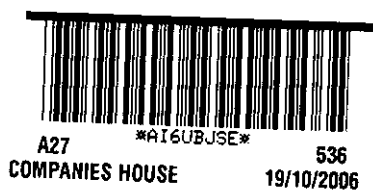


Moneysupermarket.com Limited

**Directors' report and financial
statements**

Registered number 03945937

31 December 2005



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Company information

Incorporated in England and Wales.

Number	03945937
Directors	SJ Nixon DR Cameron
Secretary	SJ Nixon
Registered office	Moneysupermarket House St David's Park Ewloe Near Chester CH5 3UZ
Auditors	KPMG Audit Plc St James' Square Manchester M2 6DS

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2005.

Principal activities

The principal activity of the company is the introduction of business to financial, insurance and travel providers through its internet site, moneysupermarket.com.

Business review

Turnover increased to £56.6 million in the year (2004: £47.1 million). Profit before tax of £16.6 million (2004: £15.1 million) represents a 9.7% increase on an annual basis.

During 2005 the business saw the impact of a general slowdown in the rate of growth of consumer credit in the UK market. Revenues in these core financial service areas therefore grew less rapidly than in prior years reducing the overall reported rate of growth. Conversely revenues generated from the second generation search technology, namely Insuresupermarket.com and Travelsupermarket.com, more than doubled over the corresponding period. Utilities and new Car comparison services were launched during 2005 further deepening the products now available to customers using the site.

The outlook for 2006 looks very promising. A number of new channels will be added and a television advertising campaign undertaken to ensure that the business will continue to grow in 2006.

Results and dividends

The directors approved an interim dividend of £10,200,000 (2004: £10,000,000).

Directors and directors' interests

The directors who held office during the year were as follows:

SJ Nixon
DR Cameron

Neither of the directors had any interest in the share capital of the company.

The directors' interests in the shares of the ultimate holding company, Moneysupermarket.com Financial Group Limited, are disclosed in the group financial statements.

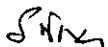
Donations

There were no donations paid during the year (2004: £nil). Charitable donations are paid by the ultimate holding company, Moneysupermarket.com Financial Group Limited, and are disclosed in the group financial statements.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



SJ Nixon
Secretary

Moneysupermarket House
St David's Park
Ewloe
Near Chester
CH5 3UZ

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.

The financial statements are required by law to 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 judgments 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. 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.



KPMG Audit Plc

St James' Square
Manchester
M2 6DS
United Kingdom

Independent auditors' report to the members of Moneysupermarket.com Limited

We have audited the financial statements of Moneysupermarket.com Limited for the year ended 31st December 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors

As described in the Statement of Directors' Responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditors' report to the members of Moneysupermarket.com
(continued)

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st December 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

6/10/06

Profit and loss account
for the year ended 31 December 2005

	<i>Note</i>	2005 £000	2004 £000
Turnover	2	56,581	47,088
Cost of sales		(20,616)	(19,698)
Gross profit		35,965	27,390
Administrative expenses		(19,350)	(12,251)
Operating profit	3	16,615	15,139
Interest payable and similar charges	5	-	-
Profit on ordinary activities before taxation		16,615	15,139
Tax on profit on ordinary activities	6	(4,916)	(4,528)
Profit on ordinary activities after taxation		11,699	10,611
Profit attributable to shareholders	14	11,699	10,611

Turnover and operating profit for both the current and prior year are derived from the company's continuing operations.

There are no recognised gains and losses other than the profit shown above.

Balance sheet
at 31 December 2005

	Notes	2005 £000	2004 £000
Fixed assets			
Tangible assets	8	4,723	4,554
Current assets			
Debtors	9	11,483	12,107
Cash at bank and in hand		1,006	33
		12,489	12,140
Creditors: amounts falling due within one year	11	(12,519)	(13,500)
Net current assets		(30)	(1,360)
Total assets less current liabilities		4,693	3,194
Net assets		4,693	3,194
Capital and reserves			
Called up share capital	13	-	-
Profit and loss account	14	4,693	3,194
Total equity shareholders' funds	15	4,693	3,194

These financial statements were approved by the board of directors on 11 Aug 2006 and were signed on its behalf by:

SJN

SJ Nixon
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

The following accounting policies have been adopted for the first time

- FRS 21 'Events after the balance sheet date';
- The presentation requirements of FRS 25 'Financial Instruments: Presentation and disclosure'; and
- FRS 28 'Corresponding amounts'

FRS 28 'Corresponding amounts' has had no material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985.

Basis of preparation

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

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that its ultimate parent, Moneysupermarket.com Financial Group Limited, includes the company in its own published consolidated financial statements.

Income recognition

Turnover represents commission and advertising fees receivable in respect of completed transactions in the period.

Recharged expenses

Overhead costs incurred by companies in the group are recharged to the appropriate subsidiary company. In previous years recharges included salary cost which were incurred by the parent company and recharged to the appropriate subsidiary.

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Long leasehold land	-	Nil
Long leasehold buildings	-	2%
Computer equipment	-	33% straight line
Fixtures and fittings	-	20% straight line
Office equipment	-	20% straight line

Deferred taxation

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.

Dividends on shares presented within shareholders funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Notes (continued)

2 Turnover

The turnover and profit before tax attributable to the one principal activity of the company are generated within the United Kingdom and are stated net of value added tax.

3 Profit on ordinary activities before taxation

	2005 £000	2004 £000
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Depreciation	790	689
Auditors' remuneration:		
Audit	19	7
Other services	26	40
Recharged expenses	181	281
	<hr/>	<hr/>

4 Remuneration of directors

The directors received no emoluments during the year (2004: £nil) for their services to this company as they are remunerated by the parent company.

