

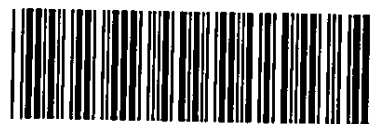
Company Number · 06943469

Ad Connect Limited

Directors' Report and Financial Statements

Year Ended 31 December 2011

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DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

Clayton Bavor (resigned 16 June 2011)
Alejandro Diaz (resigned 16 June 2011)
James Holden (resigned 16 June 2011)
Raif Jacobs (resigned 16 June 2011)
Lewis Segall (resigned 16 June 2011)
Matthew Sucherman
Graham Law (resigned 17 February 2010, reappointed 17 June 2011)
Nelson Mattos (resigned 16 June 2011)

SECRETARY AND REGISTERED OFFICE

Taylor Wessing Secretaries Ltd
5 New Street Square
London EC4A 3TW
United Kingdom

AUDITORS

Ernst & Young
Chartered Accountants
Ernst & Young Building
Harcourt Centre
Harcourt Street
Dublin 2

REGISTERED NUMBER

06943469

SOLICITORS

Taylor Wessing
5 New Street Square
London EC4A 3TW
United Kingdom

BANKERS

Citibank NA London
Citigroup Centre 2
Canary Wharf
London
E14 5LB
United Kingdom

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2011

Principal activity and future developments

The company was incorporated in June 2009 and commenced trade on 1 April 2010

The company's planned activities are the provision of online services to compare both regulated and unregulated financial products including, but not limited to, mortgages and insurance. Advertisers may participate in the service in order to generate sales leads for these products and services.

Future developments

During 2012 the company plans to offer online services to compare both regulated and unregulated financial products including, but not limited to, mortgages and insurance.

Results for the year and state of affairs

The profit and loss account for the year ended 31 December 2011 and the balance sheet at that date are set out on pages 6 and 7.

Principal risks and uncertainties

As Ad Connect Limited will be a service provider, the company's principal risks and uncertainties will relate to scaling back its operations due to a reduction in demand for its services. If the company's competitors are more successful than its revenues may decline. If the company fails to manage its growth effectively, the quality of the services could suffer, which could negatively affect the brand and the operating results. The company's business success is dependent upon product development and managing technological change in the industry in which it operates. The company must also ensure that it continues to effectively manage its related activity through appropriate compliance structures and procedures.

Important events since the year end

There have been no important events since year end.

Directors

The directors of the company are listed on page 2.

Dividends and retention

The directors of the company do not propose the payment of a dividend for the year.

Employee and environmental matters

Other than the directors, the company had no employees during the year. The directors are not aware of any environmental matters that would affect the company.

Going Concern

The ultimate parent of the company is Google Inc. They will provide support to the company for the foreseeable future, as required.

DIRECTORS' REPORT**Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the annual 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 year.

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 adequate accounting records that are sufficient to show and explain the company 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.


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.

Disclosure of information to auditors

So far as each person who was a director at that date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company auditor, each director has taken all the steps that he is obliged to take in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-appointment of auditors

In accordance with s 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young as auditors of the Company.

On behalf of the board

Graham Law
Director

Date 1 JUNE 2012

**PROFIT AND LOSS ACCOUNT
for the year ending 31 December 2011**

AUDITORS REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AD CONNECT LIMITED

We have audited the financial statements of Ad Connect Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in Shareholders' Funds and the related note* 1 to 8. 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, set out on page 4, 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

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. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2011 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.

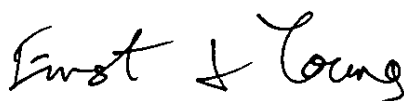
Opinion on other matter prescribed by the Companies Act 2006

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.

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.



Keith M Jess (Senior statutory auditor)
for and on behalf of Ernst & Young, Statutory Auditor
Dublin

6 June 2012

PROFIT AND LOSS ACCOUNT
for the year ending 31 December 2011

	Notes	2011 GBP	2010 GBP
Turnover		21,190	19,523
Administrative expenses	2	<u>19,620</u>	<u>18,647</u>
Operating profit		1,570	876
Provision for income taxes	3	<u>533</u>	<u>(1,903)</u>
Profit for the financial year		<u>1,037</u>	<u>2,779</u>

All above activities relate to continuing operations

Statement of Recognised Gains and Losses

The company has no recognised gains or losses for either year other than those included in the Profit and Loss Account above, and therefore no separate statement of total recognised gains and losses has been presented

BALANCE SHEET
as at 31 December 2011

	Notes	2011 GBP	2010 GBP
ASSETS			
Current assets			
Debtors amounts falling due within one year	4	1,370	17,630
Cash at bank and in hand		124,573	100,300
Current assets		125,943	117,930
Creditors: amounts falling due within one year	5	25,052	18,076
Total assets less current liabilities		100,891	99,854
Net assets		100,891	99,854
Capital and reserve			
Called up share capital	6	105,000	105,000
Profit and loss account		(4,109)	(5,146)
Capital and reserve		100,891	99,854

