



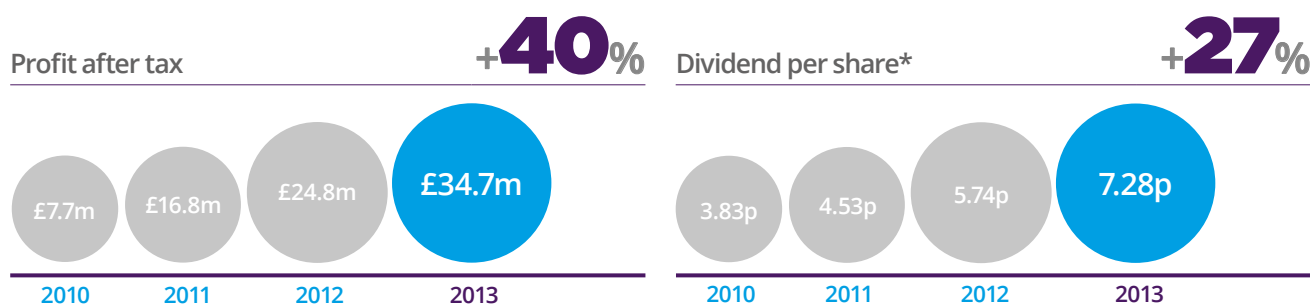
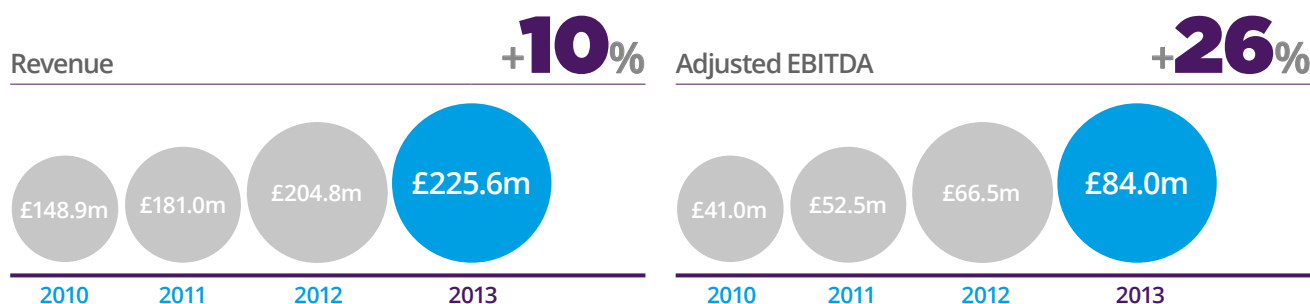
WELCOME TO THE MONEYSUPERMARKET GROUP. HELPING CONSUMERS MAKE THE MOST OF THEIR MONEY

Since 1999 we have been helping UK households save money on their household bills and finances. We help consumers through three leading brands: MoneySuperMarket.com, TravelSupermarket.com and MoneySavingExpert.com.

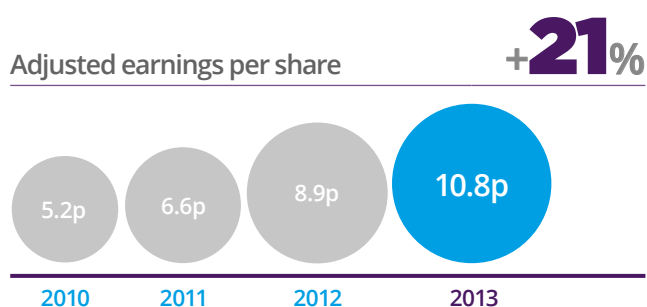


2013 Highlights

- Group adjusted EBITDA increased by 26% to £84.0m
- Successful first full year for MoneySavingExpert.com, contributing over £13m of EBITDA
- Continued investment for growth
- Earnings per share increased by 34%
- Final dividend up 30% to 5.12 pence per share
- Special dividend of 12.92 pence per share paid during 2013
- Total dividends for the year of 20.2 pence per share



* Excluding special dividends



Contents

01 2013 Highlights

Overview

- 02 MoneySuperMarket.com
- 03 TravelSupermarket.com
- 04 MoneySavingExpert.com
- 05 Market Review

Strategic Report

- 06 Introduction to Strategic Report
- 07 Business Model and Strategy
- 08 Strategy in Action
- 10 Chairman's Statement
- 12 Business Review

- 18 Principal Risks and Uncertainties
- 20 Corporate Responsibility Report

Governance

- 22 Board of Directors and Company Secretary
- 24 Directors' Report
- 28 Corporate Governance Report
- 32 Audit Committee Report
- 35 Nomination Committee Report
- 36 Directors' Remuneration Report
- 49 Independent Auditor's Report

Financial Statements

- 51 Consolidated Statement of Comprehensive Income
- 52 Consolidated Statement of Financial Position
- 53 Consolidated Statement of Changes in Equity
- 54 Consolidated Statement of Cash Flows
- 55 Notes to the Consolidated Financial Statements
- 75 Company Balance Sheet
- 76 Notes to the Company Financial Statements

General

- 81 Shareholder Information
- 82 Financial Calendar

Money Super Market

MoneySuperMarket.com helps consumers save money on their household bills by providing a free, easy to use service which allows them to compare a wide range of personal finance products and then choose the product that suits their needs. Our scale allows us to offer consumers exclusive, market leading deals, which aren't available anywhere else.



Money



Insurance



Home services



Helping every household through the tough times

Although the UK economy is beginning to recover after the financial crisis, finances remain squeezed for many households in the UK. The rising cost of living, driven by increasing energy prices, coupled with stagnating salaries means that many people are finding it difficult to balance their household budgets. Giving consumers the power to take control of their own finances means that MoneySuperMarket.com is able to help at a time when people most need it, no matter what their personal finance needs are.

Giving choice to borrowers and helping savers

We are able to help borrowers get a credit card or personal loan by allowing them to search for the right deal from over 30 credit card and personal loan providers.

Using our innovative 'Smart Search' tool, consumers are able to match their own personal circumstances against the cards and loans they are most likely to be accepted for, reducing the risk of being rejected.

We help consumers find a decent rate for their savings or get a foot on the property ladder by offering mortgages from over 50 providers. We also help consumers look for the right deal on current accounts and debt solutions amongst other products.

Protection for peace of mind

Our insurance business allows consumers to protect the things that are most important in their lives, whether their family, their home, their cars or their pets. At the end of 2013 we compared over 145 car insurance and 102 home insurance brands, offering a comprehensive choice to consumers.

Helping with rising energy prices

Rising energy prices became a political talking point during the year as households were faced with average increases of 7.6 per cent, adding around £102 to household bills. With gas and electricity prices now taking a greater proportion of household expenditure each month, it is vital consumers can look to save money by switching to cheaper deals. Consumers were able to find the right energy tariff from 21 energy providers through our site, and for those consumers who are unable to switch easily online, our dedicated phone-based support service helped them find a better deal.



Launched in 2004, TravelSupermarket.com helps consumers make the most of their travel budget, offering them the ability to search for and compare package holidays, city breaks, flights, hotels and car hire. Our comparison tools allow consumers to choose the right deal for them at the right price so they can make their travel budget go further.

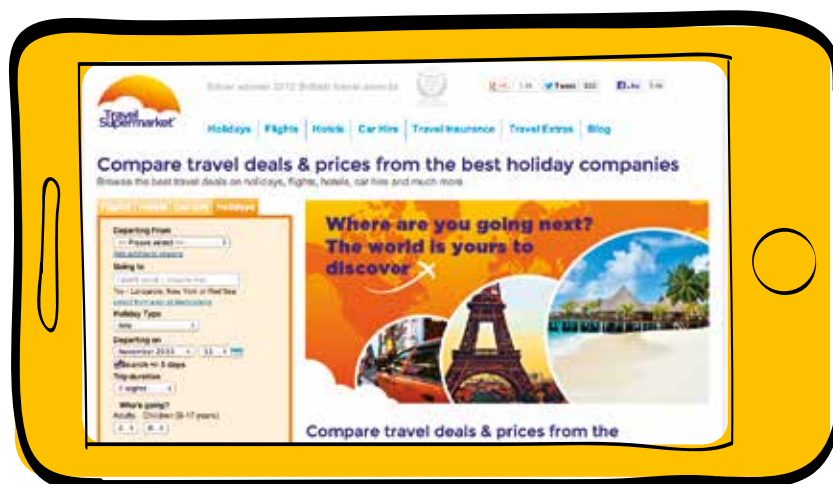
Travel

MORE

Visitors

55.9m

Strong growth



Making the most of your travel budget

Despite the economic difficulties, taking time out for a short weekend break or the annual family holiday has remained important to many consumers. Research* conducted at the end of 2013 found holidaymakers take on average two holidays a year, with beach holidays, city breaks and trips to visit family coming out as the most popular options.

At TravelSupermarket.com we have been able to help consumers save millions of pounds by offering a range of travel products from a broad range of travel providers and displaying options in an easy to use, clear and functional way. Consumers can choose from thousands of package holidays offered by over 34 providers, over 650 low cost and chartered airlines, and access to more than 200,000 individual hotels throughout the world. We also launched

a new ski offering in 2013 for those looking for the perfect winter sport break to suit their budget.

TravelSupermarket.com also helps consumers make the most of their money while away; allowing them to hit the open road by choosing from over 200 car hire providers, get the best value for their holiday spending through access to the right travel money provider and provide protection for individual travellers and their families through the right travel insurance products.

Whether holidaying in the sun, to Europe or long-haul destinations, taking a city break or enjoying a more energetic type of holiday, TravelSupermarket.com offers a wide range of options for consumers which can be tailored for their individual needs, right down to paying for parking at the airport.

Strengthening the range on offer at TravelSupermarket.com, we welcomed several new providers on board in 2013, including: LowCost Holidays, Caribbean Classics, lowcost USA, Netflights, Mark Warner, Neilson, Ski France and Enterprise.

* Opinion Research carried out an online survey of 2,002 UK adults on behalf of TravelSupermarket.com. Results have been weighted to nationally representative criteria. Of this sample, 1,659 qualified as "holidaymakers".

MoneySavingExpert.com

MoneySavingExpert.com is one of the UK's most visited websites. Each week, over nine million people are sent its 'Martin's Money Tips' email and it has over 13 million users each month.



MORE

Email sent
to more than
9m
people

Monthly users

13m

MoneySavingExpert.com is one of the UK's most visited websites, with over 13 million users each month. The site is dedicated to cutting users' bills and fighting their corner with journalistic research, cutting-edge tools and a massive community - all focused on finding deals, saving cash and campaigning for financial justice.

The site is highly trusted. It is governed by an editorial code, which dictates its journalism should focus on doing what's best for consumers ahead of any commercial objectives and that it has complete editorial independence from the rest of the Group.

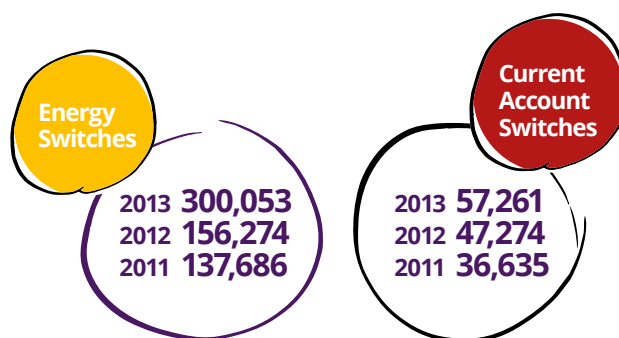
MoneySavingExpert.com is a campaigning website. It is a major force in issues such as reclaiming payment protection insurance (over five million free template letters downloaded) and bank charges (over six million free template letters downloaded). Alongside its founder Martin Lewis, it has spearheaded successful lobbying over issues such as getting financial education on the English national curriculum (which starts in September 2014) as well as consumer rights, payday loans and claims management regulation.

MoneySavingExpert.com is driven by its weekly 'Martin's Money Tips' email - a specific opt-in-only newsletter sent to over nine million people. Its forum is one of the UK's biggest social networks in its own right, and it is at the centre of discussion of all consumer issues.

There is also a suite of tools to help consumers save money. The innovative new 'Cheap Energy Club', which saw over one million members join in its first year, is designed to help consumers constantly remain on the cheapest energy tariff. There is also the 'Local eBay Deals Mapper', to find "pick-up-only" items that are cheaper; the 'Eligibility Checker', which shows people their likelihood of being accepted for a specific credit card; and the 'Premium Bond Probability Calculator', which looks into the true likelihood of what people will win.

Market Review

Economic uncertainty and the pressures on household finances have remained key themes in the UK in 2013. The Bank of England's 'Funding for Lending' scheme, designed to improve lending from banks, had a positive impact on the ability to obtain credit but conversely it also impacted savings rates. Energy price rises continued to affect consumers and became a battle ground for political debate.



Regulation

We have continued to engage with all of the regulators who are responsible for the product areas within our sector.

During the year, we engaged with the Competition Commission in connection with their investigation into the motor insurance market.

We were pleased that the Competition Commission issued its provisional findings in December 2013 and we welcome its proposals to prohibit the use of 'wide' most favoured nation clauses in contracts between price comparison websites and motor insurers which prevent an insurer offering a lower premium through another price comparison website.

We believe that such 'wide' most favoured nation clauses stifle innovation, reduce competition and can result in higher motor insurance premiums for consumers.

Towards the end of 2013, the Financial Conduct Authority commenced a thematic review of the price comparison industry with a particular focus on motor, home and travel insurance products.

The Financial Conduct Authority has indicated that it wants to gain a clearer understanding of whether the way information is presented on price comparison websites gets consumers the fairest deal.

We welcome this review by the Financial Conduct Authority and we will engage closely with them to understand how we can improve our offering to consumers.

Given the growth of the price comparison industry as a means of distributing products, it is likely that we will have greater engagement with our regulators, such as the Financial Conduct Authority, in the years to come.

The rising cost of energy on household finances

Rising energy prices continued to be a key concern for consumers in 2013, with the most significant price rises being announced as we headed into the winter months when energy consumption tends to increase. Through MoneySuperMarket.com and MoneySavingExpert.com, we have helped many thousands of households save money on their gas and electricity.

Energy prices became part of the political agenda, with government and opposition both making energy costs a political priority as we head towards the general election in 2015.

'Funding for Lending' scheme

The Bank of England's 'Funding for Lending' scheme was launched in June 2012 to encourage banks and building societies to increase their lending to UK consumers and businesses. The scheme has been a success in terms of boosting lending to UK households, so much so, that the incentive for consumer lending was removed from January 2014. 'Funding for Lending' will now focus on business lending only.

The impact of the scheme has been clear for consumer borrowing. Mortgage rates have dropped to all-time lows, with many lenders offering attractive rates to borrowers, especially those who have equity in their homes.

Competition within the credit card market has continued apace with many lenders now offering record deals for borrowers looking to transfer existing debts, purchase cards and rewards. Personal loan rates are also at all-time lows, albeit for consumers looking to borrow higher amounts.

Unfortunately the scheme detrimentally impacted the savings rates available to consumers. With banks and building societies having access to cheap funding to lend with, their reliance on savings deposits to supply capital has fallen, resulting in much lower rates available in the market.

It is now harder for savers to find a decent rate of return on their deposits, although with the majority of savings in deposit accounts paying little or no interest, many savers will still benefit from switching to market leading deals.

Current account switching

The introduction of the Current Account Switching Guarantee in September 2013 led to an increase in the number of people who changed banks in 2013. Banks and building societies will now switch bank accounts within seven days and ensure that consumers are protected should anything go wrong.

Traditionally, switching numbers for main bank accounts were relatively low but we expect to see increased competition from banks and building societies for new customers and a rise in the number of people switching now that the scheme is in place.

The launch of new products from brands such as Tesco Bank, Virgin Bank and The Post Office could also challenge the dominance of the big four banks and create greater competition in the market.

Introduction to Strategic Report



Peter Plumb
Chief Executive Officer

“We utilise our core strengths to help both our customers and our providers to make the most of their money.”

Delivering sustained growth

Since I became Chief Executive Officer in 2009, MoneySuperMarket.com has helped over 20 million households save money on their household bills. We are a free service, and we are very proud of having helped so many people. Our vision of ‘Helping every household make the most of their money’ sits at the heart of our business and will continue to provide us with focus and direction for the years ahead.

We are a Group made up of MoneySuperMarket.com, TravelSupermarket.com and MoneySavingExpert.com. All three businesses are united through the same ambition: to save more people, more money. We are ambitious for growth, and will explore both organic and acquisition opportunities, as long as by doing so, we reach more people or offer new ways to save households money.

Groups work well when teams come together to leverage each other’s skills and experiences. After the acquisition of MoneySavingExpert.com in 2012, the teams worked together, and in early 2013, launched the innovative ‘MoneySavingExpert.com Cheap Energy Club’. To date, over 1 million users have signed up to the Club, making it easy for them to monitor energy prices and switch to the right tariff that meets their needs as and when their current tariffs end. A great example of how a Group can work together to help more consumers.

Our free service to consumers is chiefly funded by a success-based marketing model. Providers typically pay MoneySuperMarket.com a fixed fee for each consumer who applies for, and successfully purchases, a product from them. This gives our providers a very flexible, cost effective and targeted customer acquisition tool.

Our services are growing in popularity. More and more consumers are using mobile devices to access our sites, an appetite being matched by increased technology investment to mobile optimise our services. Our product providers are also becoming ever more demanding, particularly for data insights.

Looking ahead, our growth strategy is driven by three strategic pillars. Internally we call this our House Model. It is a tool that focuses our investments and organisation to deliver sustained growth and shareholder returns:

- Best site: be the easiest way for customers to find independent help and to shop
- Earn customer loyalty: be a destination brand for users and customers
- Preferred partner: be the best way for providers to acquire new customers and retain existing ones

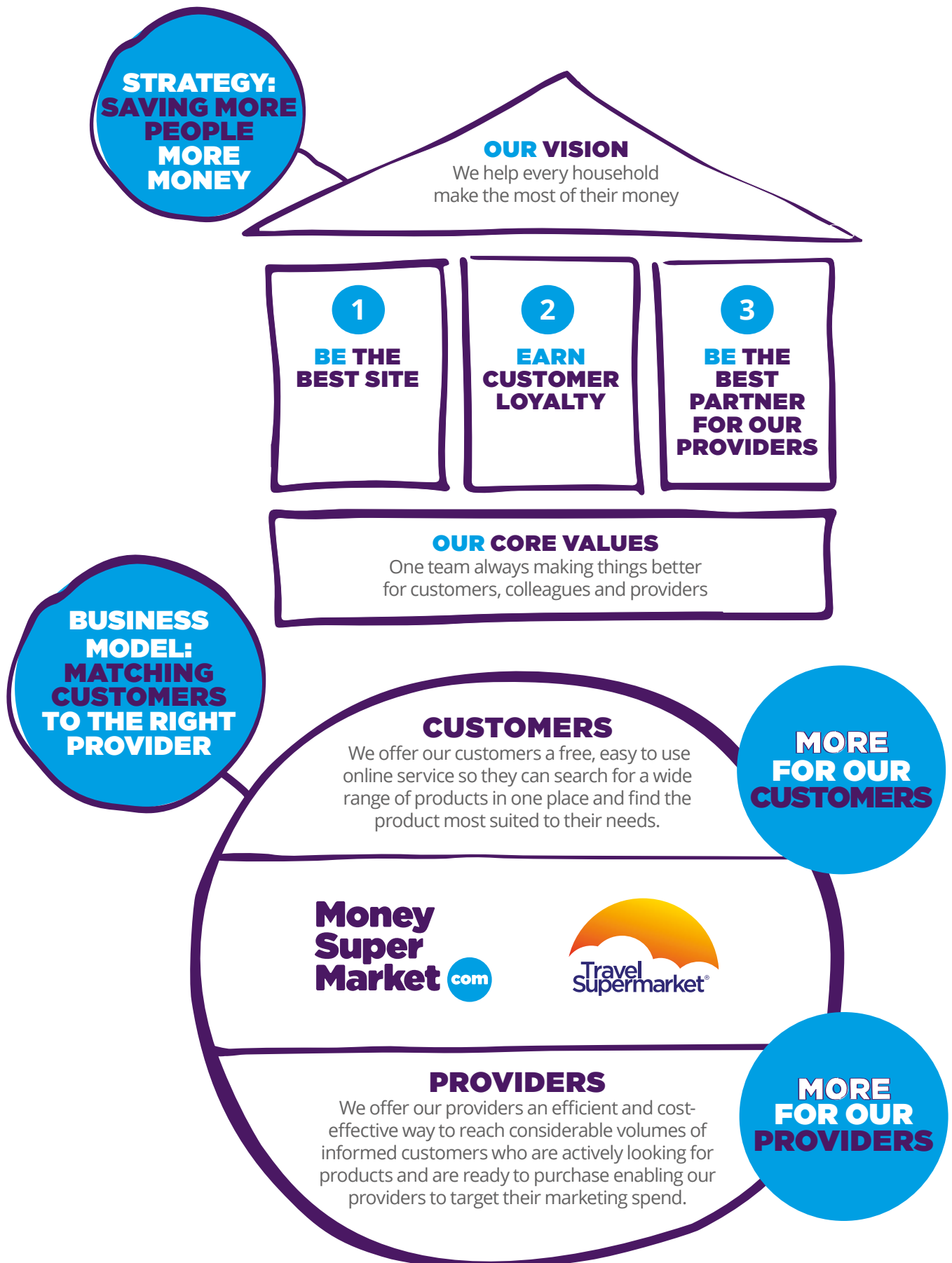
We will remain focused on our strategy throughout 2014 as we build on our successes to date and continue to leverage the benefits of our distinct brands and diversified business model.

Finally, on behalf of the Board, I would like to pay tribute to Gerald Corbett who will be stepping down as Chairman of the Company at our AGM on 23 April. I am very grateful for his wisdom and guidance since I have been Chief Executive Officer, during which time MoneySuperMarket.com has achieved so much.

Strategic report signed on behalf of the Board

Peter Plumb
Chief Executive Officer
3 March 2014

Business Model and Strategy



Strategy in Action

Best site:

Be the easiest way for customers to find independent help and to shop

Earn customer loyalty:

Be a destination brand for users and customers

Preferred partner:

Be the best way for providers to acquire new customers



**MORE
FOR OUR
CUSTOMERS**

MORE FOR OUR PROVIDERS



1

BE THE BEST SITE

2

EARN CUSTOMER LOYALTY

3

BE THE BEST PARTNER FOR OUR PROVIDERS

Be the best site

- **Cheap Energy Club:** During the year MoneySavingExpert.com launched its innovative Cheap Energy Club enabling consumers to register their details in order to receive alerts when savings can be made against their current energy tariff and to then switch their provider.
- **Car Hire:** During the year TravelSupermarket.com redesigned its car hire service and the underlying technology that powers it to give consumers a much improved experience when searching for their car hire needs.

Earn customer loyalty

- **Best price:** During the year, MoneySuperMarket.com worked closely with certain motor insurance providers to offer consumers motor insurance quotes that were lower than were available direct from the provider or through our competitors.
- **Home bill checker:** MoneySuperMarket.com has launched an innovative service enabling consumers to check how much they could be paying for home insurance, energy and broadband by just entering their post code. The range of prices is driven by our data analytics tools.

Be the best partner for our providers

- **Easy check out:** During the year, MoneySuperMarket.com launched an innovative service for motor insurers providing a simplified process for the purchase by consumers of motor insurance policies on smart phones.
- **Data insights:** MoneySuperMarket.com continued to offer product insight tools to providers utilising data held by MoneySuperMarket.com, helping providers to offer improved products and services to consumers.

Chairman's Statement



Gerald Corbett
Chairman

"The addition of the MoneySavingExpert.com brand to the existing MoneySuperMarket.com and TravelSupermarket.com brands gives us significantly greater strength and diversity into the future, improving our ability to execute our strategy of 'helping every household make the most of their money.'"

Results and strategic progress

Amidst an uncertain economic background, 2013 was another solid year for the Group as revenue increased by 10% from £204.8m to £225.6m and adjusted EBITDA increased by 26% from £66.5m to £84.0m.

The benefits of the strength and diversity of our business model were demonstrated this year as our Insurance, Travel and Home Services verticals all grew, with the Travel and Home Services verticals performing particularly well. This helped to offset the lower revenue achieved in the Money vertical following the continuation of the Government's 'Funding for Lending' scheme.

In its first full year in the Group, MoneySavingExpert.com had a strong year with the launch of its 'Cheap Energy Club' helping consumers to make savings on their energy costs. The addition of the MoneySavingExpert.com brand to the existing MoneySuperMarket.com and TravelSupermarket.com brands gives us significantly greater strength and diversity into the future, improving our ability to execute our strategy of 'helping every household make the most of their money'.

During 2013 we continued to make significant investments in our marketing strategy, including the strengthening of our digital marketing capability and the continuation of our 'You're So MoneySuperMarket' advertising campaign, both of which helped to drive visitors to the Group's websites. We have continued the 'You're So MoneySuperMarket' theme in the

early part of 2014 with the launch of our latest advertising campaign.

We continue to maintain a strong financial position with good cash generation. Cash generated from operations during the year was £73.3m. After drawing down £60.0m from its loan facility during the year, the Group ended the year with net debt of £21.1m.

Dividends

Our continued confidence in the underlying strength and growth prospects for our business is reflected in our progressive and sustainable dividend policy.

Having reviewed the cash required by the business and the performance of the Group, the Company paid a special dividend of 12.92p per ordinary share on 26 July 2013 and an interim dividend of 2.16p (2012: 1.80p) per ordinary share on 13 September 2013. The interim dividend paid represented an increase of 20% on the interim dividend paid in 2012.