5 Interest payable and similar charges

	2005 £000	2004 £000
On bank loans and overdrafts	-	-
	<hr/>	<hr/>

Notes (continued)

6 Taxation

Analysis of charge in period

	2005 £000	2004 £000
<i>UK corporation tax</i>		
Current tax on profits for the period	5,042	4,700
Adjustments in respect of prior periods	(102)	(2)
	<hr/> 4,940	<hr/> 4,698
<i>Deferred tax</i>		
Origination and renewal of timing differences	(24)	(31)
Adjustments in respect of prior periods	-	(139)
	<hr/> 4,916	<hr/> 4,528

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2004: higher) than the standard rate of corporation tax in the UK 30% (2004: 30%). The differences are explained below.

	2005 £000	2004 £000
Profit on ordinary activities before tax	16,615	15,139
Current tax at 30% (2004: 30%)	4,985	4,542
<i>Effects of:</i>		
Expenses not deductible for tax purposes	34	127
Depreciation for the period in excess of capital allowances	26	24
Timing differences	(3)	7
Adjustments in respect of prior periods	(102)	(2)
	<hr/> 4,940	<hr/> 4,698

7 Dividends on equity shares

	2005 £000	2004 £000
Interim dividend paid in respect of the current year	10,200	10,000

Notes (continued)

8 Tangible fixed assets

	Long leasehold land £000	Long leasehold property £000	Computer equipment £000	Fixtures and fittings £000	Office equipment £000	Total £000
Cost						
At 1 January 2005	338	3,088	2,238	235	91	5,990
Additions	131	34	779	3	13	960
Disposals	-	-	(136)	-	-	(136)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2005	469	3,122	2,881	238	104	6,814
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation						
At 1 January 2005	-	117	1,199	76	44	1,436
Charge for year	-	61	667	48	14	790
On disposals	-	-	(135)	-	-	(135)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2005	-	178	1,731	124	58	2,091
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value						
At 31 December 2005	469	2,944	1,150	114	46	4,723
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2004	338	2,971	1,039	159	47	4,554
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

9 Debtors

	2005 £000	2004 £000
Amounts falling due within one year:		
Trade debtors	10,075	9,084
Amounts owed by parent and other group companies	544	2,689
Other debtors	364	49
Prepayments and accrued income	306	115
Deferred tax	194	170
	<hr/>	<hr/>
	11,483	12,107
	<hr/>	<hr/>

Notes (continued)

10 Deferred tax

	2005 £000	2004 £000
At beginning of year	170	-
Profit and loss account credit	24	170
	<hr/>	<hr/>
Deferred tax asset at end of year	194	170
	<hr/>	<hr/>
The elements of deferred taxation are as follows:		
Depreciation in excess of capital allowances	189	163
Short term timing differences	5	7
	<hr/>	<hr/>
Total deferred tax asset	194	170
	<hr/>	<hr/>

11 Creditors: amounts falling due within one year

	2005 £000	2004 £000
Trade creditors	6,391	7,379
Amounts owed to group undertakings	927	44
Corporation tax	1,899	2,230
Taxation and social security	571	1,079
Accruals and deferred income	2,693	2,766
Other creditors	38	2
	<hr/>	<hr/>
	12,519	13,500
	<hr/>	<hr/>

12 Related party transactions

The company is exempt from the requirement of Financial Reporting Standard 8 to disclose related party transactions with Moneysupermarket.com Financial Group Limited and its associated undertakings on the grounds that the company is a wholly owned subsidiary.

Abacus Permanent Limited / Virtual Processing Limited

SJ Nixon is a director and one of the controlling shareholders of the company. He is also a director of Abacus Permanent Limited and Virtual Processing Limited and the controlling shareholder of Unique e-ventures Limited, the parent undertaking of both entities.

Notes (continued)

Transactions and Balances

Transactions and balances with these two companies were as follows:

	Sales to £	Purchases from £	Management charges to/(from) £	2005 Due from/(to) £	2004 Due from/(to) £
Abacus Permanent Limited	15,332	1,080	9,720	129,346	38,776
Virtual Processing Limited (formerly know as Soft Packaging Limited)	-	-	8,177	229,436	(2,019)

13 Called up share capital

	31 December 2005		31 December 2004	
	Number of shares	£	Number of shares	£
<i>Authorised</i>				
Ordinary shares of £1 each	50,000	50,000	50,000	50,000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	2	2	2	2

14 Profit and loss account

	£000
As at 1 January 2005	3,194
Profit for the year	11,699
Dividends (note 7)	(10,200)
As at 31 December 2005	4,693

15 Reconciliation of movements in shareholders' funds

	31 December 2005 £	31 December 2004 £
Profit for the financial year	11,699	10,611
Dividends	(10,200)	(10,000)
Net addition to shareholders' funds	1,499	611
Opening shareholders' funds	3,194	2,583
Closing shareholders' funds	4,693	3,194

Notes (continued)

16 Guarantees

There is an inter-company guarantee in favour of The Royal Bank of Scotland plc between Moneysupermarket.com Financial Group Limited, Mortgage 2000 Design & Processing Limited, Moneysupermarket.com Limited, Mortgage 2000 Limited (formerly M2 EMP Limited) and M2 Mortgage Club Limited.

17 Ultimate parent company

The ultimate parent company and controlling party is Moneysupermarket.com Financial Group Limited incorporated in England and Wales. Copies of Moneysupermarket.com Financial Group Limited accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

18 Capital commitments

There were no contracted for capital commitments at the year end (2004: *£nil*) that had not been provided for in the financial statements.