December 2012

## 12. Creditors:

Amounts falling due within one year

	2012 €000	2011 €000
Trade creditors	269	43
Amounts owed to group undertakings	-	248
Social security and other taxes	-	2
Accruals and deferred income	190	15
	<u>459</u>	<u>308</u>

## 13. Share capital

	2012 €000	2011 €000
<b>Allotted, called up and fully paid</b>		
320,000 Ordinary 'A' shares shares of €0 10 each	32	32
333,060 Ordinary shares shares of €0 10 each	33	33
	<u>65</u>	<u>65</u>

## 14. Reserves

	Share Premium Account €000	Capital Reserve €000	Merger Reserve Account €000	Profit and Loss account €000
At 31 December 2011	3,168	325	3,297	201
Profit for the year	-	-	-	38
At 31 December 2012	<u>3,168</u>	<u>325</u>	<u>3,297</u>	<u>239</u>

## 15. Reconciliation of movement in shareholders' funds

	2012 €000	2011 €000
Opening shareholders' funds	7,056	7,461
Profit for the year	38	8,793
Dividends (Note 16)	-	(9,198)
Closing shareholders' funds	<u>7,094</u>	<u>7,056</u>



# Notes to the Financial Statements

For the year ended 31 December 2012

## 16. Dividends

	2012 €000	2011 €000
Dividends paid on equity capital	-	9,198

## 17. Ultimate and immediate parent companies

The immediate parent company is VVX Investments Limited, a company incorporated and registered in England and Wales. Copies of the financial statements of VVX Investments Limited are available from Companies House.

VVX Investments Limited is a 51% subsidiary of VVX (Bermuda) Limited, which is considered to be the ultimate parent company by virtue of its controlling shareholding. Oakley Capital Private Equity LLP is the ultimate controlling party.

The smallest and the largest group that prepares consolidated financial statements that the company is a member of is VVX Investments Limited.

## 18. Related party transactions

### i) Transactions with related companies

APAG Services GmbH is a related party of Vervox Holdings Limited due to Alex Preston and Andrew Goodwin being common directors. During the year, APAG Services Limited charged the company €74,617 (2011: €111,155) in respect of travel and accommodation costs incurred by Alex Preston and Andrew Goodwin. In addition, APAG Services Limited charged the company €400,000 (2011: €Nil) for the provision of director services during 2012. At 31 December 2012, Vervox Holdings Limited owed APAG Services Limited €270,087 (2011: €12,205).

### (ii) Transactions with Oakley Capital Limited

Oakley Capital Limited is a related party by virtue of it being the investment adviser to Oakley Capital Private Equity LLP. During 2012, Oakley Capital Limited charged the company for office space rental and associated expenses. The total amount charged by Oakley Capital Limited to the company during 2012 was €9,560 (2011: €9,560) and the amount outstanding at 31 December 2012 was €Nil (2011: €8,604).

Oakley Capital Limited also charged the company for the provision of director services during 2012. The total expense amounted to €25,000 (2011: €25,000) and the amount outstanding at 31 December 2012 was €Nil (2011: €22,500).

### (iii) FRS 8 exemption

The company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" and has not disclosed transactions with group companies which are wholly owned subsidiaries of VVX Investments Limited.

# Notes to the Financial Statements

For the year ended 31 December 2012

## **19. Post balance sheet event**

On 15 April 2013, Verivox GmbH declared a dividend to Verivox Holdings Limited of €7.5m. On the same date, Verivox Holdings Limited declared a dividend payable of €7.2m.