During the year, the business continued to generate cash, and with the business growing, the Board is recommending a final dividend of 5.12p (2012: 3.94p) per ordinary share, representing an increase of 30% on the final dividend in 2012. If approved by shareholders at the forthcoming Annual General Meeting, this will bring the total dividend for the year to 20.2p (2012: 5.74p) per ordinary share and will be paid on 2 May 2014 to all shareholders on the register on 21 March 2014.

Board composition and diversity

We have a strong and balanced Board, with a range of complementary skills to support the strategic and operational direction of the Group. The strengthening of our Board last year with further Non-Executive representation has helped to provide further capability to deliver our strategy. We recognise the importance of diversity at Board level and our Board members have a wide range of skills and experiences from a variety of business backgrounds.

As we announced in December, I will be standing down as Chairman and as a Non-Executive Director in April 2014 following our Annual General Meeting.

It has been a great experience chairing the Group through its flotation, the credit crunch and the strong growth in the business that the management team has delivered. It is only looking back that one appreciates just how big a journey the Group has been on. The transition from a fast growing, entrepreneur led private company, to becoming a fully-fledged public company, professionally managed at every level, producing steadily improving profits and dividends, has been exciting.

Bruce Carnegie-Brown, who joined the Group as a Non-Executive Director in April 2010, will succeed me as Chairman. With his wealth of experience, Bruce is the ideal person to work with the management team on the next phase of the Group's development.

“It has been a great experience chairing the Group through its flotation, the credit crunch and the strong growth in the business that the management team has delivered.”

In November, we also announced the appointment of Matthew Price as Chief Financial Officer. Matthew is an experienced senior finance executive, who joins us in April, replacing Paul Doughty who has decided to step down from the Board. I would like to thank Paul for his significant contribution to the Group and welcome Matthew to the business.

Board effectiveness

As Chairman, I am responsible for the leadership of the Board and ensuring its effectiveness in all aspects of its role. The Board is responsible for the Group's strategic development, monitoring achievement of its business objectives, oversight of risk and maintaining a system of effective corporate governance.

Governance

The Board takes its responsibility to maintain sound governance seriously. It is committed to high standards of corporate governance and supports the principles laid down in The UK Corporate Governance Codes published in June 2010 and September 2012 by the Financial Reporting Council ('Codes').

The Corporate Governance Report together with the Audit Committee Report, Nomination Committee Report and the Directors' Remuneration Report on pages 28 to 48 describe how the principles of the Codes are applied by the Group and reports on the Group's compliance with the Codes' provisions.

Employees

Our results this year once again reflect the dedication and quality of our employees. We rely on the skills, experience, competence and hard work of our people to drive our business forwards. Their passion, innovation and performance remains a key asset for the Group and its success in the future. On behalf of the Board, I would like to thank our employees for their contribution this year.

Outlook

The new year has begun steadily and, whilst we remain alert to the continuing uncertainty in the wider economic environment, including the impact of the 'Funding for Lending' scheme on our Money business, we are confident that we will continue to grow in 2014. Our great brands, strong market positions, experienced people, scale and breadth of offering are the basis on which our business is built and will remain key strengths in the coming year.

Gerald Corbett
Chairman

Business Review



Paul Doughty
Chief Financial Officer

The Group has presented below an extract of the Consolidated Statement of Comprehensive Income for the years ended 31 December 2013 and 31 December 2012 along with a reconciliation to adjusted EBITDA. Revenue in 2013 was £225.6m (2012: £204.8m) which generated a net profit after tax of £34.7m (2012: £24.8m). The Directors believe that the presentation of an adjusted EBITDA measure will allow users of the financial information to gain a better understanding of the underlying performance of the business.

Extract of Consolidated Statement of Comprehensive Income for the year ended 31 December 2013

	Note	2013 £000	2012 £000
Revenue		225,553	204,752
Cost of sales		(50,156)	(53,046)
Gross profit		175,397	151,706
Distribution expenses		(30,708)	(30,471)
Administrative expenses		(100,170)	(89,710)
Profit from operating activities		44,519	31,525
Reconciliation to adjusted EBITDA:			
Profit from operating activities		44,519	31,525
Depreciation		3,648	3,581
Amortisation of acquisition related Intangible Assets	1	24,745	24,231
Amortisation of internally generated technology related Intangible Assets	1	2,555	1,917
Impairment of Intangible Assets	2	–	5,945
Deferred consideration credit related to acquisitions in prior periods	2	–	(281)
VAT recovery	3	–	(6,148)
Costs relating to acquisitions	4	–	3,359
Contingent payable in relation to the acquisition of MoneySavingExpert.com	5	7,960	2,325
Corporate finance fees	6	553	–
Adjusted EBITDA		83,980	66,454
Adjusted earnings per ordinary share:			
– basic (p)		10.8	8.9*
– diluted (p)		10.7	8.7*

* 2012 adjusted earnings per ordinary share has been restated to present the results on a consistent basis with 2013.

Notes

Basis of Preparation

The results show the trading results for the years ended 31 December 2013 and 31 December 2012. The following adjustments have been made in arriving at adjusted EBITDA:

1 Amortisation of Intangible Assets

- The acquisition of Moneysupermarket.com Financial Group Limited by the Company prior to Listing gave rise to £207.2m of intangible assets. These will be written off over a period of 3–10 years with a charge of £23.0m expensed in both 2013 and 2012.
- The acquisition of the trade and certain assets of MoneySavingExpert.com and a sole trader business from Martin Lewis (together 'MSE') on 21 September 2012 by the Group gave rise to £12.9m of intangible assets. These will be written off over a period of 3–10 years with a charge of £1.7m included within 2013 (2012: £0.5m).
- The acquisition of Financial Services Net Limited ('FSN') by the Group in October 2010 gave rise to £6.1m of intangible assets. These were to be written off over a period of 3–10 years with a charge of £0.7m in 2012.
- A charge of £2.6m (2012: £1.9m) relating to the amortisation of internally generated technology related intangible assets.

2 Impairment of Intangible Assets, and adjustments to deferred consideration, related to acquisitions in prior periods

- On 14 October 2010 the Group acquired FSN, which gave rise to £6.1m of intangible assets and £2.2m of goodwill. At the end of 2012, the Group assessed the expected trading performance of FSN, taking into account the impact of the lower importance that direct match domain names had in natural search algorithms. Consequently the Group recognised an impairment charge of £4.4m in the Consolidated Statement of Comprehensive Income, being the net book value of those assets as at the end of 2012. In addition the Group also reassessed the amount of contingent consideration that it expected to become payable, and as a result, recognised a credit of £0.2m in the 2012 Consolidated Statement of Comprehensive Income.
- On 31 August 2011 the Group completed the acquisition of 51% of Local Daily Deals Limited ('LDD') for an initial consideration of £1m, rising to a total consideration of up to £11m payable on the third anniversary of its acquisition depending on the achievement of certain financial targets. The business did not perform in line with management expectations. In light of this the Group performed a review in 2012 of the carrying value of goodwill (£0.6m) identified upon the acquisition of LDD. As a result the Group recognised an impairment charge of £0.6m in the 2012 Consolidated Statement of Comprehensive Income. The Group also performed a review of the value of contingent remuneration held on its balance sheet that may have become payable to the vendors of the business at the end of the earnout period. As a result of this

exercise the Group lowered its estimate of the fair value of contingent remuneration that would become payable to nil. Consequently a credit of £0.1m was included in the 2012 Consolidated Statement of Comprehensive Income.

- Management identified an impairment charge of £0.9m in relation to a portion of the internally generated technology related intangible assets in 2012.

3 Change in VAT recovery method

In July 2012 the Group reached agreement with HMRC that enabled it to apply a new method to determine the proportion of VAT it was able to recover on expenses it incurred. The Group recognised a net credit of £10.6m in the 2012 Consolidated Statement of Comprehensive Income representing the total value of the benefit to the Group from 1 April 2008 to 31 December 2012. The Group included a credit of £4.5m within adjusted EBITDA in 2012 representing the proportion of the credit received that related to 2012.

4 Costs incurred relating to the acquisition of MoneySavingExpert

- On 21 September 2012 the Group completed the acquisition of MSE. The Group incurred £3.4m of costs in 2012 relating to the acquisition. These have been added back in calculating adjusted EBITDA in 2012.

5 Contingent payable in relation to the acquisition of MoneySavingExpert

- The Group has recognised an administrative expense relating to deferred remuneration which is linked to continued employment in the Consolidated Statement of Comprehensive Income in 2013 of £8.0m (2012: £2.3m).

6 Corporate finance fees

- During the year the Group incurred fees of £0.6m in relation to advice relating to a special dividend of £70m paid to shareholders in July 2013.

Reference is made in the Overview and Financial Highlights sections to adjusted cost base and adjusted distribution and administration expenses. These measures represent costs charged to the Consolidated Statement of Comprehensive Income, less intangible amortisation relating to acquisitions, goodwill impairment, adjustments relating to VAT recoveries, costs incurred in relation to the acquisition of MoneySavingExpert.com, costs recognised in respect of deferred remuneration relating to acquisitions, and corporate finance fees in relation to the special dividend paid in July 2013.

Overview

We present a strong set of financial results for the year ended 31 December 2013. Revenue for the year increased by 10% to £225.6m (2012: £204.8m), generating adjusted EBITDA which was 26% higher at £84.0m (2012: £66.5m). MoneySavingExpert.com ('MSE'), which was acquired on 21 September 2012, contributed £6.1m (2012: £1.8m) to Group revenues and £13.3m (2012: £2.8m) to Group adjusted EBITDA.

During 2013 the Group continued to grow. Revenues were ahead of last year in the Insurance, Travel and Home Services verticals with Travel and Home Services performing particularly well. Revenues in the Money vertical, however, were lower than the same period last year as savings revenues continue to be impacted by the Bank of England's 'Funding for Lending' scheme. This has given financial institutions access to low cost funding centrally rather than by attracting more costly retail deposits, which has depressed savings revenues for the Group. Growth rates in the core MoneySuperMarket.com business were 7% in the first half and accelerated in the second half of the year to 9%.

The Group acquired MSE on 21 September 2012. Trading in MSE in the year has been very good and approximately 10% ahead of the comparable period last year. This is particularly pleasing since a large portion of its revenues have historically been derived from money products which, like MoneySuperMarket.com, have also been impacted by the 'Funding for Lending' scheme. This year MSE launched its Cheap Energy Club enabling consumers to sign up to an energy switching service where consumers enter details of their current deal and supplier and receive alerts when savings against

their current deal are available over and above a threshold they specify. This proved extremely popular with consumers and has driven significant growth in energy revenues in both MSE, and MoneySuperMarket.com, which provides the back office fulfilment.

The Group remains committed to its technology investment and invested £4.1m in 2013. The delivery of a new platform for the Money vertical was successfully completed enabling changes to the site to be more quickly administered. During the second half of the year the business commenced work on a new open source technology solution for TravelSupermarket.com which it expects to improve functionality and support growth moving forward. The early results have been encouraging and the Group expects this programme to continue at least through the first half of 2014. The Group also made good progress on a number of projects within MSE, which will increase the capacity and scalability of the MSE platforms.

Distribution costs were broadly flat year on year. The Group has continued with the 'You're So MoneySuperMarket' campaign on television supported by radio and print campaigns. Supporting these offline campaigns, the Group has continued to make progress in its customer relationship management ('CRM') activities, leveraging investments made in the second half of 2012. This represents an exciting opportunity for the Group moving forward.

Financial performance

Group revenue increased by 10% to £225.6m (2012: £204.8m) and adjusted EBITDA increased by 26% to £84.0m (2012: £66.5m). Excluding the contribution from MSE, revenues increased by 8% to £219.4m (2012: £203.0m) and adjusted EBITDA increased by 11% to £70.7m (2012: £63.7m).

The Group saw strong growth in its Home Services and Travel businesses which grew by 93% and 35% respectively, whilst Insurance grew by 6% reflecting a slower second half. Money revenues continued to be impacted by the 'Funding for Lending' scheme, which depressed savings revenues, and declined by 9%. Trading however improved into the second half of the year.

MSE in its first complete year within the Group continued to flourish and delivered very solid results in its own right, whilst also being a key component of the increased revenues in the Home Services vertical from the Cheap Energy Club, referred to above.

Group gross margins increased from 74.1% to 77.8%, significantly benefitting from the acquisition of MSE. Prior to the acquisition the Group paid MSE for business it introduced to the Group on a 'revenue share' basis, recording these amounts as a cost of sale. Post-acquisition at a Group level MSE revenues are now all classified as direct to site revenues with no associated cost of sale. Direct to site revenues therefore increased from 69% of revenues in 2012 to 75% in 2013. Paid search represented 20% of revenue in the year (2012: 22%).

Adjusted administrative and distribution costs increased by 8% from £90.8m to £97.7m. Distribution expenses increased by 1% to £30.7m. Adjusted administrative costs increased by 11% from £60.3m to £67.0m in 2013 of which £5.6m (2012: £1.0m) related to MSE, which was acquired on 21 September 2012. Adjusted staff costs (including contract resource) were 9% higher at £38.5m reflecting a full year of staff costs for MSE. Group headcount decreased from 529 to 505 from December 2012 to December 2013 as a result of the cessation of trade in both FSN and LDD during 2013 referred to below.

Business Review continued

Other administrative costs, including irrecoverable VAT, increased by £2.8m. This primarily reflects the full year impact of the acquisition of MSE which accounted for £1.6m of the increase, together with an increased charge for irrecoverable VAT of £1.1m in the year.

Adjusted EBITDA margins increased from 32.5% to 37.2% against the same period last year. Excluding MSE, EBITDA margins would have been 32.2%, up from 31.4%.

The Group operates across a number of vertical markets. These are discussed below:

	Revenue ¹			
	31 December 2013		31 December 2012	
	£000	%	£000	%
Money	52,070	23	57,389	28
Insurance	127,566	57	120,368	59
Travel	17,704	8	13,074	6
Home Services	21,958	10	11,403	6
MoneySuperMarket.com	219,298	97	202,234	99
MoneySavingExpert.com	19,522	9	3,931	2
Other businesses	116	–	735	–
Intercompany revenue ¹	(13,383)	(6)	(2,148)	(1)
Total	225,553	100	204,752	100

¹ In the above table revenues in MoneySuperMarket.com arising from traffic from MoneySavingExpert.com have been shown in both MoneySuperMarket.com and MoneySavingExpert.com to present the revenues from MoneySuperMarket.com on a consistent basis in 2013 and 2012, and to show the contribution of the MoneySavingExpert.com business to the Group. Intercompany revenues have been eliminated as shown above.

MoneySuperMarket.com

The Directors use key performance indicators ('KPIs') to assess the performance of the business against the Group's strategy. These are reviewed on a regular basis. The principal KPIs for the business are as follows:

Visitors

The Group measures the number of visitors to its websites as the number of unique visitors per day, per channel, per device, measured on a cumulative basis using cookie-based tracking methodologies.

Transactions

The Group measures transactions at the point in time that the customer leaves the Group's websites having clicked through to a third party website, or in some cases having completed an application form hosted on the Group's websites.

Revenue per visitor ('RPV')

The Group measures the total revenue (including click and other internet revenue) divided by the number of visitors defined above.

Revenue per transaction ('RPT')

The Group measures the click based revenue divided by the total number of transactions defined above.

The relative performance of each of the verticals is discussed below:

Money

The Money vertical offers customers the ability to search for and compare products such as credit cards, current accounts, mortgages, loans, debt solutions, savings accounts and business finance, amongst other things. It also includes elements of the Group's leads business (PAA) and advisory business (SAS) together with advertising revenue that derives from financial products.

The KPIs for the Money vertical are shown below:

	31 December 2013	31 December 2012	Change
Visitors (000)	41,727	40,445	3%
Transactions (000)	20,696	21,353	(3%)
Revenue (£000) – click based	49,004	53,751	(9%)
Revenue (£000) – other	3,066	3,638	(16%)
Revenue (£000) – total	52,070	57,389	(9%)
RPV	£1.25	£1.42	(12%)
RPT	£2.37	£2.52	(6%)

Total revenue declined by 9% from £57.4m to £52.1m and click based revenue by 9% from £53.8m to £49.0m. Visitors to the Money vertical were 3% higher than last year.

Revenues from credit products, defined as secured and unsecured loans, credit cards, pay day loans, debt solutions and mortgages but excluding impression-based advertising were flat, whilst non-credit revenues, principally savings and current accounts, fell 30%. Excluding pay day loans, revenues from credit products were 6% ahead of last year. The Group began to scale back its activities in its pay day lending channel in the second quarter of the year and has now withdrawn from the marketplace altogether. Whilst acknowledging there is demand for short-term lending products it was increasingly difficult to provide consumers with a meaningful comparison of different product providers given the nature of the product and consumers' propensity to roll over loans beyond their initial period. The Group instead offers an information service providing guidance to consumers who are considering such products. The Group anticipates that pay day loans will be subject to new regulatory guidelines by the FCA in 2014. To the extent that these guidelines more readily enable the Group to make a meaningful comparison of the products subsequently on offer from providers, the Group may re-enter this market.

The Group's non-credit business and in particular its savings revenues have continued to be impacted by the Government's 'Funding for Lending' scheme which enables financial institutions to borrow from the Bank of England at very attractive rates. This has had two impacts upon the dynamics within the savings channel. Firstly the deposit rates available to consumers have fallen significantly and this has reduced consumers' propensity to switch products. Secondly the demand from providers for more costly retail deposits has also fallen, reducing the number of providers who have a commercial arrangement with the Group for retail deposits. These two factors significantly reduced revenues from the savings channel in the year.

Trading improved in the second half of the year relative to the first half. Money revenues were 4% lower in the second half of the year against a first half where revenues were 13% lower than the corresponding period. The impact of 'Funding for Lending' reduced in the fourth quarter of 2013 as the Group began to lap a softer comparator period: the Group began to see the initial impact of 'Funding for Lending' on revenues in the fourth quarter of 2012. Revenues from current account switching were also stronger in the second half of the year following the introduction of the Government's 7 day switching initiative which enables all consumers to switch current accounts within 7 days. This change saw a number of providers compete aggressively for new current account business.

Other revenue, which includes revenue from the sale of leads and advertising, fell by £0.6m. The Group has continued to focus upon improving its core click based offering, reducing impression-based advertising revenues.

Insurance

The Insurance vertical offers customers the ability to search for and compare insurance products such as breakdown, dental, home, life, medical, motor, pet and travel insurance, amongst other things. It also includes elements of the Group's leads business (PAA) and advisory business (SAS) together with advertising revenue related to insurance products.

The KPIs for the Insurance vertical are shown below:

	31 December 2013	31 December 2012	Change
Visitors (000)	35,155	32,679	8%
Transactions (000)	15,595	16,442	(5%)
Revenue (£000) – click based	110,912	105,976	5%
Revenue (£000) – other	16,655	14,392	16%
Revenue (£000) – total	127,566	120,368	6%
RPV	£3.63	£3.68	(1%)
RPT	£7.11	£6.45	10%

Revenues in the Insurance vertical increased by 6% from £120.4m to £127.6m. Click based revenue increased by 5% from £106.0m to £110.9m. Visitors increased by 8% over the period.

Revenues in the second half of the year slowed relative to the first half where revenues were 11% ahead of the corresponding period. Google began making a number of changes to its natural search algorithms at the end of May which penalised the Group in late June.

The Group lost some of its leading positions for some of the key search terms in motor and home insurance. This reduced visitors from natural search and consequently revenues from home and motor insurance.

The Group made progress during the second half of the year working to regain its natural search positions culminating in the lifting of the penalty in March 2014. The Group is now in a good position to improve its natural search positions during 2014.

Other revenue increased by £2.3m from the continued success of the telephone assisted life insurance channel, which offers consumers offline support in completing often complex application forms, together with revenues derived from data products sold to providers.

Travel

The Travel vertical offers customers the ability to search for and compare car hire, flights, hotels and package holidays, amongst other things.

The KPIs for the Travel vertical are shown below:

	31 December 2013	31 December 2012	Change
Visitors (000)	55,857	44,216	26%
Transactions (000)	26,304	20,373	29%
Revenue (£000) – click based	16,986	12,210	39%
Revenue (£000) – other	718	864	(17%)
Revenue (£000) – total	17,704	13,074	35%
RPV	£0.32	£0.30	7%
RPT	£0.65	£0.60	8%

Revenue in the Travel vertical increased by 35% from £13.1m to £17.7m. Click based revenue increased by 39% to £17.0m.

Trading was very strong in the year, with growth in the package holidays, hotels and car hire channels. Package holiday revenues continued to benefit from further optimisation of the channel leveraging the technology investments made in late 2011.

The Travel business generally also benefitted from a focused television and radio campaign which resonated well with consumers.

The Group sees good opportunity for future growth in the Travel business. The Group invested in its technology platform in the second half of the year using open source technology which will enable it to improve its consumer offering significantly in 2014 and support the Group's growth ambitions for the vertical.

Other revenues, which are derived from impression-based advertising fell by 17%, as, consistent with prior periods, management has continued to reduce the amount of screen space available for impression-based advertising instead focusing upon core click based revenues.

Business Review continued

Home Services

The Home Services vertical offers customers the ability to search for and compare products such as broadband, mobile phones, vouchers, shopping and utilities.

The KPIs for the Home Services vertical are shown below:

	31 December 2013	31 December 2012	Change
Visitors (000)	24,388	28,816	(15%)
Transactions (000)	8,641	9,252	(7%)
Revenue (£000) – click based	21,958	11,399	93%
Revenue (£000) – other	–	4	n/a
Revenue (£000) – total	21,958	11,403	93%
RPV	£0.90	£0.40	125%
RPT	£2.54	£1.23	107%

Revenue in the Home Services vertical increased by 93% from £11.4m to £22.0m in the year. Visitors decreased by 15% largely due to a reduced emphasis on the vouchers channel.

Revenues from utility switching, which account for the majority of revenues within the Home Services vertical, were significantly stronger than last year reflecting continued price inflation in the domestic energy market, in particular in the fourth quarter, and the launch of the Cheap Energy Club by MSE. This innovative service allows consumers to register with MSE for alerts when savings available against their current tariff exceed a predetermined amount set by the customer. MoneySuperMarket.com provides the technology and fulfilment solution that enables consumers to change their tariff. This has proved very popular with consumers and represents a good example of how MSE and MoneySuperMarket.com are able to work together for the benefit of the Group's customers whilst being independently run businesses.

MoneySavingExpert.com ('MSE')

The Group acquired MSE on 21 September 2012. MSE generated revenues of £19.5m (2012: £3.9m), of which £13.4m (2012: £2.1m) related to revenues also recognised within MoneySuperMarket.com, generated from traffic referred to it by MSE. MSE contributed £13.3m (2012: £2.8m) to Group adjusted EBITDA in 2013.

Trading trends have been consistent with those seen by MoneySuperMarket.com with revenues from savings challenging whilst revenues from utilities have been particularly strong driven by the launch of the Cheap Energy Club referred to above.

The Group has added to the management team within MSE and made good progress in improving the scalability and resilience of its infrastructure.

Overall the business has had a good year and is well placed to continue to prosper within the Group.

VAT

In July 2012, the Group received formal approval from HMRC for the use of a new VAT recovery method. The Group filed claims dating back to 1 April 2008. The claims were settled in December 2012 and the Group consequently recognised a credit of £10.6m in the 2012 Consolidated Statement of Comprehensive Income, of which £4.5m related to the year ended 31 December 2012. This was included in adjusted EBITDA in the year ended 31 December 2012.

Acquisition of MoneySavingExpert.com

On 21 September 2012 the Group acquired the trade and certain assets of MoneySavingExpert.com and a sole trader business from Martin Lewis for a total amount of up to £92.5m including a deferred element of up to £27.0m. The initial consideration of £65.5m was settled by an upfront cash payment of £35.0m and £30.5m of equity represented by 22.1m shares in the Company.

The deferred element is payable in part against the achievement of certain non-financial metrics over a three year period and in part at the Board's discretion subject to the continued employment of Martin Lewis. The deferred element will be settled on the third anniversary of completion. The Group has recognised in administrative expenses a charge of £8.0m (2012: £2.3m) in the Consolidated Statement of Comprehensive Income in respect of deferred remuneration linked to continued employment.

Local Daily Deals Limited and Financial Services Net Limited

On 31 August 2011 the Group completed the acquisition of 51% of Local Daily Deals Limited ("LDD") for an initial consideration of £1m, rising to a total consideration of up to £11m depending on the achievement of certain financial targets. The business did not perform in line with management expectations and as a result a credit of £0.1m was recognised in the 2012 Consolidated Statement of Comprehensive Income in relation to the contingent remuneration, and at the same time, an impairment charge of £0.6m was also recognised, writing down the related goodwill balance in full.

On 14 October 2010 the Group completed the acquisition of Financial Services Net Limited ('FSN') for an initial consideration of £4.4m, rising to a total consideration of up to £8.8m payable over three years depending on the achievement of certain financial targets and the conclusion of outstanding tax matters. Trading of the FSN business was below management expectations, and consequently, the Group recognised an impairment charge of £4.4m, fully writing down the related intangible assets in 2012. The Group also reduced to £nil the fair value of contingent consideration, and as a result recognised a credit of £0.2m in the 2012 Consolidated Statement of Comprehensive Income.

Cash balance and dividend

As at 31 December 2013 the Group had net debt of £21.1m (2012: net cash £18.7m). The Group paid a special dividend of £70m to shareholders on 26 July 2013. This was funded by entry into a £70m, three year revolving credit facility immediately prior to the payment of the dividend.

