

Financial Statements

Group Income Statement

for the period ended 31 December 2008

		Year ended 31 December 2008 £000	Six months and nine days ended 31 December 2007 £000
Revenue		178,800	88,314
Cost of sales		(62,063)	(29,057)
Gross profit		116,737	59,257
Distribution expenses		(21,618)	(10,332)
Administrative expenses – other		(79,635)	(37,817)
Administrative expenses – impairment of goodwill	12	(70,000)	–
Administrative expenses		(149,635)	(37,817)
Results from operating activities	5	(54,516)	11,108
Financial income	7	3,504	1,336
Financial expense	7	–	(4,894)
Net finance income/(costs)		3,504	(3,558)
(Loss)/profit before income tax		(51,012)	7,550
Income tax (charge)/credit	8	(8,094)	1,874
(Loss)/profit for the period		(59,106)	9,424
Attributable to:			
Equity holders of the Company		(58,987)	9,472
Minority interest	21	(119)	(48)
(Loss)/profit for the period		(59,106)	9,424
(Loss)/earnings per share			
Basic (loss)/earnings per ordinary share (pence)	9	(11.8)	3.0
Diluted (loss)/earnings per ordinary share (pence)	9	(11.8)	2.9

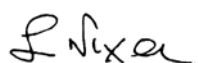
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Group Balance Sheet

at 31 December 2008

		31 December 2008	31 December 2007
	Note	£000	£000
Assets			
Non-current assets			
Property, plant and equipment	11	13,596	12,585
Intangible assets	12	223,653	318,853
Deferred tax asset	15	362	3,124
Total non-current assets		237,611	334,562
Current assets			
Trade and other receivables	13	16,074	19,906
Prepayments		2,059	1,194
Cash and cash equivalents		73,465	54,015
Total current assets		91,598	75,115
Total assets		329,209	409,677
Liabilities			
Non-current liabilities			
Deferred tax liability	15	47,259	54,243
Current liabilities			
Trade and other payables	14	20,710	25,681
Current tax liabilities		3,394	2,758
Total current liabilities		24,104	28,439
Total liabilities		71,363	82,682
Equity			
Share capital	16	101	118
Share premium		171,047	170,565
Retained earnings		(20,042)	13,285
Other reserves		106,740	143,027
Total equity attributable to equity holders of the Company		257,846	326,995
Minority interest		-	-
Total equity		257,846	326,995
Total equity and liabilities		329,209	409,677

The Financial Statements were approved by the Board of Directors and authorised for issue on 24 February 2009. They were signed on its behalf by:



Simon Nixon



Paul Doughty

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Group Statement of Changes in Equity

for the period ended 31 December 2008

	Note	Issued share capital £000	Share premium £000	Other reserves £000	Retained earnings £000	Reserve for own shares £000	Foreign currency translation reserve £000	Total £000
Foreign currency translation*		-	-	-	-	-	9	9
Deferred tax recognised on share based payments		-	-	-	262	-	-	262
Profit for the period		-	-	-	9,424	-	-	9,424
Total income and expense for the period		-	-	-	9,686	-	9	9,695
Arising on acquisition of subsidiary		-	-	143,018	-	-	-	143,018
Issue of share capital		118	179,927	-	-	-	-	180,045
Transaction costs		-	(9,362)	-	-	-	-	(9,362)
Share-based payment	18	-	-	-	3,599	-	-	3,599
At 31 December 2007		118	170,565	143,018	13,285	-	9	326,995
Foreign currency translation*		-	-	-	-	-	(6)	(6)
Deferred tax recognised on share based payments		-	-	-	(209)	-	-	(209)
Loss for the period		-	-	-	(59,106)	-	-	(59,106)
Total income and expense for the period		-	-	-	(59,315)	-	(6)	(59,321)
Share options exercised		2	482	-	-	-	-	484
Purchase and cancellation of deferred shares		(19)	-	19	-	-	-	-
Equity dividends		-	-	-	(14,637)	-	-	(14,637)
Share-based payment	18	-	-	-	4,325	-	-	4,325
Reserves transfer		-	-	(36,300)	36,300	-	-	-
At 31 December 2008		101	171,047	106,737	(20,042)	-	3	257,846

Other reserves

The other reserves balance represents the merger and revaluation reserves generated upon the acquisition of Moneysupermarket.com Financial Group Limited by the Company, as discussed in note 3, and a capital redemption reserve for £19,000 arising from the acquisition of 95,294,118 deferred shares of 0.02p by the Company from Simon Nixon.

Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Reserve for own shares

The reserve for the Company's own ordinary shares comprises the cost of the Company ordinary shares held by the Group. At 31 December 2008, the Group held 948,184 shares at a cost of 0.02p per share through a trust for the benefit of the Group's employees.

* Foreign currency translation represents the only income or expense for the current and prior periods recognised directly in equity.

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Group Cash Flow Statement

for the period ended 31 December 2008

		Year ended 31 December 2008 £000	Six months and nine days ended 31 December 2007 £000
Operating activities			
(Loss)/profit for the period		(59,106)	9,424
Adjustments to reconcile Group net (loss)/profit to net cash flows:			
Depreciation	11	3,543	908
Amortisation of intangible assets	12	25,200	13,325
Impairment of goodwill	12	70,000	–
Loss on disposal of property, plant and equipment		78	–
Net finance (income)/costs	7	(3,504)	3,558
Equity-settled share-based payment transactions	18	4,325	3,599
Income tax charge/(credit)	8	8,094	(1,874)
Change in trade and other receivables		2,890	2,541
Change in trade and other payables		(4,971)	(1,730)
Income tax paid		(11,894)	(6,254)
Net cash flow from operating activities		34,655	23,497
Investing activities			
Interest received		3,581	1,336
Acquisition of subsidiary		–	(164,561)
Cash acquired with subsidiary		–	14,296
Acquisition of property, plant and equipment	11	(4,618)	(6,260)
Net cash flow from investing activities		(1,037)	(155,189)
Financing activities			
Proceeds from share issue		484	179,951
Purchase of own shares		–	–
Costs from issue of shares		–	(9,362)
Proceeds from borrowings		–	150,000
Loan from a related party		–	20,000
Repayment of borrowings		–	(150,000)
Interest paid		–	(4,882)
Dividends paid	10	(14,637)	–
Net cash flow from financing activities		(14,153)	185,707
Net increase in cash and cash equivalents		19,465	54,015
Cash and cash equivalents at start of period		54,015	–
Effect of exchange rate fluctuations on cash held		(15)	–
Cash and cash equivalents at end of period		73,465	54,015