



**MONEY**

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**MONEYSUPERMARKET.COM LIMITED**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2002**

**Registered Number: 03945937**

**Baker Tilly**

**Chartered Accountants**

**Chester**



**BAKER TILLY**

**MONEYSUPERMARKET.COM LIMITED**

**FINANCIAL STATEMENTS**

**for the period ended 31 December 2002**

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**MONEYSUPERMARKET.COM LIMITED****COMPANY INFORMATION****31 December 2002**

Incorporated in England and Wales

**Number** 03945937

**Directors** S J Nixon  
D R Cameron

**Secretary** S J Nixon

**Registered Office** MoneySupermarket House  
St David's Park  
Ewloe  
Nr Chester  
CH5 3UZ

**Auditors** Baker Tilly  
Chartered Accountants  
Steam Mill  
Steam Mill Street  
Chester  
CH3 5AN

**MONEYSUPERMARKET.COM LIMITED****DIRECTORS' REPORT****31 December 2002**

The directors present their report and the audited financial statements for the 10 month period ended 31 December 2002.

**Principal activities**

The principal activity of the company was the introduction of business to financial product providers through its internet site, moneysupermarket.com. The company began trading on 30 October 2002.

**Directors**

The directors of the company during the period as recorded in the register of directors' interests were as follows:


S J Nixon  
D R 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 within the group financial statements.

**Auditors**

Baker Tilly have agreed to offer themselves for re-appointment as auditors of the company.

By order of the board



S J Nixon  
Secretary

MoneySupermarket House  
St David's Park  
Ewloe  
Nr Chester  
CH5 3UZ

27 OCT 2003

**MONEYSUPERMARKET.COM LIMITED****STATEMENT OF DIRECTORS' RESPONSIBILITIES**

We are required under company law to prepare financial statements for each financial period which 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 we are required to:

- select suitable accounting policies and apply them consistently
- make reasonable and prudent judgements and estimates
- prepare the financial statements on a going concern basis unless in our view the company will be unable to continue in business

We are also responsible for:

- keeping proper accounting records
- safeguarding the company's assets
- taking reasonable steps for the prevention and detection of fraud

# MONEYSUPERMARKET.COM LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MONEYSUPERMARKET.COM LIMITED

We have audited the financial statements on pages 5 to 11.

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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards 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 judgements 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.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2002 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*Baker Tilly*

Registered Auditors

Chartered Accountants

Chester

29th October 2003

# MONEYSUPERMARKET.COM LIMITED

## PROFIT AND LOSS ACCOUNT

for the period ended 31 December 2002

	Note	10 months 31 December 2002 £	12 months 28 February 2002 £
<b>Turnover</b>	2	2,265,646	-
Cost of sales		(841,258)	-
<b>Gross profit</b>		1,424,388	-
Administrative expenses		(496,855)	-
<b>Operating profit</b>	3	927,533	-
Interest payable	5	(19,041)	-
<b>Profit on ordinary activities before taxation</b>		908,492	-
Taxation	6	(284,067)	-
<b>Profit on ordinary activities after taxation</b>		624,425	-
Dividends		-	-
<b>Retained profit for the period</b>	13	624,425	-

There are no recognised gains and losses in either period other than the results shown above.

The company began trading on 30 October 2002 when part of the trade of its immediate parent was transferred to the company.

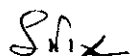
# MONEYSUPERMARKET.COM LIMITED

## BALANCE SHEET

at 31 December 2002

	Note	31 December 2002		28 February 2002	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7		3,528,357		-
<b>Current assets</b>					
Debtors	8	1,967,750		-	
Cash at bank		57,506		2	
		<u>2,025,256</u>		<u>2</u>	
<b>Creditors: amounts falling due within one year</b>	9	(2,882,570)		-	
<b>Net current (liabilities)/ assets</b>			(857,314)		2
<b>Total assets less current liabilities</b>			<u>2,671,043</u>		<u>2</u>
<b>Creditors: amounts falling due after more than one year</b>	10		(2,046,616)		-
			<u>624,427</u>		<u>2</u>
<b>Capital and reserves</b>					
Called up share capital	12		2		2
Profit and loss account	13		624,425		-
<b>Total equity shareholders' funds</b>	14		<u>624,427</u>		<u>2</u>

The financial statements on pages 5 to 11 were approved by the board of directors on 27 OCT 2003.



S J Nixon  
Director



D R Cameron  
Director



# MONEYSUPERMARKET.COM LIMITED

## NOTES ON FINANCIAL STATEMENTS

31 December 2002

### 1 Accounting policies

#### Basis of accounting

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

#### Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement in these financial statements as it is a wholly owned subsidiary of a company incorporated in the United Kingdom, which has included a group cash flow statement in its group financial statements.

#### Income recognition

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

#### Recharged expenses

Employees are paid by the parent company and their salary and overhead costs are recharged to the appropriate subsidiary company.

#### Depreciation

Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives from the date on which they first come into use as follows:

Long leasehold land	Nil
Long leasehold buildings	2% straight line
Computer equipment	33.3% straight line
Office equipment	20% straight line
Fixtures and fittings	20% straight line

#### Deferred taxation

Deferred tax is recognised in respect of all 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 group's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### 2 Turnover

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

### 3 Operating profit

	10 months 31 December 2002 £	12 months 28 February 2002 £
Operating profit is stated after charging/(crediting):		
Depreciation	-	-
Auditors' remuneration	4,000	-
Recharged expenses	416,897	-
Loss/(profit) on disposal of fixed assets	-	-

# MONEYSUPERMARKET.COM LIMITED

## NOTES ON FINANCIAL STATEMENTS

31 December 2002

(continued)

### 4 Directors' emoluments

The directors received no emoluments during the period from the company as they are remunerated by the parent company.