Having reviewed inter alia, the performance of the Group and the cash required by the business, the Board is recommending a final dividend, subject to shareholder approval, in respect of the year ended 31 December 2013 of 5.12p per ordinary share.

Together with the interim dividend of 2.16p per ordinary share paid on 13 September 2013, this gives a total normal dividend for the year of 7.28p per ordinary share (2012: 5.74p), reflecting the Board's confidence in the ability of the business to generate cash on an on-going basis.

The Board is committed to a progressive dividend policy, with on-going monitoring of the appropriate capital structure.

The ex-dividend date for the final dividend is 19 March 2014, with a record date of 21 March 2014 and a payment date of 2 May 2014. Shareholders will have the opportunity to elect to reinvest their cash dividend and purchase existing shares in the Company through a Dividend Reinvestment Plan.

Tax

The Group tax charge of £8.4m in the Consolidated Statement of Comprehensive Income represents an effective tax rate of 19.5% (2012: 21.3%). This is lower than the prevailing rate of 23.25% (2012: 24.5%) due to the impact of the reduction in the rate of corporation tax on the deferred tax liability, in addition to prior year adjustments which include a research and development expenditure credit of £0.4m as a result of claims made relating to previous financial years.

In future, and once the statutory rate of tax has settled, the Group expects the underlying effective rate of tax to approximate to the standard UK corporation tax rate.

Earnings per ordinary share

Basic statutory earnings per ordinary share for the year ended 31 December 2013 was 6.4p (2012: 4.8p). Adjusted basic earnings per ordinary share increased from 8.9p to 10.8p per share. The adjusted earnings per ordinary share is based on profit before tax after adding back intangible amortisation related to acquisitions, goodwill impairment, the VAT recoveries relating to prior periods, costs incurred in relation to the acquisition of MoneySavingExpert.com, credits relating to the reassessment of contingent consideration for Financial Services Net Limited and Local Daily Deals Limited, costs related to the contingent payable for MoneySavingExpert.com, and fees associated with the special dividend paid in the year. A tax rate of 23.25% (2012: 24.5%) has been applied to calculate adjusted profit after tax.

Key contractual arrangements

Moneysupermarket.com Limited, a subsidiary of the Company, is party to contracts and other arrangements which the Directors judge are essential to the Group's business.

As with any internet business the Group is dependent upon its ability to attract customers to its website either directly or through paid search or portal partners, and revenue generated from commercial arrangements with its providers.

The Group uses television advertising to attract customers to its website directly. The Group incurred costs of £25.6m (2012: £26.0m) relating to television and other offline advertising in 2013. The Group has contracts with a number of media agencies to acquire advertising inventory from commercial television companies. The Group typically has a commitment of between 6 and 10 week's expenditure at any one time. Television and other offline advertising costs represent 83% (2012: 85%) of distribution costs.

The Group uses search engines to acquire traffic via paid search. The Group spent £39.1m (2012: £39.4m) on paid search in 2013. Although there are a number of search engines that operate in the UK, Google is the dominant search engine and accounts for the majority of the Group's spend in this area. The Group has no forward commitment to search engines and manages its spend on a real time basis.

The Group has a number of contracts with providers which are based either on a cost per click basis or a cost per action basis or a hybrid of the two. It also has a number of commercial arrangements based on the number of page impressions served in the case of banner advertising. The Group does not consider it has any material contracts with providers in any one channel. The Group does however frequently deal with providers across a range of different channels managed under different contracts, often to different parts of the same organisation, and occasionally through third party media agencies. At this consolidated channel level, the largest individual provider represented approximately 3% (2012: 4%) of Group revenue in 2013.

Principal Risks and Uncertainties

The Group adopts a formal risk identification and management process designed to ensure that risks are properly identified, prioritised, evaluated and mitigated to the extent that is possible.

The tables below summarise, in the opinion of the Board, the material financial and operational risks to the Group and how the Group seeks to mitigate them in the day-to-day running of the business.

Financial risks

Risk area	Potential impact	Mitigation
Significant worsening in financial markets	Financial institutions may reduce the quantum of lending and/or tighten their acceptance criteria for customers seeking to obtain credit. Financial institutions may reduce their reliance on the retail market to obtain funds or may have lower cost funds available from other sources including the Bank of England to support their business activities. Providers may increase their focus on customer retention rather than acquisition. These factors may reduce commissions available to price comparison websites.	The Group continues to focus on building strong relationships with providers to ensure the Group is able to provide solutions to the needs of providers and to maximise the opportunities for providers to acquire customers in a cost effective manner.
Reduction of providers	Providers may consolidate, withdraw their products from price comparison websites or reduce their customer acquisition activity via price comparison websites. This may reduce competition for business, customer choice, Group revenue and the customer proposition of price comparison websites.	The Group continues to focus on building strong relationships with providers to ensure the Group is able to provide solutions to the needs of providers and to maximise the opportunities for providers to acquire customers in a cost effective manner.
Investment in new areas and/or significant acquisitions	Significant investments in new products and services or new geographies fail to make a return. Failure to generate anticipated revenue growth, synergies and/or cost savings from significant acquisitions could lead to significant goodwill and intangible asset impairments.	Investments in new areas typically leverage existing expertise and experience built up over many years. Capital requirements are relatively low and investment is managed in stages such that it is not finally committed until there is good visibility of a return. Significant acquisitions are approved by the Board following pre-acquisition due diligence. Post-acquisition performance of significant acquisitions is closely monitored to ensure corrective action can be taken in the event of deviations from expected performance.
Financial services and other markets regulation	The business model in financial services or other lines of business may be compromised by changes to existing regulation or the introduction of new regulation.	The Group has a team of regulatory specialists who work with the business to ensure that it remains compliant with existing regulation and informed of impending regulation. The Group has embraced regulation to date and shares the vision of the regulators generally to make the market more transparent to the end customer.
Economic environment	Reduction in visitors and revenue from a recession as customers seek to reduce levels of discretionary expenditure.	The Group continues to focus on building a wide range of market leading services to meet customers' needs. Customers seeking to reduce levels of discretionary expenditure will also be looking to obtain 'best' value from compulsory products and services. The diversification of the Group both in the number of verticals that it operates in and the range of products and services it provides in each vertical should lessen the impact of a recession upon the Group although it cannot entirely mitigate against it.

Operational risks

Risk area	Potential impact	Mitigation
Competitive environment	Loss of market share and erosion of margins from increased competition.	The Group continues to focus on building market leading products to improve its proposition to customers. This includes investment in customer retention tools and technology including CRM initiatives which deliver additional features and functionality to customers.
Brand perception and reputation	Reduction in customer loyalty with existing customers and an inability to attract new customers if the business fails to maintain its position as a leading price comparison website or if its reputation is negatively impacted by any event, such as the loss or misuse of customer personal data or a failure to treat customers fairly.	Continued investment in television advertising reinforced through press activity will maintain the Group in customers' minds. Rigorous checking of the website through audit and review will maintain the accuracy of the information displayed. Rigorous use of internal controls and testing of the Group's systems together with infrastructure investments will ensure the integrity and robustness of the Group's systems and ensure that customers are treated fairly.
Business continuity, capacity and functionality of IT and systems	Failure to provide adequate service levels to customers or maintain revenue generating services.	The Group maintains two separate data centres with n + 1 redundancy in relation to its core infrastructure to ensure that service is maintained in the event of a disaster at the primary data centre. Developed software is rigorously tested and the Group operates a robust release process which mitigates the likelihood of software being released into a live environment without being fully tested.
Loss of key management	Loss of key management resulting in a lack of necessary expertise or continuity to execute strategy.	Existing key management, new hires or management teams that are recruited through acquisitions are tied in through attractive equity and other incentive packages and rewarding career structures. In addition, succession plans have been developed or are being developed for key members of the management team (including through acquisitions) which are regularly reviewed.
Reliance on search engine natural listings	Reduction in gross margin through reduction in revenue derived from search engine optimisation activities.	The Group will continue to invest in sustainable search engine optimisation activities which adhere to search engine guidelines.
Changing customer behaviour	Reduction in customer loyalty with existing customers and an inability to attract new customers if the business fails to adapt to changing customer behaviour, such as the increasing use of mobile devices to access the internet, 'apps' and social media.	The Group continues to focus on building market leading products to improve its proposition to customers. The Group continues to engage with customers to understand any changes in the way they utilise the Group's services.

Corporate Responsibility Report



The Board considers that the management of safety, health, environment, social and ethical matters forms a key element of effective corporate governance which in turn supports the strategy, long-term performance and sustainability of the business.

Communities and charities

The Group's .Community initiative was launched in 2008 and has continued to develop during 2013. The initiative is focused on providing support to charities and community groups located within a few miles of the Group's offices in Ewloe, so support is targeted primarily in Flintshire and Cheshire.

A volunteer group of employees meet each month to review requests for donations and to allocate funds according to agreed donation guidelines. Employees are also active in researching and seeking out local good causes that the Group can help support. The initiative has been effective at harnessing the energy and enthusiasm of the Group's employees to benefit the communities in which it operates.

In 2013 the Group made £2,000 per month available for the .Community initiative. This funding has been channelled via the Charities Aid Foundation, enabling the Group to make gross donations to registered charities.

Over the course of the year the Group has supported over 40 charities and community groups including:

- Kingsley Cricket Club
- Royal British Legion
- Flintshire Citizens Advice Bureau
- Claire House
- Bagillt Playgroup
- Daffodils

In addition to the .Community initiative, the Group and its employees continue to select and support a Charity of the Year on an annual basis.

The 2013 Charity of the Year was Mind. The charity provides help and support to those affected by mental health problems. Over the course of the year the Group's employees raised £27,008 for Mind with the Group also donating £27,224 bringing the total donated to Mind during the year to £54,232.

The Group launched a volunteering scheme in October 2011 through which the Group supports a total of 60 volunteering days per year to help those who are less fortunate, and thereby make a valuable contribution to our local community. During the year employees volunteered in a diverse range of activities including answering telephone calls for Comic Relief, a sponsored bike ride and a sponsored 'Three Peaks Challenge'.

Environment

The Group has established a team called the 'Green Team' which comprises a volunteer group of employees who meet regularly and whose aim is to reduce energy and raw material usage throughout the Group to support environmental and financial performance.

The 'Green Team' have implemented a number of initiatives in 2013 to support this aim including the installation of solar powered thermal heating reducing the Group's reliance on natural gas and the installation of LED lighting at the Group's Ewloe office. The Group estimates that during 2013 it recycled on average over 80% of its commercial waste.

Greenhouse gas (GHG) emissions

This section includes our mandatory reporting of greenhouse gas emissions pursuant to the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The methodology used to calculate our emissions is based on the GHG Protocol Corporate Standard. Emissions reported correspond with our financial year. We have included emissions from both our owned and leased assets for which we are responsible. Emissions are predominantly from gas combustion and electricity use at our offices and data centres. We have reported on all material emission sources which we deem ourselves to be responsible for. Emission factors are from UK government conversion factor guidance current for the year reported.

MORE FOR EVERYONE



- 1 Mind Fundraising** – The social team presented Mind with a cheque for £28,963 as a result of various fundraising events such as cake sales, dragon boat racing and the 'Three Peaks Challenge'.
- 2 Royal Parks** – A team of MoneySuperMarket.com staff ran 13 miles in the Royal Parks Half Marathon, raising over £7,000 for Mind.
- 3 School Children** – Local children benefitted from books donated by the .Community team.
- 4 Mind fundraising** – A member of staff, Ed Toogood completed the Bontrager 24-12, which is a 24 hour mountain bike race without stops, raising funds for Mind.

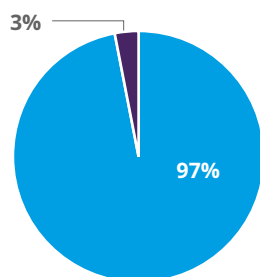
In order to express our annual emissions in relation to a quantifiable factor associated with our activities, we have used revenue as our intensity ratio as this is a relevant indication of our growth and is aligned with our business strategy.

Greenhouse gas emissions data

For period from 1 January 2013 to 31 December 2013

Emissions from:	Tonnes of CO ₂ e
Combustion of fuel and operation of facilities	25.3
Electricity, heat, steam and cooling purchased for own use	918
Company's chosen intensity measurement: tonnes of CO ₂ e per £m revenue	4.18

Total CO₂e by emission type



Electricity, heat, steam and cooling purchased for own use	97%
Combustion of fuel and operation of facilities	3%

Employees

The Group actively encourages employee involvement and consultation and places considerable emphasis on keeping its employees informed of the Group's activities via formal half yearly business performance updates, regular update briefings, regular team meetings, the Group's intranet site which enables easy access to the latest Group information as well as Group policies, and the circulation to employees of relevant information including corporate announcements. This also helps to achieve a common awareness amongst employees of the financial and economic factors affecting the performance of the Group.

The Group has an established employee forum through which nominated representatives ensure that employees' views are taken into account regarding issues that are likely to affect them. A robust employee engagement survey process is also in place to ensure that employees are given a voice in the organisation and that the Group can take action based on employee feedback.

The Group is committed to an equal opportunities policy. The Group aims to ensure that no employee is discriminated against, directly or indirectly, on the grounds of colour, race, ethnic and national origins, sexual orientation or gender, marital status, disability, religion or belief, being part time or on the grounds of age.

Approximately 58% of our employees are male and 42% female. In our senior leadership team, approximately 76% of the team are male and 24% female whilst on our Board, 90% of the Directors are male and 10% female.

The Group recognises the importance of health and safety and the positive benefits to the Group. The Group has a health and safety policy which is communicated to all employees through a health and safety handbook, which is regularly reviewed and updated.

Supporting students

In order to build links between the Group and local schools and colleges, work experience and placements are offered to a number of students. In doing so, the Group strives to make work placements positive, challenging and relevant to participants' current studies and their future job prospects.

Business ethics

The Group has formal ethics and anti-bribery policies which incorporate the Group's key principles and standards governing business conduct towards our key stakeholder groups. We believe we should treat all of these groups with honesty and integrity.

Board of Directors and Company Secretary



1. Gerald Corbett Chairman of the Board and Chairman of the Nomination Committee

Gerald has been chairman of Britvic plc since November 2005, chairman of Betfair Group plc since March 2012 and chairman of Towry Holdings Limited since March 2012. Gerald is a non-executive director of Numis Corporation Plc. Gerald was chairman of SSL International plc from 2005 to 2010 and prior to that was chairman, chief executive or finance director of a number of major companies.

Term of Office

Gerald was appointed to the Board as Chairman in June 2007. Gerald will step down as Chairman of the Company and as a Non-Executive Director at the Annual General Meeting on 23 April 2014.

Independent

On appointment.

External Appointments

Gerald is chairman of Britvic plc, Betfair Group plc and Towry Holdings Limited. He is a non-executive director of Numis Corporation Plc.

Committee Membership

Gerald chairs the Nomination Committee and is a member of the Remuneration and Audit Committees. He will step down from these Committees when he ceases to be a Non-Executive Director on 23 April 2014.

2. Simon Nixon Non-Executive Deputy Chairman

Simon co-founded the Group's business in 1993 and since then has been involved in the management and development of the business including the launch of MoneySuperMarket.com in 1999 and TravelSupermarket.com in 2004.

Term of Office

Simon was appointed to the Board as Chief Executive Officer in April 2007 and became Deputy Chairman in February 2009. Simon became Non-Executive Deputy Chairman in April 2013.

Independent

No.

External Appointments

Simon is a director of Compara Online, Beaufort Capital Management UK Ltd, Simon Family Office Limited, Atlantic Paradise Ltd, Atlantic Serenity Holding Ltd and Simon Escapes Properties SL.

Committee Membership

None.

3. Peter Plumb Chief Executive Officer

Prior to joining the Group in 2009, Peter was the UK managing director of dunhumby Limited between 2006 and 2008. He was previously general manager of Europe Disney Consumer Products, international director of Dyson Appliances Limited and held senior commercial roles at PepsiCo International. Peter has an MBA from IMD in Switzerland.

Term of Office

Peter was appointed to the Board in January 2009 and became Chief Executive Officer in February 2009.

Independent

Not applicable.

External Appointments

None.

Committee Membership

Peter attends the Risk, Remuneration, Audit and Nomination Committees by invitation.

4. Paul Doughty Chief Financial Officer

Paul joined the Group in 2004 as Chief Financial Officer. Prior to that, he held commercial finance roles at Motorola Limited, National Power plc and Morse plc. Paul is a qualified Chartered Accountant, having trained and qualified at Price Waterhouse.

Term of Office

Paul was appointed to the Board in April 2007. Paul will step down as a Director of the Company at the Annual General Meeting on 23 April 2014.

Independent

Not applicable.

External Appointments

Paul is a director of HD Decisions Limited, a company in which the Group owns 25% of the share capital.

Committee Membership

Paul attends the Audit and Risk Committees by invitation.

5. Graham Donoghue Chief Product Officer

Graham joined the Group in 2008 as Managing Director, Travel and was appointed Managing Director, Financial Services in January 2011. He became Chief Product Officer in 2013. Prior to joining the Group, Graham was new media director of TUI Travel plc between 2006 and 2008.

Term of Office

Graham was appointed to the Board in February 2009.

Independent

Not applicable.

External Appointments

None.

Committee Membership

Graham attends the Risk Committee by invitation.



6. Michael Wemms Senior Independent Non-Executive Director

Michael has been a non-executive director of Howden Joinery Group plc since 2006. He was formerly a non-executive director of Inchcape plc between 2004 and 2011, chairman of the British Retail Consortium between 2004 and 2006, chairman of House of Fraser plc between 2001 and 2006 and a non-executive director of A&D Pharma Holdings N.V. between 2006 and 2008. Michael was previously an executive director of Tesco plc between 1989 and 2000.

Term of Office

Michael was appointed to the Board as a Non-Executive Director in July 2007.

Independent

Yes.

External Appointments

Michael is a non-executive director of Howden Joinery Group plc.

Committee Membership

Michael is a member of the Remuneration, Audit, Nomination and Risk Committees.

7. Rob Rowley Independent Non-Executive Director and Chairman of the Audit Committee

Rob has been a non-executive director of Taylor Wimpey plc since 2010 where he is the senior independent non-executive director and chairs its audit committee. He has been a non-executive director of Morgan Advanced Materials plc since February 2014. He was formerly deputy chairman of Cable & Wireless plc between 2003 and 2006 and a non-executive director of Prudential plc between 1999 and 2006 where he chaired its audit committee. Rob was previously at Reuters plc from 1978 to 2001 where he was a director between 1990 and 2001.

Term of Office

Rob was appointed to the Board as a Non-Executive Director in September 2007.

Independent

Yes.

External Appointments

Rob is a non-executive director of Taylor Wimpey plc and Morgan Advanced Materials plc.

Committee Membership

Rob chairs the Audit Committee and is a member of the Remuneration, Nomination and Risk Committees.

8. Bruce Carnegie-Brown Independent Non-Executive Director and Chairman of the Remuneration Committee

Bruce was appointed non-executive chairman of Aon UK plc in September 2012 and a non-executive director of Santander UK plc in October 2012. He has been a non-executive director of Close Brothers Group plc since 2006, and a non-executive director of Catlin Group Limited since 2010, where, for both companies, he is the senior independent non-executive director and chairs their respective remuneration committees. He was previously managing partner of 3i Group, chief executive officer of Marsh Limited and a managing director of JJP Morgan.

Term of Office

Bruce was appointed to the Board as a Non-Executive Director in April 2010. Bruce will become Chairman of the Company at the Annual General Meeting on 23 April 2014.

Independent

Yes.

External Appointments

Bruce is non-executive chairman of Aon UK plc. He is a non-executive director of Close Brothers Group plc, Catlin Group Limited and Santander UK plc.

Committee Membership

Bruce chairs the Remuneration Committee and is a member of the Audit and Nomination Committees. Bruce will chair the Nomination Committee and will cease to be a member of the Audit Committee when he becomes Chairman of the Company on 23 April 2014.

9. Sally James Independent Non-Executive Director and Chair of the Risk Committee

Sally has been a non-executive director of Rotork plc since 2012, a non-executive director of UBS Limited since 2009 and a non-executive director of Towry Holdings Limited since 2011. Sally previously held a number of senior legal roles in investment banks in London and Chicago.

Term of Office

Sally was appointed to the Board as a Non-Executive Director in April 2013.

Independent

Yes.

External Appointments

Sally is a non-executive director of Rotork plc, UBS Limited and Towry Holdings Limited.

Committee Membership

Sally chairs the Risk Committee and is a member of the Remuneration, Audit and Nomination Committees.

10. Robin Klein Independent Non-Executive Director

Robin is a venture partner of Index Ventures and a founding partner of The Accelerator Group. He is a non-executive director or board observer in a number of companies in which Index Ventures or The Accelerator Group have invested, including Moo Print Limited, Zoopla Property Group Limited, Wonga Group Limited, Adhunder Limited and Lifealike Limited.

Term of Office

Robin was appointed a Non-Executive Director in June 2013.

Independent

Yes.

External Appointments

Robin is a non-executive director or board observer in a number of companies including Moo Print Limited, Zoopla Property Group Limited, Wonga Group Limited, Adhunder Limited and Lifealike Limited.

Committee Membership

Robin is a member of the Remuneration Committee.

11. Darren Drabble Company Secretary and Group General Counsel

Darren joined the Group as Company Secretary and Group General Counsel in May 2007. Darren has a corporate and commercial law background originally qualifying as a solicitor with Addleshaw Goddard LLP before working as a senior legal counsel at United Utilities Group PLC.

Term of Office

Darren was appointed Company Secretary in June 2007.

Directors' Report



Darren Drabble
Company Secretary

Directors' Report

The Directors present their report and the Group and Company Financial Statements of Moneysupermarket.com Group PLC (the 'Company') and its subsidiaries (together the 'Group') for the financial year ended 31 December 2013.

Principal activities

The Company is a public limited company incorporated in England, registered number 6160943, with its registered office at Moneysupermarket House, St David's Park, Ewloe, Chester, CH5 3UZ.

The principal activity of the Group is the introduction of business to financial, insurance, travel, home services and other product or service providers through its websites. The principal activity of the Company is that of a holding company.

Strategic report

Pursuant to sections 414A-D Companies Act 2006, the business review has been replaced with a strategic report, which can be found on pages 6 to 21. This report sets out the development and performance of the Group's business during the financial year, the position of the Group at the end of the year and a description of the principal risks and uncertainties facing the Group.

UK Corporate Governance Code

The Company's statement on corporate governance can be found in the Corporate Governance Report, the Audit Committee Report, the Nomination Committee Report and the Directors' Remuneration Report on pages 28 to 48. The Corporate Governance Report, the Audit Committee Report, the Nomination Committee Report and the Directors' Remuneration Report form part of this Directors' Report and are incorporated into it by reference.

Results and dividends

The Group's and Company's audited Financial Statements for the financial year ended 31 December 2013 are set out on pages 51 to 80.

A special dividend of 12.92p per ordinary share was paid to shareholders on 26 July 2013 and an interim dividend of 2.16p (2012: 1.8p) per ordinary share was paid to shareholders on 13 September 2013.

The Directors recommend a final dividend of 5.12p (2012: 3.94p) per ordinary share. If approved by shareholders at the forthcoming Annual General Meeting, this will be paid on 2 May 2014 to shareholders on the register at the close of business on 21 March 2014.

The final dividend, together with the special dividend paid on 26 July 2013 and the interim dividend paid on 13 September 2013, gives a total dividend for the year of 20.20p (2012: 5.74p) per ordinary share.

Post balance sheet events

There have been no balance sheet events that either require adjustment to the Financial Statements or are important in the understanding of the Company's current position.

Major shareholders

As at the date of this report, the Company had been notified of the following significant holdings of voting rights in its ordinary shares in accordance with the Financial Conduct Authority's Disclosure and Transparency Rules:

Shareholder	Number of ordinary shares/voting rights notified	Percentage of ordinary share capital/voting rights notified
Simon Nixon	159,795,130	29.50
The Capital Group Companies, Inc.	38,332,245	7.10
Aviva plc	33,232,531	6.10
Kames Capital	27,311,228	5.00
Ameriprise Financial, Inc. and its group	27,072,418	5.00
BlackRock Inc	25,454,379	4.70
FIL Limited	24,758,460	4.60
State Street Nominees Limited	20,581,165	3.80
Martin Steven Lewis	17,378,424	3.20

Share capital and control

The issued share capital of the Company comprises a single class of shares referred to as ordinary shares of 0.02p each. As at 31 December 2013, the issued share capital of the Company was £108,403 comprising 542,014,578 ordinary shares of 0.02p each. Full details of the share capital of the Company and changes to the share capital during the year are set out in note 16 to the Group Financial Statements on page 70. All the information detailed in note 16 on page 70 forms part of this Directors' Report and is incorporated into it by reference.

At the Annual General Meeting of the Company held on 17 April 2013, shareholders authorised the Directors to allot up to 357,835,000 ordinary shares in the capital of the Company. Directors will seek authority from shareholders at the forthcoming Annual General Meeting to allot up to 360,985,412 ordinary shares.

On a show of hands at a general meeting of the Company, every holder of ordinary shares present in person or by proxy, and entitled to vote, shall have one vote and, on a poll, every holder of ordinary shares present in person or by proxy, and entitled to vote, shall have one vote for every ordinary share held. There are no issued shares in the Company with special rights with regard to control of the Company.

The notice of the Annual General Meeting specifies deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the Annual General Meeting. All proxy votes are counted and the numbers for, against or withheld in relation to each resolution are announced at the Annual General Meeting and published on the Company's website after the meeting.

There are no restrictions on the transfer of ordinary shares in the Company other than:

- Certain restrictions may from time to time be imposed by laws and regulations (for example, insider trading laws).
- Pursuant to the Listing Rules of the Financial Conduct Authority whereby certain Directors, officers and employees of the Group require the approval of the Company to deal in ordinary shares of the Company.