The financial statements on pages 6 to 11 were approved by the board of directors on 1 JUNE 2012 and were signed on its behalf by


Graham Law
Director

**Reconciliation of Shareholders' Funds
for the year ending 31 December 2011**

	Share capital	Profit and Loss account	Total
	GBP	GBP	GBP
Balance at 1 January 2010	-	(7,925)	(7,925)
Profit for the period	-	2,779	2,779
Other comprehensive income for the year	-	-	-
Additional shares issued	105,000	-	105,000
Balance at 31 December 2010	105,000	(5,146)	99,854
Balance at 1 January 2011	105,000	(5,146)	99,854
Profit for the period	-	1,037	1,037
Balance at 31 December 2011	105,000	(4,109)	100,891

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Authorisation

The financial statements of Ad Connect Limited for the year ended 31 December 2011 were authorised for issue by the board of directors on _____

Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards. The principal accounting policies, which have been applied consistently in the current year and previous financial year, are set out below.

Turnover

Turnover represents the amounts, excluding value added tax, receivable during the year from Google Ireland Limited. The company recognises revenue on a cost plus basis, based on the level of expenses incurred during the year.

Foreign Currencies

The financial statements are expressed in GBP, the functional currency of the company.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the balance sheet date and revenues, costs and non-monetary assets at the exchange rates ruling at the transaction date. Profits and losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with through the profit and loss account.

Tax

The charge for taxation is based on the profit for the year.

Deferred tax is provided on timing differences to the extent that it is expected to become payable/recoverable in the foreseeable future and any amount not provided is disclosed. Deferred tax arises in respect of items where there is a timing difference between their treatment for accounting purposes and their treatment for taxation purposes. Deferred tax balances are not discounted.

Cashflow Statement

The company has availed of the exemption under Financial Report Standard 1 (Revised 1996), "Cash Flow Statements", from preparing a cash flow statement as it is a wholly owned subsidiary of a company that prepares consolidated financial statements that are publicly available.

2 Administrative expenses

	2011 GBP	2010 GBP
Professional services	15,403	15,594
Auditors' remuneration	4,217	4,233
Other administrative expenses	-	(1,180)
	<u>19,620</u>	<u>18,647</u>

NOTES TO THE FINANCIAL STATEMENTS

The company has no employees during the year (2010 Nil)

The directors are not remunerated by Ad Connect Limited, but by other group companies. The amount of that remuneration which relates to services of the company is considered negligible.

3 Provision for income taxes

	2011 GBP	2010 GBP
Current tax		
Tax on profit on ordinary activities	0	0
Deferred tax		
Origination and reversal of timing differences	415	(1,982)
Changes in tax rates	118	79
	<u>533</u>	<u>(1,903)</u>
Tax on profit on ordinary activities	<u>533</u>	<u>(1,903)</u>

Factors affecting tax charge for the year

The tax assessed for the year is different than the standard rate of corporation tax in UK.

The differences are explained below:

	2011 GBP	2010 GBP
Profit on ordinary activities before tax	<u>1,570</u>	<u>876</u>
Profit on ordinary activities at UK tax rate of 26.49% (2010: 28.0%)	416	245
<i>Effects of</i>		
Other timing difference	0	(8)
Utilisation of losses	(416)	(237)
	<u>0</u>	<u>0</u>
Total current tax charge	<u>0</u>	<u>0</u>

Deferred tax asset included in Debtors (note 4)

	2011 GBP
At 1 January 2011	(1,903)
Utilisation of Tax losses	415
Changes in tax rates	118
At 31 December 2011	<u>(1,370)</u>

We have prepared the deferred tax provision and calculated the rate of deferred tax to be 25% as this was the corporation tax rate that had been enacted at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

4 Debtors (amounts falling due within one year)

	2011 GBP	2010 GBP
Amounts owed by group companies	-	15,027
Deferred tax asset, current	1,370	1,903
VAT receivable	-	700
	<u>1,370</u>	<u>17,630</u>

5 Creditors (amounts falling due within one year)

	2011 GBP	2010 GBP
Amounts owed to group companies	7,577	-
Accruals and deferred income	<u>17,475</u>	<u>18,076</u>
	<u>25,052</u>	<u>18,076</u>

6 Called up share capital

	2011 GBP	2010 GBP
Authorised		
500,000 ordinary shares of GBP 1 each	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid		
105,000 ordinary shares of GBP 1 each	<u>105,000</u>	<u>105,000</u>

7 Related party transactions

The company has taken advantage of the exemption in revised FRS 8 para 3 (c) from disclosing transactions with related parties that are wholly owned by Google Inc, the ultimate parent undertaking

8 Ultimate parent company

The company is an immediate owned subsidiary of Google International LLC which is its immediate parent undertaking and immediate controlling party. The ultimate parent undertaking and ultimate controlling party of the smallest and largest group of undertakings of which the company is a member and for which consolidated financial statements are drawn up is Google Inc, a company incorporated in the United States of America. The consolidated financial statements are available to the public and may be obtained from 1600 Amphitheatre Parkway, Mountain View CA 94043, United States of America.