### 5 Interest payable

	10 months 31 December 2002 £	12 months 28 February 2002 £
Bank loans	19,041	-

### 6 Tax on profit on ordinary activities

#### (a) Analysis of charge for the period

	10 months 31 December 2002 £	12 months 28 February 2002 £
<b>Current tax:</b>		
UK corporation tax on profits for the period	284,067	-
Adjustments in respect of previous years	-	-
Tax on profit on ordinary activities	284,067	-

#### (b) Factors affecting tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (30 per cent). The differences are explained below:

	10 months 31 December 2002 £	12 months 28 February 2002 £
Profit on ordinary activities before tax	908,492	-
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2002:20%)	272,548	-
Effects of:		
Expenses not deductible for tax purposes	13,508	-
Depreciation for the period in excess of capital allowances	(1,989)	-
Current tax charge for the period (note 6(a) )	284,067	-

# MONEYSUPERMARKET.COM LIMITED

## NOTES ON FINANCIAL STATEMENTS

31 December 2002

(continued)

### 7 Tangible fixed assets

	Long leasehold property £	Fixtures and fittings £	Computer equipment £	Office equipment £	Total £
<b>Cost</b>					
1 March 2002	-	-	-	-	-
Additions	3,402,751	51,396	70,380	3,830	3,528,357
Disposals	-	-	-	-	-
31 December 2002	<u>3,402,751</u>	<u>51,396</u>	<u>70,380</u>	<u>3,830</u>	<u>3,528,357</u>
<b>Depreciation</b>					
1 March 2002	-	-	-	-	-
Charge for the period	-	-	-	-	-
Disposals	-	-	-	-	-
31 December 2002	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net book value</b>					
31 December 2002	<u>3,402,751</u>	<u>51,396</u>	<u>70,380</u>	<u>3,830</u>	<u>3,528,357</u>
28 February 2002	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

All of the above fixed asset additions came into use on 14 February 2003 when the company moved into the new long leasehold premises. Depreciation will be applied from that date.

### 8 Debtors

	31 December 2002 £	28 February 2002 £
<b>Amounts falling due within one year</b>		
Trade debtors	1,565,488	-
Other taxation and social security	401,651	-
Other debtors	611	-
	<u>1,967,750</u>	<u>-</u>

### 9 Creditors: amounts falling due within one year

	31 December 2002 £	28 February 2002 £
Bank loans	175,285	-
Trade creditors	1,132,327	-
Corporation tax	284,067	-
Amounts owed to group undertakings	1,246,522	-
Accruals and deferred income	44,369	-
	<u>2,882,570</u>	<u>-</u>

## MONEYSUPERMARKET.COM LIMITED

## NOTES ON FINANCIAL STATEMENTS

31 December 2002  
(continued)

10 **Creditors:** amounts falling due after more than one year

	Company	
	31 December 2002 £	28 February 2002 £
Bank loans	2,046,616	-
<b>Bank loans are repayable as follows:</b>		
In the next year (note 9)	175,285	-
Between one and two years	186,758	-
Between two and five years	629,109	-
Over five years	1,230,749	-
	2,221,901	-

The loan is repayable by monthly instalments with interest at 0.75% per annum above the bank's base rate and is secured by:

- i) a first legal charge over Moneysupermarket House, the freehold premises.
- ii) a debenture by the borrower.
- iii) an assignment of a Keyman life policy on the lives of S J Nixon and D R Cameron with a minimum sum assured of £250,000 each.

11 **Related party transactions**

The company has taken advantage of the exemptions available under FRS 8 not to disclose transactions with other group undertakings as it is a wholly owned subsidiary.

12 **Called up share capital**

	31 December 2002		28 February 2002	
	Number of shares	£	Number of shares	£
<b>Authorised</b>				
<b>Equity shares</b>				
Ordinary shares of £1 each	50,000	50,000	50,000	50,000
<b>Allotted, called up and fully paid</b>				
<b>Equity shares</b>				
Ordinary shares of £1 each	2	2	2	2

# MONEYSUPERMARKET.COM LIMITED

## NOTES ON FINANCIAL STATEMENTS

31 December 2002  
(continued)

### 13 Profit and loss account

	£
1 March 2002	-
Retained profit for the period	624,425
31 December 2002	<u>624,425</u>

### 14 Reconciliation of movements in shareholders' funds

	31 December 2002 £	28 February 2002 £
<b>Profit for the financial period</b>	624,425	-
Issue of ordinary shares	-	2
<b>Net addition to shareholders' funds</b>	<u>624,425</u>	<u>2</u>
Opening shareholders' funds	2	-
<b>Closing shareholders' funds</b>	<u>624,427</u>	<u>2</u>

### 15 Guarantees

There is an unlimited cross 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.

### 16 Ultimate parent company

The ultimate parent undertaking 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 the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

### 17 Capital commitments

	31 December 2002 £	28 February 2002 £
Contracted for but not provided in the financial statements	<u>28,086</u>	<u>-</u>