Under the rules of the Company Share Incentive Plan ('Plan'), eligible employees were provided with the opportunity to receive 'free' shares on the listing of the Company ('Listing') with a value as at the date of Listing of £3,000, and all employees are entitled to purchase ordinary shares in the Company using money deducted from their pre-tax salary. Plan shares are held in trust for participants by Capita IRG Trustees Limited ('Trustees'). Voting rights are exercised by the Trustees on receipt of participants' instructions. If a participant does not submit an instruction to the Trustees, no vote is registered. In addition, the Trustees do not vote on any unawarded or forfeit shares held under the Plan as surplus assets. As at the date of this report, the Trustees held 0.1% of the issued ordinary share capital of the Company.

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights.

The Company and Simon Nixon entered into a relationship agreement on 11 July 2007 to regulate the ongoing relationship between them ('Relationship Agreement'). The Company and Simon Nixon have agreed in the Relationship Agreement that Simon Nixon is entitled to appoint (such number including himself) one Non-Executive Director for as long as he holds the beneficial interest in at least 15% of the ordinary shares of the Company, two Non-Executive Directors for as long as he holds the beneficial interest in at least 30% of the ordinary shares of the Company and three Non-Executive Directors for as long as he holds the beneficial interest in at least 50% of the ordinary shares of the Company. The Relationship Agreement will terminate if Simon Nixon holds less than 15% of the ordinary shares of the Company. As at the date of this report, Simon Nixon had not appointed any Non-Executive Directors pursuant to his rights in the Relationship Agreement.

Save in respect of provisions of the Company's share schemes which may cause options and awards granted to employees under such schemes to vest on a takeover, there are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

Save in respect of the Company's share schemes, there are no significant agreements to which the Company is a party that take effect, alter or terminate upon a change of control following a takeover bid.

The Company's Articles of Association may only be amended by a special resolution at a general meeting of shareholders. No amendments are proposed to be made to the existing Articles of Association at the forthcoming Annual General Meeting.

Authority to purchase own shares

At the Annual General Meeting of the Company held on 17 April 2013, shareholders authorised the Company to purchase, in the market, up to 53,728,838 of its own ordinary shares either to be cancelled or retained as treasury shares. As at the date of this Director's Report, the Company had not purchased any of its own ordinary shares in the market.

Directors will seek authority from shareholders at the forthcoming Annual General Meeting for the Company to purchase, in the market, up to 54,202,014 of its own ordinary shares either to be cancelled or retained as treasury shares. The Directors will only use this power after careful consideration, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The Directors will only purchase such shares after taking into account the effects on earnings per share and the interests of shareholders generally.

Research and development

Innovation is important to the future success of the Group and to the delivery of long-term value to shareholders. The Group's research and development expenditure is predominantly associated with computer and internet software systems. Successfully developed software is used to develop new products and to improve and extend the functionality and scope of the Group's operations.

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Company, and the Group as a whole, have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Financial Statements have been prepared on a going concern basis.

Directors

The following persons were Directors of the Company during the financial year ended 31 December 2013: Gerald Corbett, Simon Nixon, Peter Plumb, Paul Doughty, Graham Donoghue, Michael Wemms, Rob Rowley, Bruce Carnegie-Brown, Sally James (appointed 11 April 2013) and Robin Klein (appointed 21 June 2013). Their biographical details are set out on pages 22 and 23.

Subject to law and the Company's Articles of Association, the Directors may exercise all of the powers of the Company and may delegate their power and discretion to committees.

The Company's Articles of Association give the Directors power to appoint and replace Directors. Under the terms of reference of the Nomination Committee, any appointment to the Board of the Company must be recommended by the Nomination Committee for approval by the Board. The Articles of Association also require Directors to retire and submit themselves for election at the first Annual General Meeting following their appointment and to stand for re-election at least every three years following their election or last re-election.

In accordance with the Company's Articles of Association and the UK Corporate Governance Code, all of the Directors will retire at the forthcoming Annual General Meeting and, with the exception of Gerald Corbett and Paul Doughty who will be stepping down as Directors, will offer themselves for election or re-election.

Directors' remuneration

The Remuneration Committee, on behalf of the Board, has adopted a policy that aims to attract and retain the Directors needed to run the Group successfully. Details of the Directors' remuneration is set out in the Directors' Remuneration Report on pages 36 to 48.

Directors' interests

Details of the Directors' and their connected persons' interests in the ordinary shares of the Company are set out in the Directors' Remuneration Report on pages 36 to 48. No Director has any other interest in any shares or loan stock of any Group company.

The details of transactions with Directors of the Company and related party transactions in the financial year ended 31 December 2013 are set out in note 22 to the Group Financial Statements on pages 73 and 74. During the year, no Director had any material interest in any contract of significance to the Group's business.

Directors' Report

continued

Directors' and officers' insurance and indemnities

During the financial year ended 31 December 2013 and up to the date of this Directors' Report, the Company has maintained liability insurance for its Directors and officers.

The Company has granted indemnities to each of its Directors and the Company Secretary to the extent permitted by law and its Articles of Association. These indemnities were in force throughout the year ended 31 December 2013 and remain in force as at the date of this report in relation to certain losses and liabilities which the Directors or Company Secretary may incur in the course of acting as Directors, Company Secretary or employees of the Company or of any associated company.

Directors' responsibilities statement in respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and the Group and Company Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company Financial Statements for each financial year. Under that law they are required to prepare the Group Financial Statements in accordance with IFRSs as adopted by the EU and applicable law and have elected to prepare the Company Financial Statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 Group and Company and of their profit or loss for that period. In preparing each of the Group and Company 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.
- For the Group Financial Statements, state whether they have been prepared in accordance with IFRSs as adopted by the EU.
- For the Company Financial Statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Company Financial Statements.
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and 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 its Financial Statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Report that complies with that law and those regulations.

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

The Board considers that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

Directors' responsibilities statement pursuant to Disclosure and Transparency Rules 4.1.12R

Each of the Directors whose names and functions are set out on pages 22 and 23 confirms that, to the best of their knowledge:

- The Financial Statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole.
- The management report, which comprises the Directors' Report and the Strategic Report, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Management report

The Directors' Report and Strategic Report comprises the 'management report' for the purposes of the Financial Conduct Authority's Disclosure and Transparency Rules (DTR 4.1.8R).

Internal control

The Corporate Governance Report and Audit Committee Report on pages 28 to 34 includes the Board's assessment of the Group's system of internal controls and consideration of the guidance issued by the Turnbull Committee of the Institute of Chartered Accountants of England and Wales.

Employees

The Group places considerable value on the involvement of its employees and uses a number of ways to engage with employees on matters that impact them and the performance of the Group. These include formal half yearly business performance updates by members of the executive management team for all employees, regular update briefings for all employees, regular team meetings, the Group's intranet site which enables easy access to the latest Group information as well as Group policies, and the circulation to employees of results announcements and other corporate announcements. This also helps to achieve a common awareness amongst employees of the financial and economic factors affecting the performance of the Group.

The Group has an established employee forum through which nominated representatives ensure that employees' views are taken into account regarding issues that are likely to affect them. A robust employee engagement survey process is also in place to ensure that employees are given a voice in the organisation and that the Group can take action based on employee feedback.

All employees are able to participate in the Company's Share Incentive Plan and Save As You Earn Scheme which gives employees the opportunity to purchase ordinary shares in the Company. This helps to encourage employee interest in the performance of the Group.

Equal opportunities

The Group is committed to providing equality of opportunity to all employees without discrimination and applies fair and equitable employment policies which seek to promote entry into and progression within the Group. Appointments are determined solely by application of job criteria, personal ability, behaviour and competency.

Disabled persons

Disabled persons have equal opportunities when applying for vacancies, with due regard to their skills and abilities. Procedures ensure that disabled employees are fairly treated in respect of training and career development. For those employees becoming disabled during the course of their employment, the Group is supportive so as to provide an opportunity for them to remain with the Group, wherever reasonably practicable.

In the opinion of the Directors, all employee policies are deemed to be effective and in accordance with their intended aims.

Borrowings

During the period, the Group increased the size of its available loan facility from £20m to £70m. The Group drew down £60m of the available funds, prior to the payment of the special dividend on 26 July 2013, and to provide necessary working capital thereafter. As at 31 December 2013, the Group had net debt of £21.1m. Under the terms of the facility, the amount available will reduce to £60m on 31 May 2014, and to £50m on 31 May 2015.

Financial risk management

It is the Group's objective to manage its financial risk so as to minimise the adverse fluctuations in the financial markets on the Group's profitability and cash flow. The specific policies for managing each of the Group's main financial risk areas are set out in note 17 to the Group Financial Statements on pages 70 and 71.

Political donations

During the financial year ended 31 December 2013, the Group did not make any political donations (2012: £nil).

Environmental matters

Information on the Group's greenhouse gas emissions is disclosed in the Corporate Responsibility Report on pages 20 and 21 and is incorporated into this Directors' Report by reference.

Disclosure of information to auditor

The Directors who held office at the date of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each such Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information, and to establish that the Company's auditor is aware of that information.

Auditor

Our auditor, KPMG Audit Plc, has informed the Company that for administrative reasons they have instigated an orderly wind down of business, and wish to formally change the entity that conducts the audit from KPMG Audit Plc to KPMG LLP. The Board has decided to recommend KPMG LLP be appointed as external auditor to the Company and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Annual General Meeting

The forthcoming Annual General Meeting of the Company will be held at The Chester Grosvenor Hotel, Eastgate, Chester, CH1 1LT on Wednesday 23 April 2014 at 11.00am.

The notice convening the forthcoming Annual General Meeting of the Company, with details of the business to be transacted at the meeting and explanatory notes, is set out in a separate circular which has been sent to all shareholders at the same time as this report.

By order of the Board:

Darren Drabble
Company Secretary
3 March 2014

Corporate Governance Report



Darren Drabble
Company Secretary

The Board of Directors ('Board') of Moneysupermarket.com Group PLC ('Company') is committed to high standards of corporate governance and supports the principles laid down in The UK Corporate Governance Codes published in June 2010 and September 2012 by the Financial Reporting Council ('Codes'). This Corporate Governance Report describes how the principles of the Codes are applied by the Company and reports on the Company's compliance with the Codes' provisions.

Compliance

The Board considers that the Company has complied with the provisions of the Codes throughout the year ended 31 December 2013 and to the date of this report except as set out below.

Board of Directors

The Board currently has ten members, comprising the Non-Executive Chairman, Gerald Corbett, five Independent Non-Executive Directors, Michael Wemms, Rob Rowley, Bruce Carnegie-Brown, Sally James and Robin Klein, one non-Independent Non-Executive Director, Simon Nixon (Deputy Chairman), and three Executive Directors, Peter Plumb (Chief Executive Officer), Paul Doughty and Graham Donoghue. Michael Wemms has been designated as the Senior Independent Non-Executive Director.

At the Annual General Meeting to be held on 23 April 2014, Gerald Corbett will step down as Chairman and as a Non-Executive Director of the Company, and he will be succeeded by Bruce Carnegie-Brown as Chairman. Paul Doughty will also step down as an Executive Director at the Annual General Meeting on 23 April 2014 and he will be succeeded by Matthew Price who will be appointed an Executive Director on 1 April 2014.

The Board normally meets on at least eight occasions in each financial year including a two day strategy conference. To enable the Non-Executive Directors to more freely discuss the performance of the Group's management, the Chairman meets with the Non-Executive Directors at least once each year without the Executive Directors present.

The Board considers that all the Directors are able to devote sufficient time to their duties as Directors. Biographies of the Board are set out on pages 22 and 23 including details of the significant commitments of the Chairman. The Board is satisfied that these appointments do not conflict with the Chairman's ability to carry out his duties and responsibilities effectively for the Group.

The Board has reviewed the recommendations of the Davies Review as part of a wider diversity discussion and has endorsed a Board Diversity Statement. The Board supports the aims, objectives and recommendations of the Davies Report and in line with the Codes will continue to make Board appointments on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including gender.

Independence/Non-Executive Directors

The Chairman and the Non-Executive Directors bring wide and varied commercial experience to Board and Committee deliberations. The practice of the Company is to appoint Non-Executive Directors for specified terms of three years, subject to a

maximum of up to three months' notice within that period and also subject to re-election and to Companies Act provisions relating to the removal of a Director. Each of the Non-Executive Directors, including the Chairman, currently holds a letter of appointment reflecting this.

The Board considers that Gerald Corbett was independent on appointment as Chairman and considers Michael Wemms, Rob Rowley, Bruce Carnegie-Brown, Sally James and Robin Klein to be independent, being independent in character and judgement and free from relationships or circumstances which are likely to affect, or could appear to affect, their judgement. The Board does not consider Simon Nixon to be independent.

Conflicts of interest

The Company's Articles of Association were amended at the 2008 Annual General Meeting, in line with the Companies Act 2006, to allow the Board to authorise potential conflicts of interest that may arise and to impose limits or conditions, as appropriate, when giving any authorisation. Any decision of the Board to authorise a conflict of interest is only effective if it is agreed without the conflicted Directors voting or without their votes being counted. In making such a decision, the Directors must act in a way they consider in good faith will be most likely to promote the success of the Company.

The Company has established a procedure for the appropriate authorisation to be sought prior to appointment of any new Director or prior to a new conflict arising and for the regular review of actual or potential conflicts of interest. During the year, this procedure was adhered to and operated effectively.

Relationship Agreement

The single largest shareholder of the Company is Simon Nixon. The Company and Simon Nixon entered into a relationship agreement on 11 July 2007 to regulate the ongoing relationship between them ('Relationship Agreement'). The principal purpose of the Relationship Agreement is to ensure that the Company is capable of carrying on its business independently of Simon Nixon, and that transactions and relationships with Simon Nixon are at arm's length and on normal commercial terms.

The Company and Simon Nixon have agreed in the Relationship Agreement that Simon Nixon is entitled to appoint (such number including himself as a Director) one Non-Executive Director for as long as he holds the beneficial interest in at least 15% of the ordinary shares of the Company, two Non-Executive Directors for as long as he holds the beneficial interest in at least 30% of the ordinary shares of the Company and three Non-Executive Directors for as long as he holds the beneficial interest in at least 50% of the ordinary shares of the Company. The Relationship Agreement will terminate if Simon Nixon holds less than 15% of the ordinary shares of the Company.

The Relationship Agreement also includes a protocol to be observed in relation to any Non-Executive Director appointed by Simon Nixon to deal with potential conflicts of interest and the provision of confidential information.

As at the date of this report, Simon Nixon had not appointed any Non-Executive Directors pursuant to his rights in the Relationship Agreement.

Division of responsibilities

The positions of Chairman and Chief Executive Officer are not exercised by the same individual, ensuring a clear division of responsibility at the head of the Company. The division of roles and responsibilities between the Chairman and Chief Executive Officer is clearly established, set out in writing and has been approved by the Board.

The Chairman is responsible for leadership of the Board, setting its agenda and monitoring its effectiveness. He ensures effective communication with shareholders and that the Board is aware of the views of major shareholders. He facilitates both the contribution of the Non-Executive Directors and constructive relations between the Executive and Non-Executive Directors.

The Chief Executive Officer is responsible for the day to day running of the Group, carrying out agreed strategy and implementing specific Board decisions.

Role of the Board

The Board is collectively responsible for the Group's performance and meets regularly to review the operation and performance of the Group. The Board has a formal schedule of matters reserved to it for decision making and matters delegated to Committees of the Board which are available on the investor relations section of the Group's website at www.moneysupermarket.com. These include the Group's strategy; business plan and annual budget; acquisitions and disposals; and other major investments and capital projects.

There is an established procedure for the preparation and approval each year by the Board of business plans and the annual budget. The Board receives reports on performance against the business plan and budget and reviews any significant variances each time it meets. This information enables business performance to be monitored, evaluated, discussed and challenged where necessary and enables informed, sound decisions to be made. At least one of the Board's regular meetings each year is devoted to reviewing and agreeing the Group's strategic direction.

Board Committees

The Board has four principal Committees (Audit, Nomination, Remuneration and Risk) to which various matters are delegated. The Committees all have formal written terms of reference that have been approved by the Board and are published on the investor relations section of the Group's website at www.moneysupermarket.com. They are also available in hard copy form on application to the Company Secretary.

Details of the work of the Audit, Nomination and Remuneration Committees during the year are given in the reports of those Committees on pages 32 to 48. The Risk Committee was established by the Board in February 2014 and will meet for the first time in April 2014.

The Directors who serve on each of the Committees are set out below:

Committee	Chair	Members
Audit	Rob Rowley	Gerald Corbett, Michael Wemms, Bruce Carnegie-Brown, Sally James
Nomination	Gerald Corbett	Michael Wemms, Rob Rowley, Bruce Carnegie-Brown, Sally James
Remuneration	Bruce Carnegie-Brown	Gerald Corbett, Rob Rowley, Michael Wemms, Sally James, Robin Klein
Risk	Sally James	Rob Rowley, Michael Wemms

With effect from the AGM on 23 April 2014, Bruce Carnegie-Brown will chair the Nomination Committee in place of Gerald Corbett who will step down as a Director, and Bruce Carnegie-Brown will cease to be a member of the Audit Committee. Bruce will continue to chair the Remuneration Committee until a new Independent Non-Executive Director is appointed. It is anticipated that a new Independent Non-Executive Director will be appointed during 2014 and will chair the Remuneration Committee in place of Bruce.

Board and Committee attendance

The attendance record of the Directors at scheduled Board and Committee meetings during the year is set out in the following table. The Board scheduled nine meetings during the year and ad hoc conference calls and committee meetings were also convened to deal with specific matters which required attention between scheduled meetings.

	Board	Audit Committee	Nomination Committee	Remuneration Committee
Executive Directors				
Peter Plumb	9	–	–	–
Paul Doughty	9	–	–	–
Graham Donoghue	9	–	–	–
Non-Executive Directors				
Gerald Corbett	9	4	6	6
Simon Nixon	8	–	–	–
Michael Wemms	9	4	6	6
Rob Rowley	9	4	6	6
Bruce Carnegie-Brown	9	4	6	6
Sally James (appointed 11 April 2013)	5	3	4	3
Robin Klein (appointed 21 June 2013)	3	–	–	2
Total number of scheduled meetings held	9	4	6	6

The Executive Directors of the Company may attend meetings of the Committees at the invitation of the Chair of the respective Committee.

Corporate Governance Report

continued

Directors

The Company's Articles of Association require that new Directors appointed by the Board must retire and submit themselves for election by shareholders at the next Annual General Meeting following their appointment. The Company's Articles of Association further require that all Directors must retire and submit themselves for re-election at least every three years. In accordance with the Codes, all of the Directors will retire at the forthcoming Annual General Meeting and, being eligible, will offer themselves for re-election.

The Company provides Directors' and officers' insurance cover for the benefit of Directors in respect of claims arising in the performance of their duties. The Company has also granted indemnities to each of its Directors and the Company Secretary to the extent permitted by law and its Articles of Association.

Board evaluation

The formal annual evaluation of the performance of the Board, its Committees and individual Directors was undertaken during the year. This consisted of an internally run exercise led by the Chairman with the assistance of the Company Secretary. The appraisal questionnaire used in connection with the process was wide-ranging and based on questions outlined in the Codes, covering both Board and Committee performance. The Board considered that an internally run exercise was most appropriate in the current year but agreed annually to give consideration to whether an externally facilitated evaluation may be appropriate. In 2014, it is anticipated that an externally facilitated evaluation will likely take place.

The appraisal output is used to identify strengths and development areas and confirmed that the Board and its Committees were operating effectively. Individual performance was also appraised, based on one-to-one interviews with the Chairman, or in the case of the Chairman, with the Senior Independent Non-Executive Director following consultation with each of the other Directors.

Development

The Chairman and Company Secretary are responsible for preparing and co-ordinating an induction programme for newly appointed Directors, including business related presentations by senior management below Board level, as well as guidance on their duties, responsibilities and liabilities as a Director of the Company. Every Director has access to appropriate training as required following their appointment and is encouraged to develop their understanding of the Group.

Information

Board members are given appropriate documentation in a timely manner in advance of each Board or Committee meeting. This normally includes a detailed report on current trading and comprehensive papers on matters where the Board or Committee will be required to make a decision or give its approval. Specific business related presentations are given by senior management below Board level when appropriate.

The Directors have access to the advice and services of the Company Secretary. The Company Secretary is responsible for ensuring that Board procedures are followed and providing advice to the Board on corporate governance. Both the appointment and removal of the Company Secretary are matters for the Board as a whole.

Directors can, where they judge it necessary to discharge their responsibilities as Directors, obtain independent professional advice at the Company's expense. No such advice was sought by any Director during the year. Directors have the right to require that any concerns they may have are recorded in the appropriate Board or Committee minutes.

Shareholder relations

The Board is committed to establishing and maintaining good communications with shareholders. Senior executives, including the Chief Executive Officer and Chief Financial Officer regularly meet with analysts and institutional shareholders to keep them informed of significant developments and to develop an understanding of their views which are discussed with the Board. Formal presentations are given to analysts and shareholders covering the full year and half year results and the Company seeks to maintain a dialogue with the various bodies which monitor the Company's governance policies and procedures. The Company Secretary generally deals with questions from individual shareholders.

The results and results presentations, together with all information reported to the market via the regulatory information service, press releases and other shareholder information, are published on the investor relations section of the Group's website at www.moneysupermarket.com to be viewed and accessed by all shareholders.

The Senior Independent Non-Executive Director, Michael Wemms, is available to shareholders if they have concerns which contact through the normal channels of Chairman, Chief Executive Officer or Chief Financial Officer has failed to resolve or for which such contact is inappropriate.

All shareholders will have the opportunity to ask questions at the forthcoming Annual General Meeting. The Chairs of the Audit, Nomination, Remuneration and Risk Committees will be available to answer questions at that meeting. Shareholders may also contact the Chairman, the Chief Executive Officer or, if more appropriate, the Senior Independent Non-Executive Director to raise any issue with one or all of the Non-Executive Directors of the Company.

The Company will prepare separate resolutions on each substantially separate issue at the forthcoming Annual General Meeting. The result of the vote on each resolution will be published on the Group's website after the Annual General Meeting and will be announced via the regulatory information service.

Internal control and risk management

The Board is responsible for the Group's system of internal control and risk management and for reviewing its effectiveness. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The key features of the Group's system of internal control and risk management are:

- A comprehensive annual business planning and budgeting process, requiring Board approval, against which the Group's actual performance and any significant variances are regularly reviewed by the Board.
- A schedule of matters reserved for the Board's approval to ensure it maintains control over appropriate strategic, financial, organisational, compliance and capital investment issues.
- An organisation structure with clearly defined lines of responsibility and delegation of authority.
- Regular reviews of the key risks facing the Group to ensure key risks are being identified, evaluated and appropriately managed, having regard to the balance of risk, cost and opportunity.
- An annual two day strategy conference to discuss and approve the Group's strategic direction, plans and objectives and the risks to achieving them.
- An internal audit and compliance function providing assurance over key risks, processes and controls.

In addition, the Audit Committee receives:

- Reports from the external auditor in relation to the Financial Statements and the material financial reporting judgements contained in them.
- Reports from the internal and external auditors in relation to the system of internal control and the reviews by the internal and external auditors of that system.

The Audit Committee has reviewed the effectiveness of the Group's system of internal control and risk management during the year. The Board considers that in the context of the control environment described above, the Group's system of internal control and risk management is effective and satisfactory.

Share capital

Details of the Company's share capital are set out in the Directors' Report on pages 24 and 25.

Compliance with the Codes

The Directors consider that during the financial year ended 31 December 2013 and to the date of this report, the Company complied with the Codes except as follows:

B.1.2 – Until the appointment of Robin Klein as an Independent Non-Executive Director in June 2013, at least half the Board, excluding the Chairman, did not comprise Independent Non-Executive Directors. With effect from June 2013, the Company complied with the Code provision B.1.2. The Board has commenced a process to appoint an additional Non-Executive Director which it expects to conclude during 2014.

B.6.2 – An externally facilitated Board evaluation has not been undertaken in the previous three years. Given the appointment of Bruce Carnegie-Brown as the new Chairman of the Company, it is anticipated that an externally facilitated Board evaluation will likely be performed in 2014.

C.3.1 – During the year, Gerald Corbett was a member of the Audit Committee. Upon his appointment as Chairman of the Company on 23 April 2014, Bruce Carnegie-Brown will cease to be a member of the Audit Committee.

E.1.1 – As a result of regular feedback provided to the Board by the Chief Executive Officer and Chief Financial Officer following their dialogue with major shareholders, the Senior Independent Non-Executive Director believes he is aware of the views of major shareholders. Unless requested by major shareholders, the Senior Independent Non-Executive Director does not attend meetings with them.

This report was approved by the Board and signed on its behalf by:

Darren Drabble
 Company Secretary
 3 March 2014

Audit Committee Report



Rob Rowley
Chairman of the
Audit Committee

The Audit Committee presents a separate report in relation to the financial year ended 31 December 2013.

Composition of the Audit Committee

The Audit Committee comprises five of the Non-Executive Directors, Rob Rowley (Chairman), Gerald Corbett, Michael Wemms, Bruce Carnegie-Brown and Sally James. Rob Rowley, Michael Wemms, Bruce Carnegie-Brown and Sally James are considered by the Board to be independent. Gerald Corbett was considered by the Board to be independent on appointment. Bruce Carnegie-Brown will cease to be a member of the Audit Committee when he becomes Chairman of the Company on 23 April 2014. Biographies of the members of the Audit Committee are set out on pages 22 and 23. Rob Rowley is a qualified accountant and was formerly finance director of Reuters plc and chairman of the audit committee at Prudential plc. He is currently chairman of the audit committee at Taylor Wimpey plc. The Board is satisfied that Rob Rowley has recent and relevant financial experience.

Terms of reference

The terms of reference of the Audit Committee are published on the investor relations section of the Group's website at www.moneysupermarket.com and are available in hard copy form on application to the Company Secretary. These include:

- Monitoring the integrity of the Financial Statements of the Company, any formal announcements relating to the Company's financial performance and any significant issues and judgements contained therein.
- Reviewing the Group's Financial Statements and the material financial reporting judgements contained in them.
- Advising the Board on whether the Committee believes this Annual Report and the Financial Statements contained within it, when taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's strategy, business activities and financial performance.
- Reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional regulatory requirements.
- Developing and implementing a policy on the level and amount of external auditor non-audit services.
- Advising the Board on the appointment and removal of the external auditor and the remuneration and terms of engagement of the external auditor.
- Monitoring the effectiveness of the Group's internal control and risk management systems.
- Reviewing the scope, activities and results of the Group's internal audit function.
- Reviewing the Audit Committee's terms of reference, carrying out an annual performance evaluation exercise and noting the satisfactory operation of the Committee.
- Reporting to the board how it has discharged its responsibilities.

Operation of the Audit Committee

The Audit Committee met on four occasions during the year. Details of attendance at Audit Committee meetings is set out in the Corporate Governance Report on page 29.

The Chief Executive Officer, Chief Financial Officer and Company Secretary, together with appropriate members of the management team with responsibility for risk and internal control, and the external auditor, will normally attend meetings at the invitation of the Chairman of the Audit Committee. The external auditor is regularly invited by the Audit Committee to advise them of any matters which they consider should be brought to the Audit Committee's attention without the Executive Directors present. The external auditor may also request a meeting with the Audit Committee if they consider it necessary.

The Company Secretary acts as secretary to the Audit Committee. The members of the Audit Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.

Financial Statements and Significant Accounting Matters

The Committee is responsible for reviewing the appropriateness of the Group's half-year reporting and annual financial statements. It does this by considering, amongst other things, the accounting policies and practices adopted by the Group; the correct application of applicable financial reporting standards and compliance with broader governance reporting requirements; the approach taken by management to report the key judgemental areas of reporting and the comments of the external auditor on management's chosen approach.

During the year the Committee considered key accounting issues, matters and judgements in relation to the Group's Financial Statements and disclosures relating to:

Contingent Remuneration

The Group acquired the business and assets of MoneySavingExpert.com and a sole trader business from Martin Lewis in September 2012. As described more fully in note 3 to the Group's Financial Statements on pages 59 and 60, the remuneration is contingent upon various non-financial performance criteria together with a discretionary element and the continuing employment for a period of three years of Martin Lewis. The judgement involved in estimating the benefit payable relates to several aspects of MoneySavingExpert.com's performance. The Committee has reviewed the accounting valuations of the contingent remuneration and, in light of the performance to date and anticipated future performance reported by management, agreed that the amount recorded in the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Financial Position is appropriate. In addition, since this is an area of significant audit risk, the Committee also received reporting from KPMG, detailing their views on the judgements which management have made.

Revenue

The majority of the Group's revenue is derived from success-based commercial deals which compensate the Group for each product sold by a provider to a customer referred to it by the Group. The Group recognises this revenue at the point at which a customer leaves one of the Group's websites, and clicks through to a provider site.

Management operates a number of key controls in relation to the recording of revenue. A completeness check is performed by reconciling all 'click' activity on the website and ensuring that an invoice has been raised, or revenue has been accrued, where appropriate. A review is performed to compare accrued revenue at the end of the previous month and actual revenue invoiced during the following month, with significant differences investigated to provide evidence that revenues are correctly stated. In addition a program of revenue assurance is operated by the Group's internal audit function. This helps provide assurance that revenues are correctly stated by reviewing provider systems and controls to ensure that sales made by providers resulting from referrals made by the Group have been correctly identified and allocated in the provider systems. In addition management regularly reviews the quantum and aging of any accrued revenue balances.

An assessment of the Group's information system which records the clicks, together with the reconciliation of revenue to cash receipts, therefore form a key part of the audit. The results of KPMG's testing are included in the audit report prepared for the Committee.

Impairment testing of Goodwill and Other Intangible Assets

As more fully described on pages 66 to 68 of the Group's Financial Statements the Group holds goodwill and intangible asset balances arising from the acquisition of Moneysupermarket.com Financial Group Limited by the Company immediately preceding its listing on the London Stock Exchange, and the acquisition of MoneySavingExpert.com and a sole trader business from Martin Lewis by a number of Group companies in September 2012. The judgments in relation to goodwill and intangible asset impairment largely relate to the assumptions underlying the calculation of the value in use, primarily the achievability of the forecast growth of the related businesses and the risks or discount rates applied. The Committee addressed these matters through examining reports received from management outlining the basis for the key assumptions used and was comfortable with management's justification. The Committee gains comfort that business plans have received Board approval. This is also a significant risk area for the audit, and therefore KPMG provide to the Committee their comments on the approach taken by management. During the year ended 31 December 2013 the Committee critically reviewed the analysis performed on goodwill and intangible assets and agreed that the projected future cash flows from these businesses supports their carrying value.

UK Corporate Governance Codes

The Board requested and the Audit Committee has advised that it believes that the Annual Report and the Financial Statements, taken as a whole, are fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

External Auditor

The external auditor attends all meetings of the Committee. It is the responsibility of the Committee to provide oversight of the external audit process and assess the effectiveness, objectivity and independence of the external auditor.

The Audit Committee reviewed the following in order to provide oversight of the external audit process:

- the terms, areas of responsibility, associated duties and scope of the audit as set out in the external auditor's engagement letter for the forthcoming year;
- the external auditor's overall work plan for the forthcoming year;
- the external auditor's fee proposal;
- the major issues that arose during the course of the audit and their resolution;
- key accounting and audit judgements and estimates;
- the levels of errors identified during the audit; and
- recommendations made by the external auditor in their management letters and the adequacy of management's response.

The Audit Committee reviewed the independence of the auditor having regards to:

- a report from the external auditor describing their arrangements to identify, report and manage any conflicts of interest; and
- the extent and nature of non-audit services provided by the external auditor.

The Audit Committee is responsible for the development, implementation and monitoring of policies and procedures on the use of the external auditor for non-audit services, in accordance with professional and regulatory requirements. These policies are kept under review to meet the objective of ensuring that the Group benefits in a cost-effective manner from the cumulative knowledge and experience of its auditor whilst also ensuring that the auditor maintains the necessary degree of independence and objectivity. Consequently, any non-audit work to be undertaken by the auditor in excess of £50,000 is required to be authorised by the Chairman of the Audit Committee and the Chief Financial Officer prior to its commencement. Individual assignments of less than £50,000 are approved by the Chief Financial Officer. The aggregate expenditure with the external auditor is reviewed by the Audit Committee.

During the year the value of non-audit services provided by KPMG amounted to £0.2m (2012: £0.8m). Non-audit services amounted to 130% of the value of the audit. A significant proportion of non-audit services relates to the following:

- Reviewing the Group's half year reporting;
- The provision of tax compliance services in relation to both direct and indirect taxation;
- The provision of advice in relation to the preparation and submission of claims for Research and Development (R&D) Relief; and
- The provision of regulatory advice in relation to documentation and control.

The assurance provided by the Group auditor on the items above is considered by the Group as strictly necessary in the interests of the Group. The level of non-audit services offered reflects the auditor's knowledge and understanding of the Group. The Group has also continued with the appointment of other accountancy firms to provide certain non-audit services to the Group in connection with tax and regulatory advice and anticipates that this will continue in 2014.

Audit Committee Report

continued

The provision of tax advisory services, due diligence and regulatory advice is permitted with the Committee's prior approval in line with the approval limits set out above. The provision of internal audit services, valuation work and any other activity that could result in the external auditor reviewing and relying on its own work and conclusions is prohibited. KPMG was not engaged during the year to provide any services which may have given rise to a conflict of interest.

The Audit Committee considers the effectiveness of the external audit process on an annual basis, reporting its findings to the Board as part of its recommendation. This process is completed through completion of a detailed questionnaire (which includes consideration of the audit partner, the approach, communication, independence, objectivity, and reporting). This is completed by members of the Committee and senior members of the finance team who regularly interact with the external auditor. The results of the questionnaire are reported to and discussed by the Committee. It also assessed the cost effectiveness and value for money aspect of the audit.

The Audit Committee holds private meetings with the external auditor after each committee meeting to review key issues within their sphere of interest and responsibility.

KPMG have acted as the auditor to the company since 2004. The lead audit partner rotates every five years to ensure independence. The Committee considered the length of KPMG's tenure and the results of the detailed questionnaire when assessing their continued effectiveness, independence and re-appointment. The Committee continues to consider KPMG to be independent and when considering the most suitable timing for a future audit tender, took account of FRC guidance concerning the alignment of the tender date with the rotation of the audit partner and the report from the Competition Commission, which is expected to result in mandatory tendering at least every ten years.

The Committee continues to remain satisfied with the work of KPMG and that they continue to remain independent and objective. The Committee has therefore recommended to the Board that a resolution is put to shareholders recommending their reappointment together with their terms of engagement and remuneration at the Annual General Meeting of the Company. This will continue to be assessed on an annual basis.

Internal Control

The Audit Committee monitors and reviews each year the effectiveness of, and the framework for, the Group's system of internal control and risk management.

The Audit Committee undertook a review of the effectiveness of, and the framework for, the Group's system of internal control and risk management, including financial, operational and compliance controls during the year. In addition to this review, the external auditor provided the Audit Committee with comprehensive reports of the results of their controls testing as part of the external audit. On a half yearly basis, the Audit Committee also reviews the key risks facing the Group and the actions being taken by management to mitigate and manage them.

Internal Audit

The Group has an internal audit function which reviews financial, operational and regulatory matters. The Group has continued to invest in this area during 2013 and will continue to do so in 2014 recognising that regulation in particular, as price comparison continues to become an ever more important part of the distribution chain of financial services, will become more important. The Group is committed to fully meeting its regulatory obligations.

A rolling twelve month internal audit plan is reviewed and approved by the Committee at each meeting, and defines the scope of the work which the internal audit function will undertake. The results of this work are reported to the Committee at each meeting, and will typically include an update against the audit plan, results from audits performed since the last meeting including any unsatisfactory audit findings and related action plans, and progress against findings from previous audits.

In addition the Committee meets with the head of internal audit throughout the year as necessary.

Compliance

The Group has a compliance function which reviews regulatory matters in relation to the various bodies that regulate a number of the areas that the Group operates in. These include the Financial Conduct Authority (FCA), the Office of Fair Trading (OFT), the Information Commissioners Office and the Office of Gas and Electricity Markets (OFGEM) which operates a voluntary code relating to energy price comparison that the Group subscribes to.

In April 2014 those areas of the business currently under the regulatory regime of the OFT, namely unsecured lending including credit cards and personal loans, will come under the regulatory, control of the FCA, in addition to those areas, namely the Group's insurance businesses, that are already regulated by the FCA.

An annual compliance plan is reviewed and approved by the Committee and defines the scope of the work that the compliance team will undertake. The results of the work are reported to the Committee at each meeting and will typically include an update against the compliance plan and the results of the work performed since the last meeting.

The Group recognises that regulation in general, and in particular the regulatory regime imposed by the FCA, will become an increasing feature of the price comparison market. The Group has invested, and will continue to invest, in additional skills and resources in this area in 2014.

Risk Committee

The Group has established a separate risk function in 2014 headed by the Chief Risk Officer (CRO). A separate Risk Committee will be established in 2014 to be chaired by Sally James. It will operate separately but alongside the Audit Committee. The principle responsibilities of the Risk Committee will include:

- Advising the Board on the Group's overall risk appetite, tolerance, strategy and culture;
- Overseeing and advising the Board on the current risk exposures of the Group and future risk strategy;
- Reviewing and approving the Group's risk policies;
- Keeping under review the Group's overall risk assessment processes;
- Reviewing the Group's capability to identify and manage new types of risk; and
- Reviewing reports from management on the effectiveness of the internal control and risk management systems.

Audit and Risk Committee Effectiveness

The Board, as part of its general review of its overall effectiveness, concluded that the Audit Committee was working effectively.

This report was approved by the Board and signed on its behalf by:

Rob Rowley
Chairman of the Audit Committee
3 March 2014

Nomination Committee Report



Gerald Corbett
Chairman of the
Nomination Committee

The Nomination Committee presents a separate report in relation to the financial year ended 31 December 2013.

Composition of the Nomination Committee

The Nomination Committee comprises five of the Non-Executive Directors, Gerald Corbett (Chairman), Michael Wemms, Rob Rowley, Bruce Carnegie-Brown and Sally James. Bruce Carnegie-Brown will succeed Gerald Corbett as Chairman of the Nomination Committee when Bruce becomes Chairman of the Company on 23 April 2014. Biographies of the members of the Nomination Committee are set out on pages 22 and 23.

Operation of the Nomination Committee

The Nomination Committee met on six occasions during the year. Details of the attendance at Nomination Committee meetings are set out in the Corporate Governance Report on page 29.

The Nomination Committee's duties include:

- Evaluating the balance of skills, knowledge, experience and independence of the Board.
- Reviewing the size, structure and composition of the Board, including Board diversity.
- Where necessary, considering and recommending to the Board persons who are appropriate for appointment as Directors.
- Ensuring that succession planning for the Board is in place.

The Nomination Committee has a formal, rigorous and transparent procedure for the appointment of new Directors to the Board. The process involves the Nomination Committee interviewing suitable candidates who are proposed by either existing Board members or by an external search firm.

Careful consideration is given to ensure proposed appointees have enough time available to devote to the role and that the balance of skills, knowledge and experience on the Board is maintained.

When the Nomination Committee has identified a suitable candidate, the Chairman of the Nomination Committee will make a recommendation to the Board with the Board making the final decision.

When dealing with the appointment of a successor to the Chairman, the Senior Independent Non-Executive Director will chair the Nomination Committee instead of the Chairman.

During the year, the Nomination Committee reviewed the balance of skills, knowledge and experience of the Board together with the size, structure and composition of the Board including Board diversity, and reviewed the succession plans for the Board.

The Nomination Committee, having followed the procedure outlined above for the appointment of new Directors to the Board, recommended to the Board during the year the appointment of Sally James and Robin Klein as additional Independent Non-Executive Directors, the appointment of Matthew Price as an Executive Director to replace Paul Doughty and, subsequent to the year end, the appointment of Bruce Carnegie-Brown as Chairman of the Company to replace Gerald Corbett. In connection with these appointments, the Company used Russell Reynolds as the external search firm. Russell Reynolds has no other connection with the Company.

At the invitation of the Chairman of the Nomination Committee, the Chief Executive Officer, Human Resources Director and Company Secretary may attend meetings of the Nomination Committee. The Company Secretary acts as secretary to the Nomination Committee.

The members of the Nomination Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.

The terms of reference of the Nomination Committee are published on the investor relations section of the Group's website at www.moneysupermarket.com and are available in hard copy form on application to the Company Secretary.

Boardroom diversity

The Board's Statement on Diversity is as follows:

"The Board of Moneysupermarket.com Group PLC welcomed the publication in February 2011 of the Davies Review on Women on Boards. Moneysupermarket.com Group PLC is committed to ensuring that any Board vacancies arising are filled by the most qualified candidates and recognises the value and importance of diversity in the composition of the Board. When Board positions become available, the Company will remain focused on ensuring that a diverse range of candidates are considered whilst ensuring that appointments continue to be based on merit, measured against objective criteria and the skills and experience the individual offers. The Board has targeted a minimum female representation on the Board of 25% by 2016."

This report was approved by the Board and signed on its behalf by:

Gerald Corbett
Chairman of the Nomination Committee
3 March 2014

Directors' Remuneration Report

Annual Statement



Bruce Carnegie-Brown
Chairman of the
Remuneration
Committee

Dear Shareholder

The Remuneration Committee has remained focused this year on ensuring that our policies and procedures are appropriate for our business and that they balance the incentives for our executives to create long-term value for our shareholders with a commitment to effective risk management. The focus of the executives this year has been on further strengthening the organisation and ensuring the effective execution of our growth strategies.

Pay for performance

We believe in rewarding our executives based on their individual performance and on the value created for our shareholders. The variable elements of executive remuneration are focused on simple and transparent measures of revenue growth, adjusted EBITDA growth, comparative total shareholder return and key strategic objectives. Our bonus and long-term incentive structures are based on challenging targets, which we believe are in line with market best practice. These are outlined on pages 37 and 38 and are reviewed annually to ensure they are appropriately challenging and relevant for the markets in which we operate.

2013 has been a solid year for the Group with revenue increasing by 10% to £225.6m and adjusted EBITDA increasing by 26% to £84.0m. Our executives performed well against their stretching individual performance targets and are entitled to receive a bonus for their performance of between 85% and 153% of their basic salary.

Our 2010 LTIP award, which was based on a combination of absolute and comparative total shareholder return, vested in full, reflecting the achievements of the executives over the three years since the award was made.

Clarity and openness in disclosure

The Committee aims to operate and demonstrate best practice in the area of executive remuneration and disclosure. We aim to comply with the new disclosure requirements under the Government's reforms on directors' pay. Our report has three sections as follows:

- this Annual Statement, which summarises and explains the major decisions and changes in respect of Directors' remuneration;
- a Directors' Remuneration Policy setting out the forward-looking remuneration policy for the Company's Directors, which will operate from 23 April 2014, subject to shareholder approval; and
- an Annual Report on Remuneration, providing details of how the policy will be operated for 2014 and the remuneration earned by the Company's Directors in relation to the year ended 31 December 2013.

At the forthcoming AGM on 23 April 2014, the Directors' Remuneration Policy will be subject to a binding shareholder vote and the Annual Report on Remuneration will be subject to an advisory shareholder vote. In future years, the Directors' Remuneration Policy will be subject to a binding vote every three years (sooner if changes are made to the policy) and the Annual Report on Remuneration will be subject to an annual advisory vote.

Remuneration policy for 2014

The Remuneration Committee continually reviews the senior executive remuneration policy to ensure it promotes attraction, motivation and retention of the high quality executives who have been key to delivering the Company's strategy in the past and who will be key to delivering sustainable growth and shareholder return in the future.

The Committee's most recent conclusions are that the existing senior executive remuneration policy remains appropriate and should continue to operate for 2014 without major changes. Specifically, the Committee concluded that:

- basic salary levels remain appropriately positioned in the market;
- the structure and quantum of the annual bonus continues to be appropriate and aligned to shareholders' interests; and
- the long-term incentive grant policy, under which awards are made annually with vesting after three years based on comparative total shareholder return and compound annual adjusted EBITDA growth performance conditions, provide a strong alignment between the senior executive team and shareholders.

Alignment with shareholders

We are mindful of our shareholders' interests and are keen to ensure a demonstrable link between reward and value creation. In addition to the matters set out in this report, alignment with shareholder interest is further demonstrated by the operation of share ownership guidelines for executives. We hope that we will continue to receive your support at the forthcoming AGM.

Bruce Carnegie-Brown

Chairman of the Remuneration Committee

3 March 2014

Directors' Remuneration Policy

In formulating the remuneration policy, full consideration has been given to the principles set out in the UK Corporate Governance Codes and the Committee regularly reviews the policy to ensure it takes due account of best practice and the particular circumstances of the Company. Consistent with the new legislation, the Directors' remuneration policy which will operate from 23 April 2014, will be put to a binding shareholder vote and become formally effective at the 2014 AGM.

Policy overview

The Company aims to provide a remuneration structure that is aligned with shareholder interests and, as such, is competitive in the marketplace to attract, retain and motivate Executive Directors of superior calibre in order to deliver continued growth of the business.

Company policy is that performance related components should form a significant portion of the overall remuneration package, with maximum total potential rewards being earned through the achievement of challenging performance targets based on measures that reflect the best interests of shareholders.

Consideration of shareholder views

The Committee will consider shareholder feedback received in relation to the AGM each year at its next meeting following the AGM. This feedback, plus any additional feedback received during any meetings from time to time, will then be considered as part of the Company's annual review of remuneration policy. In addition, the Committee will seek to engage directly with major shareholders and their representative bodies should any material changes be made to the remuneration policy.

Details of votes cast for and against the resolution to approve last year's remuneration report and any matters discussed with shareholders during the year are set out in the Annual Report on Remuneration.

Consideration of employment conditions elsewhere in the Group

The Committee does not formally consult employees in relation to remuneration policy for Executive Directors. However, the Company regularly carries out engagement surveys which enable employees to share their views with management. To the extent that employees are shareholders, they can vote on this policy at the AGM.

Summary remuneration policy

The table below summarises the Directors' remuneration policy for 2014 onwards:

Element of remuneration	Purpose and link to strategy	Operation	Maximum	Performance targets
Base salary	<p>To provide competitive fixed remuneration</p> <p>To attract and retain Executive Directors of superior calibre in order to deliver growth for the business</p> <p>Intended to reflect base salaries paid to senior management of comparable companies</p>	<p>The basic salary for each Executive Director is reviewed annually by the Remuneration Committee</p> <p>Individual salary adjustments take into account each Executive Director's performance against agreed challenging objectives, experience in role, changes in responsibility and the Group's financial performance, as well as comparing each Executive Director's base salary to the external market</p>	<p>There is no prescribed maximum base salary. Increases for senior management are ordinarily in line with the broader employee population but on occasions may need to recognise, for example, an increase in the scale, scope or responsibility of the role and developments in the wider competitive market</p> <p>Current base salary levels are set out on page 41</p>	No specific targets although the Committee will take into account individual performance when considering salary increases
Benefits	<p>To provide market consistent benefits</p> <p>Car allowance to facilitate effective travel</p>	<p>Current benefit provision is a car allowance and life insurance. Other benefits may be payable or provided where appropriate including, amongst other things, health insurance, relocation and travel expenses</p>	Not applicable	Not applicable
Bonus	<p>Incentivises achievement of annual performance targets</p> <p>Maximum bonus only payable for achieving demanding targets</p>	<p>Not pensionable</p> <p>Paid in cash</p>	<p>Up to 200% of base salary although the maximum for 2014 is capped at 185%</p>	<p>A combination of growth in adjusted EBITDA, revenue and/or market share (not less than 60%), and specific individual objectives. Targets are set each year with threshold, target and maximum levels by reference to the budget, progress against the prior year and market expectations. The Committee will consider the Group's overall performance before determining final bonus payment levels</p>

Directors' Remuneration Report

continued

Directors' Remuneration Policy continued

Summary remuneration policy continued

Element of remuneration	Purpose and link to strategy	Operation	Maximum	Performance targets
Long-Term Incentive Plan	Designed to align with both the strategic objectives of delivering sustainable earnings growth and the interests of shareholders	<p>Annual grant of nil cost options/ conditional awards which vest 3 years after grant, subject to performance targets and continued service</p> <p>Participants will receive a payment (in cash and/or shares) on or shortly following the vesting of their awards, of an amount equal to the dividends that would have been paid on those vested shares between the time when the awards were granted and the time when they vest</p>	200% of base salary. In any ten year period, the number of shares which may be issued under the LTIP and under any other discretionary share scheme may not exceed 5% of the issued ordinary share capital of the Company. This is in addition to the overall limit on all share schemes of 10% of issued ordinary share capital in a ten year period	<p>LTIP performance measured over 3 years based on a combination of adjusted EBITDA growth and comparative total shareholder return</p> <p>30% of the award vests at threshold performance (0% vests below this) increasing to 150% vesting for maximum performance. Targets are set with threshold, target and maximum levels by reference to the Group's strategic plan, progress against the prior year and market expectations</p>
All employee share plans	To encourage employee share ownership and thereby increase alignment with shareholders	<p>Sharesave Plan HMRC approved plan under which regular monthly savings are made over a 3 or 5 year period and can be used to fund the exercise of an option, where the exercise price is discounted by up to 20%. Provides tax advantages to UK employees</p> <p>Share Incentive Plan HMRC approved plan that provides employees with a tax-efficient way of purchasing shares and allows the grant of free shares</p>	<p>The current maximums for the Sharesave and Share Incentive Plans are set out below. However, these maximums may be increased in future to align with changes to HMRC limits.</p> <p>Sharesave Plan Maximum permitted savings of £250 per month across all ongoing Sharesave contracts</p> <p>Share Incentive Plan An employee can agree to purchase shares with a market value up to £1,500 (or 10% of his salary, if lower) in any tax year. The market value of free shares that can be allocated to an employee in any tax year must not exceed £3,000</p>	Not applicable
Share ownership guidelines	To increase alignment between executives and shareholders	Executive Directors are required to retain 50% of the net of tax vested LTIP shares until the guideline is met	Not applicable	Minimum of 100% of base salary for Executive Directors

Element of remuneration	Purpose and link to strategy	Operation	Maximum	Performance targets
Pension	To provide retirement benefits	Defined contribution and/or salary supplement arrangements The Committee may make minor amendments to the process and policy for the purposes of meeting any local regulatory, exchange control, tax or administrative purposes or to take account of changes in legislation provided that such amendments would not increase the maximum payable under the policy	20% of base salary	Not applicable
Non-Executive Director fees	Reflects time commitments and responsibilities of each role Reflects fees paid by similarly sized companies	Cash fee paid with a base fee and additional fees dependant on additional responsibilities Fees are reviewed on an annual basis	There is no prescribed maximum annual increase. The Board is guided by the general increase in the non-executive director market and for the broader employee population but on occasions may need to recognise, for example, an increase in the scale, scope or responsibility of the role Current fee levels are set out on page 42 and will not exceed the aggregate maximum levels set out in the Company's Articles of Association	Not applicable Non-Executive Directors do not participate in variable pay arrangements

Notes

- (1) A description of how the Company intends to implement the policy set out in this table for 2014 is set out in the Annual Report on Remuneration on page 41.
- (2) The following differences exist between the Company's policy for the remuneration of Executive Directors as set out above and its approach to the payment of employees generally:
- A lower level of maximum annual bonus opportunity as a percentage of base salary may apply to employees other than the Executive Directors and certain senior executives.
 - Benefits offered to other employees generally comprise a car allowance where required for the role or to meet market norms.
 - Participation in the LTIP is limited to the Executive Directors and certain selected senior managers. Other employees are eligible to participate in the Company's share plans, details of which are provided on page 38.
 - A lower level of pension rate applies to employees other than the Executive Directors and certain senior executives.
- In general, these differences arise from the development of remuneration arrangements that are market competitive for the various categories of roles. They also reflect the fact that, in the case of the Executive Directors and senior executives, a greater emphasis tends to be placed on performance related pay.
- (3) The choice of the performance metrics applicable to the annual bonus scheme reflects the Committee's belief that any incentive compensation should be appropriately challenging and tied to the delivery of revenue and adjusted EBITDA growth and specific individual objectives.
- (4) The adjusted EBITDA growth and comparative total shareholder return performance conditions applicable to the LTIP (further details of which are provided on page 44) were selected by the Remuneration Committee on the basis that they reward the delivery of long-term returns to shareholders and the Group's financial growth and are consistent with the Company's objective of delivering superior levels of long-term value to shareholders.
- (5) The Committee operates share plans in accordance with their respective rules and in accordance with the Listing Rules and HMRC where relevant. The Committee, consistent with market practice, retains discretion over a number of areas relating to the operation and administration of certain plans.
- (6) All employee share plans do not operate performance conditions.
- (7) As highlighted above, the Company has a share ownership policy which requires the Executive Directors to build up and maintain a target holding at least equal to 100% of base salary. Details of the extent to which the Executive Directors had complied with this policy as at 31 December 2013 are set out on page 46.
- (8) For the avoidance of doubt, in approving this Directors' Remuneration Policy, authority is given to the Company to honour any commitments entered into with current or former Directors (such as the payment of a pension or the vesting/exercise of past share awards). Details of any payments to former Directors will be set out in the Annual Report on Remuneration as they arise.

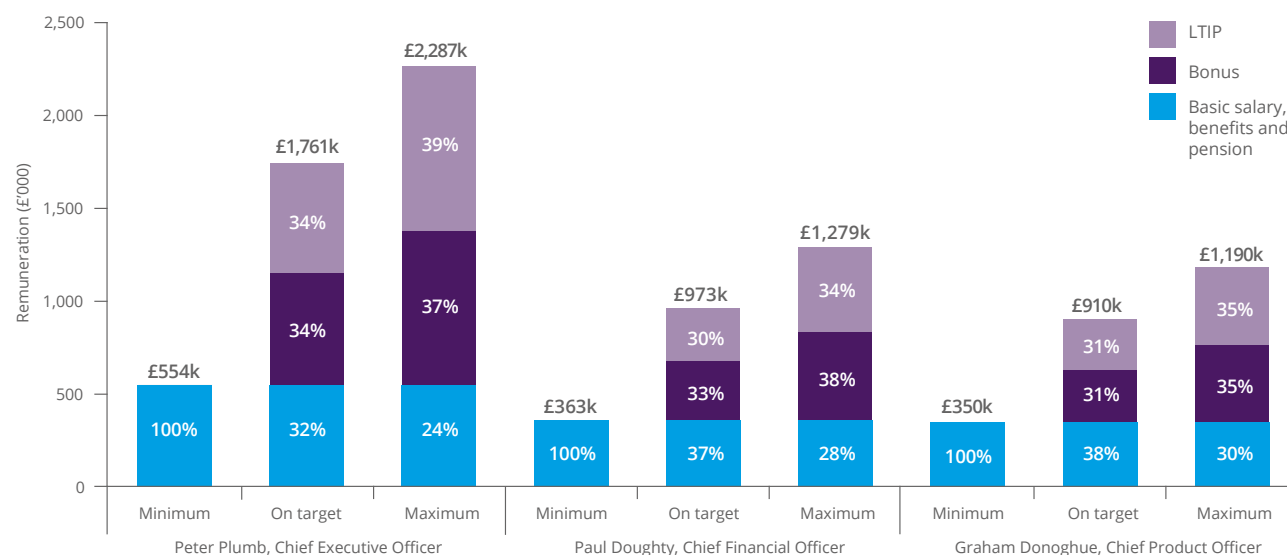
Directors' Remuneration Report

continued

Directors' Remuneration Policy continued

Illustrations of application of remuneration policy

The chart below illustrates how the composition of the Executive Directors' remuneration packages varies at different levels of performance under the 2014 policy, both as a percentage of total remuneration opportunity and as a total value:



Notes

- (1) The value of benefits receivable in 2014 is taken to be the value of benefits received in 2013 (as calculated under the Directors' Remuneration table, set out on page 42).
- (2) The value of pension is as presented under the Directors' Remuneration table.
- (3) The on-target level of bonus is taken to be 135% of base salary in the case of Peter Plumb, 110% of base salary in the case of Paul Doughty and 100% of base salary in the case of Graham Donoghue. The maximum level of bonus is taken to be 185% of base salary in the case of Peter Plumb, 165% of base salary in the case of Paul Doughty and 150% of base salary in the case of Graham Donoghue.
- (4) The on-target value of vesting under the LTIP is taken to be 100% of the face value of the award at grant.
- (5) The maximum value of the LTIP is taken to be 150% of the face value of the award at grant.
- (6) No share price appreciation or depreciation has been assumed in calculating the value of the LTIP.

Service contracts for Executive Directors

The service agreements of the Executive Directors are not fixed term and are terminable by either the Company or the Director on twelve months' notice and make provision, at the Board's discretion, for early termination by way of payment of salary in lieu of twelve months' notice. Incidental expenses may also be payable where appropriate. In calculating the amount payable to a Director on termination of employment, the Board would consider the circumstances on a case-by-case basis, taking into account the relevant contractual terms, the circumstances of the termination, any applicable duty to mitigate and the commercial interests of the Company. The Remuneration Committee reviews the contractual terms for new Executive Directors to ensure these reflect best practice.

Provision	Detailed terms
Notice period	12 months
Termination payment	Up to 12 months' salary
Remuneration entitlements	A bonus may be payable (pro-rated where relevant) and outstanding share awards may vest (pro-rated where relevant) subject to performance conditions
Change of control	No Executive Director's contract contains additional provisions in respect of change of control

Approach to leavers

Annual bonus may be payable with respect to the period of the financial year served although it will be pro-rated for time and paid at the normal date. Any share-based entitlements granted to an Executive Director under the Company's share plans will be determined based on the relevant plan rules. The default treatment under the LTIP plan is that any outstanding awards lapse on cessation of employment. However, in certain prescribed circumstances, such as death, ill health, disability, retirement, redundancy or other circumstances at the discretion of the Committee, 'good leaver' status may be applied. For good leavers, awards will normally vest on their normal vesting date, subject to the satisfaction of the relevant performance conditions and reduced pro-rata to reflect the proportion of the performance period actually served. However, the Remuneration Committee has discretion to disapply time pro-rating.

Approach to recruitment and promotions

The remuneration package for a new Executive Director – i.e. base salary, benefits, pension, annual bonus and long-term incentive awards – would be set in accordance with the terms of the Company's prevailing approved remuneration policy at the time of appointment and would reflect the experience of the individual. Annual bonus potential will be limited to 200% of salary and long-term incentives will be limited to 200% of salary. In addition, the Committee may offer additional cash and/or share-based elements when it considers these to be in the best interests of the Company (and therefore shareholders) to take account of remuneration relinquished when leaving the former employer and would where appropriate reflect the nature, time horizons and performance requirements attaching to that remuneration. Shareholders will be informed of any such payments at the time of appointment.

For an internal Executive Director appointment, any variable pay element awarded in respect of the prior role may be allowed to pay out according to its terms. In addition, any other ongoing remuneration obligations existing prior to appointment may continue, provided that they are disclosed to shareholders in the next following Directors' Remuneration Report.

For external and internal appointments, the Committee may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

Other appointments

The Executive Directors may accept outside appointments, with prior Board approval, provided these opportunities do not negatively impact on the individual's ability to perform his duties at the Company. Whether any related fees are retained by the individual or are remitted to the Company will be considered on a case by case basis.

Non-Executive Directors

Non-Executive Directors are appointed under arrangements that may generally be terminated by either the Company or the Director on up to three months' notice and their appointment is reviewed annually.

Annual Report on Remuneration

Implementation of the remuneration policy for the year ending 31 December 2014

A summary of how the Directors' remuneration policy will be applied during the year ending 31 December 2014 is set out below.

Base salary

The Remuneration Committee has determined that base salaries for the Executive Directors will increase as follows with effect from 1 January 2014:

	2014 £	2013 £	% increase
Peter Plumb	450,000	425,000	6%
Paul Doughty	290,700	285,000	2%
Graham Donoghue	280,000	258,995	8%

In light of the Company's experiences in recruiting senior executives, including the Chief Marketing Officer and Chief Financial Officer, the Committee reviewed the remuneration of existing executives and increased the base salaries of Peter Plumb and Graham Donoghue to ensure they remain competitive in the market.

The Group's employees are, in general, receiving salary increases ranging from 0% to 6% depending on promotional increases and individual performance. Upon Matthew Price joining the Group as Chief Financial Officer in April 2014, his base salary in 2014 will be £300,000 per annum.

Pension arrangements

The Company will continue to provide pension contributions of 20% of base salary for the benefit of the Executive Directors. Where the pension contributions exceed the limits set by HMRC, the Group will continue to provide benefits through the provision of salary supplements.

Annual bonus

The target bonus for the year ending 31 December 2014 will remain at 135% of base salary for the Chief Executive Officer, 110% of base salary for the Chief Financial Officer and 100% of base salary for any other Executive Director. The maximum bonus potential for the year ending 31 December 2014 will remain at 185% of base salary for the Chief Executive Officer, 165% of base salary for the Chief Financial Officer and 150% of base salary for any other Executive Director. Awards are determined based on a combination of both the Group's financial performance, being growth in revenue and adjusted EBITDA, and the Executive Directors' performance against specific personal objectives. For the achievement of growth in adjusted EBITDA at or above the target level, a multiplier will be applied up to the maximum bonus potential. Maximum bonus will only be payable when the adjusted EBITDA has significantly exceeded expectations.

Long-term incentives

Consistent with past awards, the extent to which LTIP awards which will be granted in 2014 will vest will be dependent on two independent performance conditions with 30% determined by reference to the Company's comparative total shareholder return ('Comparative TSR') and 70% determined by reference to growth in the Group's adjusted EBITDA ('Adjusted EBITDA'), as follows:

- 30% of the Comparative TSR element of an award will vest if the Comparative TSR ranks at median performance as measured over the three year performance period, relative to the constituents of the FTSE 250 Index. This rises on a straight line basis to a maximum vesting of 150% of the Comparative TSR element of an award if the Comparative TSR ranks in the upper quartile. There is no vesting of the Comparative TSR element of an award for performance below median; and
- 30% of the Adjusted EBITDA element of an award will vest at threshold performance of compound annual growth of adjusted EBITDA of 6%. This rises to a maximum vesting of 150% of the Adjusted EBITDA element of an award at stretch performance if the compound annual growth in adjusted EBITDA is 17% or above. Vesting is determined by a set formula between threshold and stretch performance. There is no vesting of the Adjusted EBITDA element of an award for performance below compound annual growth of adjusted EBITDA of 6%.

Directors' Remuneration Report

continued

Annual Report on Remuneration continued

Implementation of the remuneration policy for the year ending 31 December 2014 continued

Non-Executive Directors

The Company's approach to Non-Executive Directors' remuneration is set by the Board with account taken of the time and responsibility involved in each role, including where applicable the Chairmanship of Board Committees. The fees for the Non-Executive Directors will increase as follows with effect from 1 January 2014:

	2014 £	2013 £	increase %
Chairman	212,000	206,000	3%
Deputy Chairman	111,250	108,000	3%
Base fee	58,350	56,650	3%
Additional fees:			
Senior Independent Director	15,000	15,000	0%
Committee Chair fee	10,000	10,000	0%

In addition, the Chairman currently receives an annual allowance of £25,000 for a motor vehicle and associated costs. With effect from Bruce Carnegie-Brown's appointment as Chairman on 23 April 2014, his fee will be £237,000 per annum and he will not receive an annual allowance of £25,000 for a motor vehicle and associated costs.

Remuneration received by Directors for the year ended 31 December 2013 (audited)

Directors' remuneration for the year ended 31 December 2013 was as follows:

	Salary and fees £	Taxable benefits ⁽¹⁾ £	Pension ⁽²⁾ £	Annual bonus ⁽³⁾ £	Long-term incentives ⁽⁴⁾ £	Total £
Peter Plumb						
2013	425,000	14,000	85,000	650,000	1,687,781	2,861,781
2012	390,000	14,000	39,000	675,000	1,748,123	2,866,123
Paul Doughty						
2013	285,000	14,000	57,000	350,000	879,845	1,585,845
2012	270,400	14,000	27,040	395,000	938,842	1,645,282
Graham Donoghue						
2013	258,995	14,000	51,799	220,000	766,817	1,311,611
2012	235,664	14,000	23,556	297,000	826,180	1,396,400
Gerald Corbett						
2013	206,000	25,000	–	–	–	231,000
2012	200,000	25,000	–	–	–	225,000
Simon Nixon						
2013	108,000	–	–	–	–	108,000
2012	105,000	–	–	–	–	105,000
Michael Wemms						
2013	71,650	–	–	–	–	71,650
2012	80,000	–	–	–	–	80,000
Rob Rowley						
2013	66,650	–	–	–	–	66,650
2012	65,000	–	–	–	–	65,000
Bruce Carnegie-Brown						
2013	66,650	–	–	–	–	66,650
2012	55,000	–	–	–	–	55,000
Sally James (appointed 11 April 2013)						
2013	40,342	–	–	–	–	40,342
2012	n/a	n/a	n/a	n/a	n/a	n/a
Robin Klein (appointed 21 June 2013)						
2013	29,632	–	–	–	–	29,632
2012	n/a	n/a	n/a	n/a	n/a	n/a

Notes

(1) Taxable benefits

Benefits for the Executive Directors incorporate all benefits and expense allowances arising from employment which relate to the provision of a car allowance. Benefits for Gerald Corbett relate to an annual allowance of £25,000 for a motor vehicle and associated costs.

(2) Pension

Pension payments reflect defined contributions and/or salary supplement arrangements.

(3) Annual bonus payments

Maximum bonus entitlements for the year ended 31 December 2013 as a percentage of base salary were 185% for Peter Plumb, 165% for Paul Doughty and 150% for Graham Donoghue for the achievement of significant adjusted EBITDA and revenue growth, as well as specific individual and strategic objectives. The actual adjusted EBITDA performance for the year ended 31 December 2013 was £84.0m, against a threshold performance target of £70.0m, and a maximum performance target of £85.0m. The actual revenue performance for the year ended 31 December 2013 was £225.6m, against a threshold performance target of £215.0m, and a maximum performance target of £237.0m. Performance against the individual and strategic objectives, including the growth of key channels such as energy and loans, the successful integration of MoneySavingExpert.com into the Group and the formation of a strategic plan for TravelSupermarket.com, was assessed at the year end. These were deemed to have been partially met by the Remuneration Committee. As a result, 153% of base salary for Peter Plumb, 123% of base salary for Paul Doughty and 85% of base salary for Graham Donoghue will be payable.

(4) Vesting of LTIP awards

The LTIP award made on 9 March 2011 was based on performance to the year ended 31 December 2013, with 50% of the award subject to an absolute total shareholder return performance condition and 50% of the award subject to a comparative total shareholder return performance condition. The performance targets for this award, and actual performance against those targets, was as follows:

Metric	Performance condition	Threshold performance	Stretch performance	Actual	vesting %
Absolute total shareholder return	Annual compound growth in absolute total shareholder return. 50% vesting at compound annual total shareholder return of 10% and 150% vesting at stretch performance of compound annual total shareholder return of 20%. Absolute total shareholder return measured over three financial years with a one month average at the start and end of the performance period	10%	20%	41.4%	150%
Comparative total shareholder return	Comparative total shareholder return against the constituents of the FTSE 250 index (excluding investment trusts). 30% vesting at median performance and 150% vesting at upper quartile performance or above. Comparative total shareholder return measured over three financial years with a one month average at the start and end of the performance period	Median	Upper quartile	Upper quartile	150%
Total vesting					150%

The award details for the Executive Directors are therefore as follows:

Executive Director	Number of shares at grant ⁽¹⁾	Number of shares to vest	Number of shares to lapse	Dividend equivalent on shares to vest ⁽²⁾ £	Estimated value ⁽³⁾ £
Peter Plumb	838,424	838,424	–	266,703	1,687,781
Paul Doughty	437,073	437,073	–	139,033	879,845
Graham Donoghue	380,925	380,925	–	121,172	766,817

Notes

(1) These figures are the maximum available if the performance targets are met in full, representing 150% of the actual awards made.

(2) Final amounts relating to dividend equivalents payable on LTIP awards over the three year period ended 9 March 2014.

(3) The estimated value of the vested shares is based on the average share price during the three months ended 31 December 2013 (£1.70).

The awards will normally vest on the third anniversary of the date of grant.

Directors' Remuneration Report

continued

Annual Report on Remuneration continued

Long-term incentives granted during the year (audited)

On 20 March 2013, the following LTIP awards were made to the Executive Directors:

Executive Director	Type of award	Basis of award granted	Share price at date of grant	Number of shares over which award was granted	Face value of award £	% of face value that would vest at threshold performance	Vesting determined by performance over
Peter Plumb	Nil cost option	200% of salary of £425,000	£1.91	432,192	£825,487	30%	Three financial years to 31 December 2015
Paul Doughty	Nil cost option	150% of salary of £285,000	£1.91	217,913	£416,213	30%	
Graham Donoghue	Nil cost option	150% of salary of £258,995	£1.91	198,029	£378,234	30%	

The performance targets for this award are as follows:

Metric	Performance condition	Threshold	Stretch
Compound annual growth in adjusted EBITDA (70% of the award)	Compound annual growth in adjusted EBITDA from 31 December 2012 to 31 December 2015. 30% vesting at compound annual growth in adjusted EBITDA of 6% and 150% vesting at compound annual growth in adjusted EBITDA of 17%. Vesting is determined by a set formula between threshold and maximum.	6%	17%
Comparative total shareholder return (30% of the award)	Comparative total shareholder return against the constituents of the FTSE 250 Index. 30% vesting at median performance and 150% vesting at upper quartile performance or above. Comparative total shareholder return measured over three financial years with a one month average at the start and end of the performance period. Vesting is on a straight line between threshold and maximum.	Median	Upper quartile

Outstanding share awards

The table below sets out details of outstanding share awards held by the Executive Directors.

Executive Director	Scheme	Grant date	Exercise price	No. of shares at 1 January 2013	Granted during the year	Vested during the year	Lapsed during the year	No. of shares at 31 December 2013	End of performance period	Vesting/exercise date
Peter Plumb	LTIP	07/04/2010	Nil	1,035,519	–	1,035,519	–	–	31/12/2012	07/04/2013
	LTIP	09/03/2011	Nil	838,424	–	–	–	838,424	31/12/2013	09/03/2014
	SAYE	28/09/2011	£0.90	10,044	–	–	–	10,044	n/a	01/11/2014 – 30/04/2015
	LTIP	22/06/2012	Nil	664,204	–	–	–	664,204	31/12/2014	22/06/2015
	LTIP	20/03/2013	Nil	–	432,192	–	–	432,192	31/12/2015	20/03/2016
Paul Doughty	LTIP	07/04/2010	Nil	556,133	–	556,133	–	–	31/12/2012	07/04/2013
	LTIP	09/03/2011	Nil	437,073	–	–	–	437,073	31/12/2013	09/03/2014
	SAYE	28/09/2011	£0.90	10,044	–	–	–	10,044	n/a	01/11/2014 – 30/04/2015
	LTIP	22/06/2012	Nil	346,252	–	–	–	346,252	31/12/2014	22/06/2015
	LTIP	20/03/2013	Nil	–	217,913	–	–	217,913	31/12/2015	20/03/2016
Graham Donoghue	LTIP	07/04/2010	Nil	489,396	–	489,396	–	–	31/12/2012	07/04/2013
	LTIP	09/03/2011	Nil	380,925	–	–	–	380,925	31/12/2013	09/03/2014
	SAYE	28/09/2011	£0.90	10,044	–	–	–	10,044	n/a	01/11/2014 – 30/04/2015
	LTIP	22/06/2012	Nil	301,771	–	–	–	301,771	31/12/2014	22/06/2015
	LTIP	20/03/2013	Nil	–	198,029	–	–	198,029	31/12/2015	20/03/2016

- (1) Awards of nil cost options made in 2010 vest 30% at median performance and 150% at upper quartile performance in relation to the comparative TSR performance condition and 50% at threshold performance and 150% at stretch performance in relation to the absolute TSR performance condition (with 70% of the award subject to the absolute TSR performance condition and 30% of the award subject to the comparative TSR performance condition).
- (2) Awards of nil cost options made in 2011 vest 30% at median performance and 150% at upper quartile performance in relation to the comparative TSR performance condition and 50% at threshold performance and 150% at stretch performance in relation to the absolute TSR performance condition (with 50% of the award subject to the absolute TSR performance condition and 50% of the award subject to the comparative TSR performance condition).
- (3) Awards of nil cost options made in 2012 vest 30% at median performance and 150% at upper quartile performance in relation to the comparative TSR performance condition and 30% at threshold performance and 150% at stretch performance in relation to the EBITDA performance condition (with 70% of the award subject to the EBITDA performance condition and 30% of the award subject to the comparative TSR performance condition).
- (4) Details of the performance conditions relating to the awards of nil cost options made in 2013 are set out on page 44.
- (5) The figures for the Long Term Incentive Plan awards made in 2010, 2011, 2012 and 2013 are the maximum available if the performance targets are met in full, representing 150% of the actual awards made.

Payments to past Directors (audited)

During the year ended 31 December 2013, David Osborne, a former Director of the Company who resigned on 31 December 2012, received:

- a performance related bonus of £268,000 in respect of the financial year ended 31 December 2012.
- 422,661 shares in the Company in relation to the vesting of awards made under the 2010 LTIP scheme, and £76,206 representing dividends that would have been paid on those vested shares between the date of grant and the date of vesting. The value of these shares based on the average share price in the last three months of 2012 (£1.51) is £638,218.

Payments for loss of office (audited)

No payments were made in respect of loss of office during the year ended 31 December 2013.

On 31 July 2013, the Company announced that Paul Doughty will stand down from the Board and leave the Company no later than 1 June 2014. Details of the remuneration arrangements in connection with his departure are as follows:

- a payment of salary in lieu of notice totalling £60,473 for a period of two months after he ceases to be an employee on 30 April 2014;
- a pro-rata bonus payment for the 2014 financial year will be payable to reflect the portion of 2014 worked;
- there will be no entitlement to a long term incentive award for the 2014 financial year;
- in respect of outstanding long term incentive awards which are due to vest before cessation, consistent with the default treatment under the rules, the awards will continue to vest on their normal vesting date on 9 March 2014 subject to scheme performance conditions;
- in respect of the remaining outstanding awards granted under the long term incentive plan:
 - as a result of the Remuneration Committee exercising its discretion to treat Paul Doughty as a good leaver for the 2012 award, a pro rata amount of the 2012 award (over 346,252 shares) will continue to vest on its normal vesting date post cessation subject to scheme performance conditions. The value of these shares based on the share price at the date of 31 December 2013 (£1.81) is £504,854; and
 - consistent with the default treatment under the rules, the award granted in 2013 (over 217,913 shares) will lapse in full at cessation.

Further details in respect of the number and value of shares received under the long term incentive awards will be disclosed in future remuneration reports.

Appointment of new Chief Financial Officer

Following the announcement that Paul Doughty will be stepping down from the Board on or before 30 May 2014, Matthew Price will be appointed to the Board as Chief Financial Officer on 1 April 2014. A summary of the main components of Matthew Price's remuneration, which are consistent with the existing Executive Director remuneration policy, will be as follows:

- salary: £300,000 per annum;
- annual bonus: up to 165% of salary per annum;
- long-term incentives: up to 165% of salary per annum;
- pension: 20% of salary as pension contributions;
- benefits: car allowance and other benefits in line with the Group's policy.

In addition, the Committee has agreed that the Company will meet relocation expenses, and issue shares to Matthew Price to the value of £150,000 as at 1 April 2014 to reflect the remuneration relinquished by Matthew Price in connection with his bonus and share option entitlement from his former employer.

The Remuneration Committee confirms that it is of the view that the package agreed with Matthew Price is appropriate and that the Company is not paying in excess of the amount required to facilitate his recruitment.

Directors' Remuneration Report

continued

Annual Report on Remuneration continued

Statement of Directors' shareholdings and share interests (audited)

Director	Beneficially owned at 31 December 2013	Outstanding LTIP awards	Outstanding share awards under all employee share plans	Total interest in shares	Shareholding as a % of base salary at 31 December 2013
Peter Plumb	797,605	1,934,820	10,044	2,742,469	339%
Paul Doughty	465,362	1,001,238	10,044	1,476,644	295%
Graham Donoghue	450,140	880,725	10,044	1,340,909	314%
Gerald Corbett	211,776	–	–	–	n/a
Simon Nixon	159,795,130	–	–	–	n/a
Michael Wemms	8,136	–	–	–	n/a
Bruce Carnegie-Brown	20,000	–	–	–	n/a
Rob Rowley	–	–	–	–	n/a
Robin Klein	–	–	–	–	n/a
Sally James	20,000	–	–	–	n/a

Executive Directors are required to hold shares in the Company worth 100% of salary and must retain 50% of the net of tax value of any vested LTIP shares until the guideline is met. At 31 December 2013, all the Executive Directors had met the shareholding requirement.

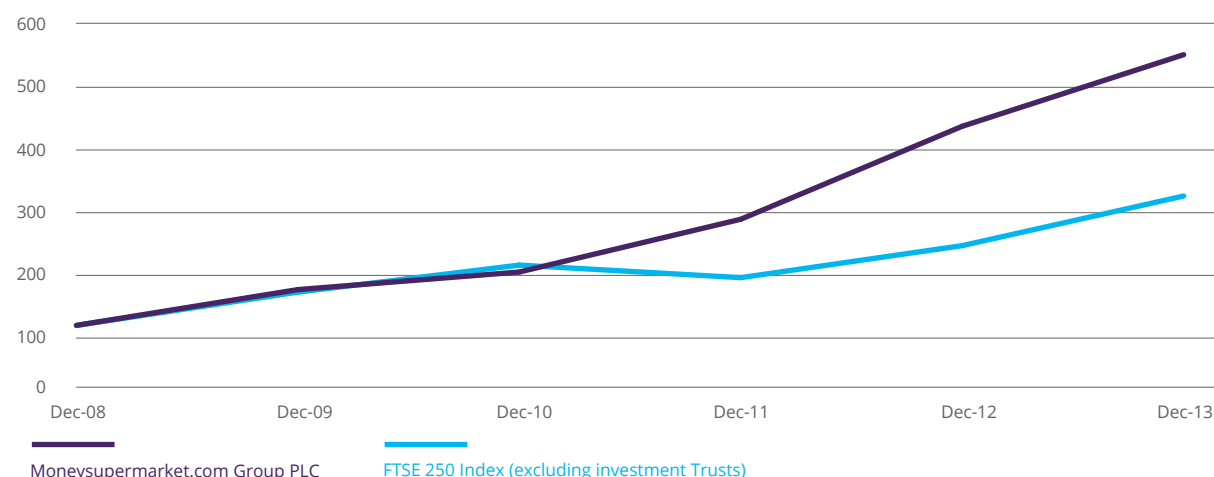
In the period 31 December 2013 to the date of this report, there has been no change in the Directors' interests in shares in the Company other than through the monthly purchases in January and February 2014 of ordinary shares under the Company's Share Incentive Plan by Paul Doughty. This has resulted in an increase in the interests held by Paul Doughty of 139 shares during this period.

Performance graph and table

The following graph shows the cumulative total shareholder return of the Company over the last five financial years relative to the FTSE 250 Index (excluding investment trusts). The Remuneration Committee considers the FTSE 250 Index (excluding Investment Trusts) to be an appropriate index for total shareholder return and comparison disclosure as it represents a broad equity market index in which the Company is a constituent member.

Historical Total Shareholder Return Performance

Growth in the value of a hypothetical £100 holding over five years
Comparison based on spot values on the last trading day of each calendar year



This graph shows the value, by 31 December 2013, of £100 invested in Moneysupermarket.com Group PLC on 31 December 2008 compared with the value of £100 invested in the FTSE 250 Index (excluding Investment Trusts) on the same date. The other points plotted are the values at intervening financial year ends.

The total remuneration figures for the Chief Executive Officer during each of the last five financial years are shown in the table below. The total remuneration figure includes the annual bonus based on that year's performance and LTIP awards based on three year performance periods ending in the relevant year. The annual bonus payout and LTIP vesting level as a percentage of the maximum opportunity are also shown for each of these years.

Year ended 31 December	2009	2010	2011	2012	2013
Total remuneration	£660,667	£868,748	£1,024,156	£2,866,123	£2,861,781
Annual bonus (%)	77%	77%	91%	94%	83%
LTIP vesting (%)	n/a	n/a	n/a	94%	100%

Percentage change in Chief Executive Officer's remuneration

The table below shows the percentage change in the Chief Executive Officer's salary, benefits and annual bonus between the financial year ended 31 December 2012 and 31 December 2013, compared to that of the total amounts for all UK employees of the Group for each of these elements of pay.

	2012	2013	change %
Salary			
Chief Executive Officer (£)	390,000	425,000	9%
UK employee average (£)	38,658	40,812	6%
Benefits			
Chief Executive Officer (£)	14,000	14,000	0%
UK employee average (£)	336	398	18%
Annual bonus			
Chief Executive Officer (£)	675,000	650,000	-4%
UK employee average (£)	9,899	9,206	-7%
Average number of UK employees	475	523	10%

UK employees have been selected as the most appropriate comparator pool, given our headquarters are located in the UK.

Relative importance of spend on pay

The following table shows the Company's actual spend on pay (for all employees) relative to dividends, tax and retained profits:

	2012	2013	change %
Staff costs (£m)	30.1	33.8	12%
Dividends (£m)*	30.4	109.5	260%
Tax (£m)	6.7	8.4	25%
Retained profits (£m)	24.8	34.7	40%

* 2013 includes a proposed final dividend of 5.12p per share, and a special dividend of 12.92p per share paid on 26 July 2013.

£3.5m (2012: £3.0m) of the staff costs figures relate to pay for the Executive Directors. This is different to the aggregate of the single figures for the year under review due to the way in which the share-based awards are valued for accounting purposes.

The dividends figures relate to amounts payable in respect of the relevant financial year.

Pensions (audited)

During the year under review, the Executive Directors received pension contributions of 20% of basic salary into defined contribution arrangements. Where the pension contributions exceeded the limits set by HMRC, the Group continued to provide benefits through the provision of salary supplements.

Details of the value of pension contributions received by the Executive Directors in the year under review are provided in the 'Pensions' column of the 'Remuneration received by Directors' table and the footnotes to the table.

Directors' Remuneration Report

continued

Annual Report on Remuneration continued

Consideration by the Directors of matters relating to Director's remuneration

The Remuneration Committee comprises six Non-Executive Directors, Bruce Carnegie-Brown (Chairman), Gerald Corbett, Rob Rowley, Michael Wemms, Sally James and Robin Klein. Bruce Carnegie-Brown, Rob Rowley, Michael Wemms, Sally James and Robin Klein are considered by the Board to be independent. Gerald Corbett was considered by the Board to be independent on appointment. Gerald Corbett will step down as a member of the Remuneration Committee when he ceases to be a Director at the conclusion of the Annual General Meeting on 23 April 2014. Biographies of the members of the Remuneration Committee are set out on pages 22 and 23.

At the invitation of the Chairman of the Remuneration Committee, the Chief Executive Officer, Human Resources Director and Company Secretary may attend meetings of the Remuneration Committee, except when their own remuneration is under consideration. No Director is involved in determining his or her own remuneration. The Company Secretary acts as secretary to the Remuneration Committee. The members of the Remuneration Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.

The Remuneration Committee's duties include:

- Determining the policy for the remuneration of the Chairman, Executive Directors and Executive Management Team.
- Determining the remuneration package of the Chairman, Executive Directors and Executive Management Team, including, where appropriate, bonuses, incentive payments and pension arrangements within the terms of the agreed framework and policy.
- Determining awards under the Company's long term incentive schemes.

The Remuneration Committee met on six occasions during the year. Details of the attendance at Remuneration Committee meetings are set out in the Corporate Governance Report on page 29.

The Remuneration Committee's terms of reference are published on the investor relations section of the Group's website at www.moneysupermarket.com and are available in hard copy form on application to the Company Secretary.

During the year, the Remuneration Committee and the Company received advice from Towers Watson, who are independent remuneration consultants, in connection with remuneration matters including the Group's performance related remuneration policy. Towers Watson is a member of the Remuneration Consultants Group and is committed to that group's voluntary code of practice for remuneration consultants in the UK. Towers Watson has no other connection or relationship with the Group and has not provided any other services to the Group during the financial year ended 31 December 2013.

The fees paid to Towers Watson for providing advice in relation to executive remuneration over the financial year under review was £45,000.

Statement of voting at general meeting

At last year's AGM, the Directors' Remuneration Report received the following votes from shareholders:

	Votes	%
Votes cast in favour*	433,853,730	95.88%
Votes cast against	18,630,179	4.12%
Total votes cast	452,483,909	100%
Abstentions	739,735	

* Includes Chairman's discretionary votes.

This report was approved by the Board and signed on its behalf by:

Bruce Carnegie-Brown

Chairman of the Remuneration Committee

3 March 2014

Independent Auditor's Report

to the Members of Moneysupermarket.com Group PLC

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

We have audited the financial statements of Moneysupermarket.com Group Plc for the year ended 31 December 2013 set out on pages 51 to 80. In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2013 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with UK Accounting Standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006; and, as regards the Group financial statements, Article 4 of the IAS Regulation.

2 Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements the risks of material misstatement that had the greatest effect on our audit were as follows:

- **MoneySavingExpert.com contingent remuneration payable (Consolidated Statement of Financial Position accrual £11.1 million, Consolidated Statement of Comprehensive Income charge £8.6 million)**

Refer to page 32 (Audit Committee Report), page 55 (accounting policy) and page 69 (financial disclosures).

The risk – The contingent remuneration arising from the MoneySavingExpert.com acquisition is dependent upon achievement of a number of non-financial measures and is in part at the discretion of the Board, subject to continued employment over a 3 year period. The judgemental nature of the estimate is considered a significant audit risk.

Our response – Our audit procedures included, among others, comparing the relevant non-financial measures of MoneySavingExpert.com at 31 December 2013 as reported to the Board to the remuneration criteria and challenging the Group's assessment of the potential outcomes with reference to the actual performance of each measure as at the year end.

In respect of the discretionary element, we inspected board minutes and received a specific Board Representation to confirm that the estimate is consistent with the expectations of the Board.

We considered the sufficiency and adequacy of the Group's disclosures in respect of the estimate of the contingent remuneration recognised, particularly the method of estimation, significant assumptions used and degree of estimation uncertainty, as required by relevant accounting standards.

- **Revenue (£225.6 million)**

Refer to page 33 (Audit Committee Report), page 56 (accounting policy) and page 68 (financial disclosures).

The risk – Revenue is recognised predominantly from internet lead generation (click based revenues). A revenue accrual is recognised where the revenue for a click is dependent on a successful application to the end provider, and the success has not been confirmed by the period end. The accrual requires an estimation of the number of successful conversions. Revenue recognition, including the existence of revenue, is considered to be a significant audit risk because of the inherent complexities of the click recording system and the judgements made to estimate unbilled revenue at the period end.

Our response – Our audit procedures included, among others, testing the general IT control environment of the Group's information system, where click activity is recorded, to assess whether general IT controls were in place and were operating effectively across the period. This assessment supported the level of detailed testing by our own IT specialists to assess whether the system was recording clicks in the correct period, and that the number of clicks on which the Group is basing its revenue accrual estimate were derived from a system that is operating effectively. This detailed testing involved re-performance of click-throughs in the live environment.

We selected a statistical sample of the year end revenue accruals and agreed these to confirmatory evidence, which included cash receipts and confirmation of successful applications from the end providers, which allowed us to make an assessment of the validity and accuracy of the total revenue accrual.

We compared total revenue recognised to our expectations based on cash receipts and movement of trade receivables and revenue accruals. We analysed movements in revenue at an operating segment level based on changes in visitor numbers and transactions, and investigated unusual trends.

We also considered the adequacy of the Group's disclosures in respect of click-based revenue recognition.

- **Carrying amount of goodwill and intangibles (£174.3 million)**

Refer to page 33 (Audit Committee Report), pages 56-57 (accounting policy) and pages 66-68 (financial disclosures).

The risk – The carrying amount of goodwill and intangibles is reviewed for impairment annually using value in use models. The Group performs the review at an individual cash generating unit (CGU) level, which the Group has defined as the five operating segments as detailed in Note 4. We focused our detailed work on the Money and MoneySavingExpert CGUs, as these CGUs had the lowest headroom or were most sensitive to reasonable changes in key inputs, primarily being the cashflow growth assumed over the next three years. Due to the inherent uncertainty involved in forecasting and discounting future cash flows, which are the basis of the assessment of recoverability, this is one of the key judgemental areas that our audit is concentrated on.

Independent Auditor's Report continued

to the Members of Moneysupermarket.com Group PLC

Our response – In this area our audit procedures included, among others, testing of the Group's budgeting procedures upon which the forecasts are based and the principles and integrity of the Group and CGU's discounted cash flow models. We evaluated the assumptions and methodologies used by the Group, by making our own assessments in relation to key inputs such as projected revenue growth and discount rates, as well as performing break-even analysis on the assumptions. We compared the sum of the discounted cash flows to the Group's market capitalisation to assess the reasonableness of those cash flows.

We also considered the adequacy of the Group's disclosures in respect of impairment testing and whether disclosures about the sensitivity of the outcome of the impairment assessment to changes in the key assumptions properly reflected the risks inherent in the key assumptions and the requirements of relevant accounting standards.

3 Our application of materiality and an overview of the scope of our audit

The materiality for the Group financial statements as a whole was set at £5.1 million. This has been determined with reference to a benchmark of Group revenue (of which it represents 2.3%) which we consider to be one of the principal considerations for members of the company in assessing the financial performance of the Group.

We agreed with the Audit Committee to report to it all corrected and uncorrected differences we identified through our audit with a value in excess of £0.25 million, in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

The Group consists of 9 components which are all audited by one audit team at the Group's head office. 97% of the Group revenues are generated from the main trading component, Moneysupermarket.com Limited. Moneysupermarket.com Limited's component materiality is £5.0 million. We audit the remaining components to materiality ranging from £2.0 million to £5.0 million. The Group audit scope covers 100% of Group revenues, 99% of Group profit before taxation, and 100% of total Group assets.

4 Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion:

- the part of the Directors' Remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

5 We have nothing to report in respect of the matters on which we are required to report by exception

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement or fact, or that is otherwise misleading.

In particular we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the Directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy; or
- the Audit Committee Report does not appropriately address matters communicated by us to the Audit Committee.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited 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.

Under the Listing Rules we are required to review:

- the Directors' statement, set out on page 25, in relation to going concern; and
- the part of the Corporate Governance Statement on pages 28 -31 relating to the company's compliance with the nine provisions of the 2010 UK Corporate Governance Code specified for our review.

We have nothing to report in respect of the above responsibilities.

Scope of report and responsibilities

As explained more fully in the Directors' Responsibilities Statement set out on page 26, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate. This report is made solely to the company's members as a body and is subject to important explanations and disclaimers regarding our responsibilities, published on our website at www.kpmg.com/uk/auditscopeukco2013a, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

Stuart Burdass (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
St James' Square, Manchester, M2 6DS
3 March 2014

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2013

	Note	Year ended 31 December 2013 £000	Year ended 31 December 2012 £000
Revenue		225,553	204,752
Cost of sales		(50,156)	(53,046)
Gross profit		175,397	151,706
Distribution expenses		(30,708)	(30,471)
Administrative expenses		(100,170)	(89,710)
Operating profit	5	44,519	31,525
Net finance costs	7	(1,619)	(143)
Share of profit of associates using the equity accounting method, net of tax	23	175	158
Profit before tax		43,075	31,540
Taxation	8	(8,416)	(6,708)
Profit for the year		34,659	24,832
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		5	7
Other comprehensive income for the year		5	7
Total comprehensive income for the year		34,664	24,839
All profit and comprehensive income is attributable to the equity holders of the Company.			
Earnings per share			
Basic earnings per ordinary share (p)	9	6.4	4.8
Diluted earnings per ordinary share (p)	9	6.3	4.7

Consolidated Statement of Financial Position

at 31 December 2013

	Note	31 December 2013 £000	31 December 2012 £000
Assets			
Non-current assets			
Property, plant and equipment	11	11,163	10,554
Intangible assets	12	174,314	197,573
Investments in associates		1,333	1,158
Total non-current assets		186,810	209,285
Current assets			
Trade and other receivables	13	21,907	20,768
Prepayments		2,192	1,843
Cash and cash equivalents	17	38,935	18,680
Total current assets		63,034	41,291
Total assets		249,844	250,576
Liabilities			
Non-current liabilities			
Other payables	14	11,087	2,521
Borrowings	14	59,581	–
Deferred tax liability	15	9,290	13,432
Total non-current liabilities		79,958	15,953
Current liabilities			
Trade and other payables	14	31,260	27,291
Current tax liabilities		4,865	7,597
Total current liabilities		36,125	34,888
Total liabilities		116,083	50,841
Equity			
Share capital	16	108	107
Share premium		201,841	201,824
Retained earnings		(126,826)	(65,987)
Other reserves		58,638	63,791
Total equity		133,761	199,735
Total equity and liabilities		249,844	250,576

The Financial Statements were approved by the Board of Directors and authorised for issue on 3 March 2014. They were signed on its behalf by:

Peter Plumb
Chief Executive Officer

Paul Doughty
Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended 31 December 2013

	Note	Issued share capital £000	Share premium £000	Other reserves £000	Retained earnings £000	Reserve for own shares £000	Total £000
At 1 January 2012		102	171,297	74,133	(78,970)	–	166,562
Foreign currency translation		–	–	7	–	–	7
Profit for the year		–	–	–	24,832	–	24,832
Total income and expense for the year		–	–	7	24,832	–	24,839
New shares issued		4	30,527	–	–	–	30,531
Exercise of LTIP awards		1	–	–	–	–	1
Distribution in relation to LTIP		–	–	–	(1,506)	–	(1,506)
Equity dividends	10	–	–	–	(24,704)	–	(24,704)
Share-based payments	18	–	–	–	1,979	–	1,979
Tax effect of share-based payments		–	–	–	2,033	–	2,033
Reserves transfer		–	–	(10,349)	10,349	–	–
At 31 December 2012		107	201,824	63,791	(65,987)	–	199,735
Foreign currency translation		–	–	5	–	–	5
Profit for the year		–	–	–	34,659	–	34,659
Total income and expense for the year		–	–	5	34,659	–	34,664
New shares issued		–	17	–	–	–	17
Exercise of LTIP awards		1	–	–	–	–	1
Distribution in relation to LTIP		–	–	–	(848)	–	(848)
Equity dividends	10	–	–	–	(102,902)	–	(102,902)
Share-based payments	18	–	–	–	2,319	–	2,319
Tax effect of share-based payments		–	–	–	775	–	775
Reserves transfer		–	–	(5,158)	5,158	–	–
At 31 December 2013		108	201,841	58,638	(126,826)	–	133,761

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 below, 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.

Upon the acquisition of Moneysupermarket.com Financial Group Limited, a merger reserve of £60,750,000 for 15% of the fair value of assets acquired, a merger reserve of £16,923,000 for 45% of the book value transferred from a company under common control, and a revaluation reserve of £65,345,000 representing 45% of the fair value of the intangible assets transferred from a company under common control, were recognised. Amounts are transferred from these reserves to retained earnings as the goodwill and other intangibles balances which relate to this acquisition are impaired and amortised.

The balance also includes a foreign currency translation reserve, which 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's ordinary shares held by the Group. At 31 December 2013, the Group held 310,183 ordinary shares at a cost of 0.02p per share through a trust for the benefit of the Group's employees.

Consolidated Statement of Cash Flows

for the year ended 31 December 2013

	Note	Year ended 31 December 2013 £000	Year ended 31 December 2012 £000
Operating activities			
Profit for the year		34,659	24,832
Adjustments to reconcile Group net profit to net cash flows:			
Depreciation of property, plant and equipment	11	3,648	3,581
Amortisation of intangible assets	12	27,300	26,148
Impairment of goodwill and intangible assets	12	-	5,945
Share of profit of associates	23	(175)	(158)
Change in contingent payable	3	7,960	(185)
Loss on disposal of property, plant and equipment		22	4
Net finance costs	7	1,619	143
Equity-settled share-based payment transactions	18	2,319	1,979
Tax charge	8	8,416	6,708
Change in trade and other receivables		(1,487)	(4,743)
Change in trade and other payables		3,581	916
Tax paid		(14,518)	(13,646)
Net cash flow from operating activities		73,344	51,524
Investing activities			
Interest received	7	135	197
Acquisition of trade and assets	3	-	(35,000)
Acquisition of property, plant and equipment	11	(4,229)	(3,170)
Acquisition of intangible assets	12	(4,091)	(3,517)
Net cash used in investing activities		(8,185)	(41,490)
Financing activities			
Proceeds from exercise of Long Term Incentive Plan		1	1
Proceeds from share issue		17	-
Proceeds from borrowings	17	60,000	13,000
Repayment of borrowings	17	-	(13,000)
Payment of transaction costs relating to financing activities		(625)	-
Interest paid	7	(553)	(144)
Distribution in relation to Long Term Incentive Plan		(848)	(1,506)
Dividends paid	10	(102,902)	(24,703)
Net cash used in financing activities		(44,910)	(26,352)
Net increase/(decrease) in cash and cash equivalents		20,249	(16,318)
Cash and cash equivalents at start of year		18,680	35,005
Effects of foreign exchange differences		6	(7)
Cash and cash equivalents at end of year	17	38,935	18,680

Notes to the Consolidated Financial Statements

1. Corporate information

The Consolidated Financial Statements of Moneysupermarket.com Group PLC ('Company'), a company incorporated in England, and its subsidiaries for the year ended 31 December 2013 were authorised for issue in accordance with a resolution of the Directors on 3 March 2014. The Consolidated Financial Statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ('Adopted IFRSs'). The Company has elected to prepare its Company Financial Statements in accordance with UK GAAP; these are presented on pages 75 to 80.

2. Summary of significant accounting policies

Basis of preparation

The Financial Statements are prepared on the historical cost basis. Comparative figures presented in the Financial Statements represent the year ended 31 December 2012. The Financial Statements are prepared on a going concern basis, which the Directors deem appropriate, given the Group's positive cash position, low level of net debt, continued growth and forecast profitability.

Use of estimates and judgements

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The most significant areas of estimation uncertainty, and areas where critical judgements are made in applying accounting policies that have a material effect on the Financial Statements, are listed below. The uncertainties encountered, and judgements made, are described in more detail in the relevant accounting policies and accompanying notes:

- Note 3 contingent consideration and remuneration on acquisitions
- Note 12 goodwill and other intangibles, including their amortisation and impairment
- Note 13 revenue recognition

Basis of consolidation

These Consolidated Financial Statements incorporate the Financial Statements of the Company and its subsidiaries and equity account the Group's interest in associates.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Investments in associates are accounted for using the equity method and are recognised initially at cost. The Consolidated Financial Statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

Accounting for business combinations

From 1 January 2010 the Group has applied IFRS 3 Business Combinations (2008) in accounting for business combinations. The change in accounting policy has been applied prospectively.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Acquisitions on or after 1 January 2010

For acquisitions on or after 1 January 2010, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent amount payable is recognised at fair value at the acquisition date. If the contingent amount is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent amount are recognised in profit or loss. Where the contingent amount is dependent on future employment, it shall be treated as a cost of continuing employment, and therefore is recognised as an expense over the relevant period.

Notes to the Consolidated Financial Statements continued

2. Summary of significant accounting policies continued

Acquisitions between 22 June 2007 and 1 January 2010

For acquisitions between 22 June 2007 and 1 January 2010, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

The Group was established via a series of transactions that occurred concurrently on 22 June 2007. These comprised the incorporation of the Company with Simon Nixon as sole shareholder, the acquisition by the Company using a share for share exchange of Simon Nixon's 45% interest in Moneysupermarket.com Financial Group Limited and the acquisition by the Company of all other shares in Moneysupermarket.com Financial Group Limited from third parties. The acquisition of Simon Nixon's shares was between two parties, being Simon Nixon and the Company, who were under common control at the time of the transaction. The acquisition was of an interest in a company which gave the investor a significant influence in the company and it was concluded that this arrangement was a common control transaction and not within the scope of IFRS 3 Business Combinations. As a result the Company accounted for this 45% interest in Moneysupermarket.com Financial Group Limited at original carrying value rather than fair value at the date of the acquisition. The acquisition of the remaining shares in Moneysupermarket.com Financial Group Limited was accounted for in accordance with IFRS 3 Business Combinations applying the accounting guidance for a business combination achieved in stages. This resulted in the fair value of the identifiable assets, liabilities and contingent liabilities of Moneysupermarket.com Financial Group Limited being recognised in full and the goodwill in respect of the acquisition from third parties being recognised.

Foreign currency

The Consolidated Financial Statements are presented in sterling, which is the Company's functional and presentation currency. The functional currency of the foreign subsidiary icero GmbH is the euro. The income and expenses of the foreign operation are translated into sterling at an average exchange rate for the period in which the activity occurred. The assets and liabilities of the foreign operation are translated into sterling using exchange rates ruling as at the balance sheet date. The exchange difference arising upon translation is taken directly to a separate component of equity.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency differences arising on retranslation are recognised as a profit or loss.

Revenue

The Group generates fees from internet lead generation (click based revenue), commissions from brokerage sales and advertising through a variety of contractual arrangements. The Group recognises click based revenues and associated costs in the period that the lead is generated. Brokerage commissions are recognised at the point of completion of the transaction with the customer. Advertising revenue is recognised in the period when an advertisement is delivered to the end user.

Revenue is recognised net of value added tax.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the Statement of Comprehensive Income on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Land is not depreciated. Assets under construction are not depreciated until brought into use. The estimated useful lives are as follows:

Buildings	50 years
Plant and equipment (including IT equipment)	3 years
Fixtures and fittings	5 years
Office equipment	5 years

The useful lives and depreciation rates are reassessed at each reporting date.

Intangible assets

Goodwill

Goodwill is measured at cost less any accumulated impairment losses, with the carrying value being reviewed for impairment at least annually, and whenever there is an indication that the carrying value may be impaired.

2. Summary of significant accounting policies continued

Other intangible assets

The cost of other intangible assets acquired in a business combination is fair value as at the date of acquisition. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. All the Group's intangible assets (other than goodwill) have been identified as having finite useful lives. As such, they are amortised on a straight-line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Comprehensive Income in the expense category consistent with the function of the intangible asset. The estimated useful lives are as follows:

Market-related	10 years
Customer relationships	7 years
Non-compete agreement	4 years
Customer lists	3 years
Technology	3 years

Market-related intangible assets are defined as those that are primarily used in the marketing or promotion of products and services, for example trademarks, trade names and internet domain names.

Customer-related intangible assets consist of customer lists, customer contracts and relationships, and non-contractual customer relationships. For accounting purposes, customer relationships and customer lists have been identified separately. Relationships with high-profile customers provide the Group with prominence in the marketplace, create volume and traffic on the website, and enhance the reputation of the brand. Customer lists allow the Group to undertake targeted marketing activities.

Technology-based intangible assets relate to innovations and technical advances such as computer software, patented and unpatented technology, databases and trade secrets.

Impairment

The carrying amounts of the Group's assets are reviewed annually to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Consolidated Statement of Comprehensive Income.

For the purposes of impairment reviews, the recoverable amount of the Group's assets is taken to be the higher of their fair value less costs to sell and their value in use.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining technical knowledge and understanding, is charged to the Consolidated Statement of Comprehensive Income when incurred. Development expenditure is capitalised when it meets the criteria outlined in IAS 38. Expenditure that does not meet the criteria is expensed directly to the Consolidated Statement of Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents for the purpose only of the Consolidated Statement of Cash Flows.

Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Statement of Comprehensive Income as incurred.

Share-based payment transactions

The Group's share schemes allow certain Group employees to acquire ordinary shares in the Company. The fair value of share awards made is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at award date and spread over the period during which the employees become unconditionally entitled to the awards. The fair values of the share awards are measured using the Monte Carlo method for options subject to a market-based condition and the Black-Scholes model for all others, taking into account the terms and conditions upon which the awards were made. The amount recognised as an expense is adjusted to reflect the number of share awards expected to vest.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recognised in the Consolidated Statement of Comprehensive Income as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Advertising costs

The Group incurs costs from advertising via a number of different media. Costs associated with the production of adverts are recognised as an expense in the Consolidated Statement of Comprehensive Income only once the advert is available to the Group in a format ready for use, having been approved for airing or displaying. The cost of airing or displaying the advert is taken as an expense in the period in which the advert is aired or displayed.

Notes to the Consolidated Financial Statements continued

2. Summary of significant accounting policies continued

Finance income

Finance income comprises interest receivable, which is recognised in the Consolidated Statement of Comprehensive Income as it accrues using the effective interest method.

Finance costs

Finance costs comprise of interest charged on borrowings, and the unwind of the discount on contingent remuneration. Borrowings are recognised initially at fair value less directly attributable transaction costs. The effective interest rate method is then used for subsequent re-measurement of borrowings at amortised cost. The unwind of the discount on contingent remuneration is charged to the Consolidated Statement of Comprehensive Income as an interest expense.

Operating leases

Rental payments under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed. Lease incentives and rent-free periods are amortised through the Consolidated Statement of Comprehensive Income over the term of the relevant lease.

Dividends

Dividends payable to the Company's shareholders are recognised as a liability and deducted from shareholders' equity in the period in which the shareholders' right to receive payment is established.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates in force for the year, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax liabilities are recognised at the expected future tax rate of the value of the intangible assets with finite lives which are acquired through business combinations representing the tax effect of the amortisation of these assets in future periods.

These liabilities will decrease in line with the amortisation of the related intangible assets, with the deferred tax credit recognised in the Statement of Comprehensive Income in accordance with IAS 12.

Research and development tax credits are accounted for in accordance with IAS 20 as a government grant. The credit is recognised once a reasonable estimate of the amount can be made.

Group management of capital

The Group's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In assessing the level of capital all components of equity are taken into account, i.e. share capital, retained earnings and reserves (where applicable), as well as unvested share options and awards.

In line with internal capital management requirements, the Group manages its cash balances by where possible depositing them with a number of financial institutions to reduce credit risk. The Group has drawn down £60 million from its revolving credit facility in the year. The Group is subject to externally imposed quarterly covenants as a result of this facility which are based on EBITDA, interest and net debt. None of these covenants were breached in the year, nor are expected to be breached within 12 months of the date of these Financial Statements. Management of capital focuses around the Group's ability to generate cash from its operations. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to raise funds. The Group believes it is meeting its objectives for managing capital as funds are available for reinvestment where necessary as well as being in a position to make returns to shareholders where this is felt appropriate.

There were no changes to the Group's approach to capital management during the year.

2. Summary of significant accounting policies continued

Standards, amendments and interpretations adopted during the period

The Group has adopted the following standards, amendments and interpretations which have not had a significant impact on the Group's results:

- Presentation of items of Other Comprehensive Income (amendments to IAS 1)
- IAS 19 'Employee benefits'
- IFRS 13 'Fair value measurement'

Standards, amendments and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective, and therefore have not yet been adopted by the Group. These are not expected to have a material impact on the Group's accounts when adopted, except where stated.

IFRS 10 'Consolidated financial statements (2011)' – On 12 May 2011, the IASB issued IFRS 10 Consolidated financial statements which is a replacement of IAS 27 Consolidated and separate financial statements and SIC-12 Consolidation – Special purpose entities. This is part of a new suite of standards on consolidation and related matters, which will replace the existing accounting for subsidiaries and joint ventures (now joint arrangements), and will make limited amendments in relation to associates. Concurrent with the issuance of IFRS 10, the IASB also issued:

- IFRS 11 'Joint ventures (2011)';
- IFRS 12 'Disclosures of involvement with other entities (2011)';
- IAS 27 'Separate financial statements (revised 2011)', has been amended for the issuance of IFRS 10 but retains the current guidance for separate financial statements; and
- IAS 28 'Investments in associates and joint ventures (revised 2011)', has been amended for conforming changes based on the issuance of IFRS 10 and IFRS 11.

Each of the standards in the 'package of five' has an effective date for periods beginning on or after 1 January 2014, with earlier application permitted so long as each of the other standards in the 'package of five' is also early adopted.

Transition guidance: Amendments to IFRS 10, IFRS 11 and IFRS 12 – Further to the consolidation standards above, the IASB has issued transitional guidance, which will simplify the transition to these new standards and provide additional relief from disclosures. This is effective from 1 January 2014.

IFRS 9 'Financial instruments' (2010) – On 28 October 2010, the IASB published a revised version of IFRS 9 'Financial instruments'. The revised standard retains the requirements for classification and measurement of financial assets that were published in November 2009 but adds guidance on the classification and measurement of financial liabilities. As part of its restructuring of IFRS 9, the IASB also copied the guidance on derecognition of financial instruments and related implementation guidance from IAS 39 'Financial instruments: recognition and measurement to IFRS 9'. On 19 November 2011, the IASB issued 'Mandatory effective date and Transition Disclosures.' IFRS 9 has not yet been adopted by the EU and the effective date is currently unknown.

3. Acquisitions

MoneySavingExpert.com (MSE)

On 21 September 2012, the Group acquired certain trade and assets from Martin Lewis and his company MoneySavingExpert.com for an initial consideration of £65.5m. The initial consideration of £65.5m was settled by a cash payment of £35.0m and £30.5m of equity represented by 22.1 million ordinary shares in the Company. In addition, a contingent amount of up to £27.0m, payable in part against the achievement of certain non-financial metrics and in part at the discretion of the Company Board, is dependent on the continued employment of Martin Lewis for three years following the acquisition.

	£000
Consideration:	
Initial consideration, paid in cash	35,000
Initial consideration, paid in equity shares in Company	30,531
Total consideration	65,531

The MoneySavingExpert.com website offers free online content for consumers, in areas such as credit cards and loans, shopping, deals and vouchers, utilities, phones, banking and saving, travel and motoring, insurance, mortgages and homes, and income and family, and includes a range of online tools, researched articles in respect of specific products, personal finance guides, weekly newsletter emails, and online forums. Martin Lewis and the MoneySavingExpert.com website also provide information on and promote topical consumer issues such as financial education in schools and reclaiming payment protection insurance. The business continues to be run separately from the rest of the Group according to an editorial code, to ensure that MoneySavingExpert.com retains its independence.

Notes to the Consolidated Financial Statements continued

3. Acquisitions continued

Effect of acquisition

The acquisition had the following effect on the Group's assets and liabilities:

	Recognised values on acquisition £000
MSE's net assets at the acquisition date:	
Other current assets	16
Intangible assets (see note 12)	12,895
Net identifiable assets and liabilities	12,911
Goodwill on acquisition	52,620
Total consideration	65,531

A detailed description of the different intangible assets which were identified within the acquired business, and the methods used to value them, are provided within note 12.

Following a review by management during the maximum measurement period of one year from the date of acquisition of MSE, as permitted by IFRS 3, no fair value adjustments have been required to the initial amounts recognised for the assets and liabilities of MSE at the date of acquisition. Accordingly the value of goodwill recognised at the acquisition date has not been adjusted.

The acquisition of MoneySavingExpert.com by the Group has provided a number of benefits to both the Group and the acquired business, allowing the enlarged Group to reach a wider audience, and improve the visibility and accessibility of MoneySavingExpert.com's offering. The goodwill identified upon the acquisition of MoneySavingExpert.com represented the benefits referred to above, as well as the skills and knowledge within the acquired business' workforce.

During 2013 the business contributed revenue (prior to consolidation adjustments) of £19.5m (2012: £3.9m) and a profit before tax of £13.3m (2012: £2.8m) to the consolidated profit for the year.

Additional amounts of up to £27.0m may become payable on the third anniversary of the completion of the acquisition of MoneySavingExpert.com. The amount payable depends in part upon the achievement of a number of non-financial performance measures specified in the purchase agreement and is, in part, at the discretion of the Company's Board, subject to the continued employment of Martin Lewis.

The arrangement to pay these additional amounts has been accounted for separate to the business combination as remuneration as their payment is linked to the continued employment of Martin Lewis.

The benefit payable will be charged to the Consolidated Statement of Comprehensive Income over the period in which services are provided (the earnout period) as an employment expense. Management has estimated the benefit payable by assessing, amongst other things, the performance of the acquired business since acquisition, against the measures specified in the purchase agreement. During the year £8.0m (2012: £2.3m) has been charged to the Consolidated Statement of Comprehensive Income as an employment expense, and £0.6m (2012: £0.2m) has been recognised as an expense within net finance costs, being the unwinding of the discount rate applied.

The Group incurred acquisition-related costs of £3.4m during 2012 relating to legal and advisory fees, which were included in administrative expenses. The impact on both basic and diluted earnings per share was a decrease of 0.6p per share. No acquisition-related costs have been incurred during 2013.

The Group was previously a significant customer of MoneySavingExpert.com. Management considered the settlement of the pre-existing relationship on acquisition, and since the pre-acquisition trade was on an arm's length, commercial basis, no settlement adjustments arose.

4. Segmental information

Business segments

In applying IFRS 8 – Operating segments, the Group has disclosed five reportable segments, being Money, Insurance, Travel, Home and MoneySavingExpert.com. Money, Insurance and Home operate under the brand name MoneySuperMarket.com, and Travel under the brand name TravelSupermarket.com, however, all four segments are reported separately. MoneySavingExpert.com is disclosed as a separate operating segment, with revenue generated by FSN and LDD reported within 'Other'. This disclosure correlates with the information which is presented to the Group's Chief Operating Decision Maker, the Company Board, which reviews revenue by segment. The Group's costs, finance income, tax charges and net assets are only reviewed by the Chief Operating Decision Maker at a consolidated level, with the exception of MoneySavingExpert.com, and therefore have not been allocated between all segments in the analysis below. All of the Group revenue of £225.6m (2012: £204.8m) reported in 2013 was generated in the UK (2012: £204.8m).

	Money £000	Insurance £000	Travel £000	Home £000	Money Saving Expert £000	Reportable segments Total £000	Other £000	Inter- segmental revenue £000	Total £000
Year ended 31 December 2013									
Revenue									
Segment revenue	52,070	127,566	17,704	21,958	19,522	238,820	116	(13,383)	225,553
Results									
Operating expenses					(6,250)				(181,034)
Profit from operating activities					13,272				44,519
Net finance costs									(1,619)
Share of profit of associates using the equity accounting method, net of tax									175
Profit before tax									43,075
Tax charge									(8,416)
Profit for the year									34,659
At 31 December 2013									
Assets and liabilities									
Intangible assets (excluding goodwill)									66,729
Goodwill									107,585
Other unallocated assets									75,530
Total assets									249,844
Deferred tax liability									9,290
Other unallocated liabilities									106,793
Total liabilities									116,083
Other segment information									
Capital expenditure									
Property, plant and equipment									4,229
Intangible assets									4,091
Total capital expenditure									8,320
Depreciation									3,648
Amortisation									27,300

Notes to the Consolidated Financial Statements continued

4. Segmental information continued

	Money £000	Insurance £000	Travel £000	Home £000	Money Saving Expert £000	Reportable segments Total £000	Other £000	Inter- segmental revenue £000	Total £000
Year ended 31 December 2012									
Revenue									
Segment revenue	57,389	120,368	13,074	11,403	3,931	206,165	735	(2,148)	204,752
Results									
Operating expenses					(1,147)				(173,227)
Profit from operating activities					2,784				31,525
Net finance costs									(143)
Share of profit of associates using the equity accounting method, net of tax									158
Profit before tax									31,540
Tax charge									(6,708)
Profit for the year									24,832
At 31 December 2012									
Assets and liabilities									
Intangible assets (excluding goodwill)									89,988
Goodwill									107,585
Other unallocated assets									53,003
Total assets									250,576
Deferred tax liability									13,432
Other unallocated liabilities									37,409
Total liabilities									50,841
Other segment information									
Capital expenditure									
Property, plant and equipment									3,170
Intangible assets									69,032
Total capital expenditure									72,202
Depreciation									3,581
Amortisation									26,148
Impairment of goodwill and other intangible assets									5,945

5. Results from operating activities

	31 December 2013 £000	31 December 2012 £000
Profit on ordinary activities before taxation is stated after charging/(crediting)		
Depreciation of property, plant and equipment	3,648	3,581
Amortisation of intangible assets	27,300	26,148
Impairment of goodwill and other intangible assets	–	5,945
Net VAT recovery	–	(10,622)
Research and development expenditure	2,299	2,823
Research and development expenditure credit	(120)	–
Operating lease rentals	720	761
Auditor's remuneration:		
Audit of these Financial Statements	95	90
Audit of subsidiaries' Financial Statements	80	80
Review of interim Financial Statements	31	28
Taxation compliance services	36	33
Taxation advisory services	99	160
Services relating to corporate finance	–	485
Other services	62	113

During 2012 formal approval of a new VAT recovery method was received from HM Revenue & Customs. As a result of this the Group recognised a net credit of £10.6m relating to the period from 1 April 2008 to 31 December 2012.

In the current period the same VAT recovery method has been applied and no further credits or adjustments have been made.

6. Staff numbers and cost

The average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

	Number of employees 31 December 2013	Number of employees 31 December 2012
IT operations	145	142
Administration	378	333
	523	475

The aggregate payroll costs of these persons were as follows:

	31 December 2013 £000	31 December 2012 £000
Wages and salaries	26,368	23,160
Compulsory social security contributions	3,048	2,579
Contributions to defined contribution plans	1,011	552
Equity-settled share-based payment transactions	2,319	1,979
Social security contributions related to share awards and options	1,076	1,861
	33,822	30,131

In addition to the above, £7,960,000 (2012: £2,325,000) has been charged to the Consolidated Statement of Comprehensive Income during the period in relation to the contingent remuneration expected to become payable in relation to the acquisition of MoneySavingExpert.com. In the prior period £96,000 was credited to the Consolidated Statement of Comprehensive Income in relation to the contingent remuneration payable in relation to the acquisition of Local Daily Deals Limited.

7. Net finance costs

	31 December 2013 £000	31 December 2012 £000
Finance income		
Interest received on bank deposits	135	197
Finance expense		
Interest payable on loan facility	(1,147)	(146)
Unwind of discount on contingent remuneration	(607)	(194)
	(1,754)	(340)
Net finance costs	(1,619)	(143)

Notes to the Consolidated Financial Statements continued

8. Taxation

Tax charged in the Consolidated Statement of Comprehensive Income

	31 December 2013 £000	31 December 2012 £000
Current tax		
Current tax on income for the year	13,774	15,458
Adjustment in relation to prior period	(319)	80
	13,455	15,538
Deferred tax		
Origination and reversal of temporary differences	(3,837)	(7,282)
Adjustments due to change in corporation tax rate	(1,329)	(1,505)
Adjustment in relation to prior period	127	(43)
	(5,039)	(8,830)
Tax expense for the year	8,416	6,708

Reconciliation of the effective tax rate

The tax charge for the year is lower (2012: lower) than the effective standard rate of corporation tax in the UK in 2013 of 23.25% (2012: 24.5%). The differences are explained below.

	31 December 2013 £000	31 December 2012 £000
Profit for the year	43,075	31,540
Standard rate of tax at 23.25% (2012: 24.5%)	10,015	7,727
Effects of:		
Expenses not deductible for tax purposes	83	205
Deferred tax not recognised	13	229
Movement on deferred tax assets related to share-based payments	141	47
Impact on deferred tax of reduction in corporation tax rate to 20% (2012: 23%)	(1,644)	(1,537)
Adjustment in relation to prior period	(192)	37
Tax expense for the year	8,416	6,708

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly and reduces the deferred tax liabilities at 31 December 2013 which have been calculated based on the rate of 20% substantively enacted at the balance sheet date.

9. Earnings per share

Basic earnings per share

Basic earnings per share amounts are calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

Earnings per share

Basic and diluted earnings per share has been calculated on the following basis:

	2013	2012
Profit after taxation attributable to ordinary equity holders (£000)	34,659	24,832
Basic weighted average ordinary shares in issue (millions)	540.8	519.4
Dilutive effect of share-based instruments (millions)	8.2	8.4
Diluted weighted average ordinary shares in issue (millions)	549.0	527.8
Basic earnings per ordinary share (p)	6.4	4.8
Diluted earnings per ordinary share (p)	6.3	4.7

10. Dividends

	2013 £000	2012 £000
Declared and paid during the year:		
Equity dividends on ordinary shares:		
Final dividend for 2011: 3.03p per share	-	15,431
Interim dividend for 2012: 1.80p per share	-	9,273
Final dividend for 2012: 3.94p per share	21,169	-
Special dividend for 2013: 12.92p per share	70,026	-
Interim dividend for 2013: 2.16p per share	11,707	-
Proposed for approval (not recognised as a liability at 31 December):		
Equity dividends on ordinary shares:		
Final dividend for 2013: 5.12p per share	27,751	-

11. Property, plant and equipment

	Land and buildings £000	Under construction £000	Plant and equipment £000	Office equipment £000	Fixtures and fittings £000	Total £000
Cost:						
At 1 January 2012	6,335	3	19,776	618	905	27,637
Additions	-	65	3,047	37	21	3,170
Disposals	-	-	-	(17)	-	(17)
Foreign exchange adjustments	-	-	5	2	2	9
At 31 December 2012	6,335	68	22,828	640	928	30,799
Additions	-	-	3,202	243	784	4,229
Transfers	-	(67)	117	-	-	50
Disposals	-	-	(22)	(15)	-	(37)
Foreign exchange adjustments	-	-	3	1	1	5
At 31 December 2013	6,335	1	26,128	869	1,713	35,046
Depreciation:						
At 1 January 2012	522	-	15,534	255	374	16,685
Depreciation for the year	123	-	3,204	92	162	3,581
Disposals	-	-	-	(17)	-	(17)
Foreign exchange adjustments	-	-	(2)	(1)	(1)	(4)
At 31 December 2012	645	-	18,736	329	535	20,245
Depreciation for the year	123	-	3,153	108	264	3,648
Disposals	-	-	(9)	(6)	-	(15)
Foreign exchange adjustments	-	-	3	1	1	5
At 31 December 2013	768	-	21,883	432	800	23,883
Carrying amounts:						
At 31 December 2012	5,690	68	4,092	311	393	10,554
At 31 December 2013	5,567	1	4,245	437	913	11,163

Notes to the Consolidated Financial Statements continued

12. Intangible assets

	Market related £000	Customer relationship £000	Customer list £000	Technology related £000	Goodwill £000	Total £000
Cost:						
At 1 January 2012	136,927	69,288	1,160	9,800	127,779	344,954
Additions internally developed	–	–	–	3,517	–	3,517
Additions through business combination	11,732	–	1,163	–	52,620	65,515
At 31 December 2012	148,659	69,288	2,323	13,317	180,399	413,986
Additions internally developed	–	–	–	4,091	–	4,091
Transfers	–	–	–	(50)	–	(50)
At 31 December 2013	148,659	69,288	2,323	17,358	180,399	418,027
Amortisation:						
At 1 January 2012	60,411	44,455	896	6,359	72,199	184,320
Charged during the year	14,074	9,899	258	1,917	–	26,148
Impairment	3,755	538	116	921	615	5,945
At 31 December 2012	78,240	54,892	1,270	9,197	72,814	216,413
Charged during the year	14,570	9,785	388	2,557	–	27,300
At 31 December 2013	92,810	64,677	1,658	11,754	72,814	243,713
Carrying amounts:						
At 31 December 2012	70,419	14,396	1,053	4,120	107,585	197,573
At 31 December 2013	55,849	4,611	665	5,604	107,585	174,314

On an annual basis, or where an indication exists, the Group is required to assess its goodwill and intangible assets for impairment.

During 2007 the Group employed the services of an appropriately qualified and experienced independent third party to value the intangible assets acquired from Moneysupermarket.com Financial Group Limited. This valuation was used as the initial carrying value for these assets. Following the impairment in 2008, the market capitalisation of the Group approximated to the total carrying value of the goodwill, intangible and other non-current assets of the Group. At 31 December 2013 the market capitalisation exceeded the carrying value of the goodwill, intangible and other non-current assets, and net current assets by more than 100% (2012: more than 100%).

On adoption of IFRS 8 the Group was required to allocate goodwill between its cash generating units ('CGU') that represent the lowest level within the Group at which goodwill is monitored for internal management purposes, but are not larger than an operating segment as defined by IFRS 8. These CGUs are the five operating segments Insurance, Money, Travel, Home Services and MoneySavingExpert.com. The Group has performed impairment testing at a CGU level. For the original four segments, the goodwill was allocated on 1 January 2009 based on estimates of the relative values of the operating segments at that date with £30.7m allocated to Insurance, £15.5m to Money, £6.6m to Travel and £2.2m to Home Services. The balances at 31 December 2013 are in line with those at 1 January 2009. Goodwill impairment for MSE has been considered separately from the four operating segments outlined above and the Group.

Impairment review by vertical and Group

For the current year, the recoverable amount of the assets was taken to be their value in use and was calculated by reference to the forecast cash flows.

The present value of the future cash flows has been calculated with the following key assumptions:

- Cash flows for year 1 for each CGU represent management's best estimate of future cash flows as at 31 December 2013, and are based upon the Group's approved budget for 2014 incorporating cost of sales, advertising and an allocation of overhead costs. The main assumptions underlying the 2014 budget relate to visitor volumes, source of visitors, revenue per transaction/visitor and marketing spend, which incorporate past experience. The forecast assumes continued growth during the course of 2014, broadly in line with that seen in 2013, driven by new media campaigns, exploitation of the Group's data asset and further investments made during 2013 in the core technology underpinning the Group's key channels.
- Cash flows for the second and third years assume revenue growth of approximately 10% per annum in the Insurance and Home Services segments, with a higher rate of growth in the Travel segment, and a lower rate of growth in the Money segment. Costs are expected to grow broadly in line with revenues. Cash flows after three years assume no growth.
- Cash flows into perpetuity have been incorporated into the calculations.
- A pre-tax discount rate of 13.5% (2012: 13.5%) has been used in the forecast for the Travel, Insurance, Money and Home Services segments.

A different set of assumptions may be more appropriate in future years dependent on changes to the macro-economic environment.

The analysis performed calculates that the recoverable amount of the assets allocated to the Insurance, Money, Travel and Home Services segments exceeds their carrying value by in excess of 100%, and as such, no impairment was identified. No reasonably possible change to a key assumption would result in an impairment.

12. Intangible assets continued

As explained in note 4, whilst the Group is able to allocate revenue between the Insurance, Money, Travel and Home Services operating segments, its cost base is reviewed by the Group's Chief Operating Decision Maker at a Group rather than segmental level, and a number of the significant costs which the Group incurs cannot be allocated either directly or on a reasonable and consistent basis to the CGUs that are each operating segment. Therefore the cash flows estimated for these segments include all of the Group's forecast revenues and an allocation of the Group's forecast costs.

The Group has therefore also performed a further impairment test for the Group as a whole, in a manner consistent with previous years. In these calculations the Group is treated as one group of CGUs, and the test compared the carrying amount, including goodwill and other corporate assets, to the recoverable amount.

The recoverable amount has been estimated based on the present value of its future cash flows which has been calculated with a set of assumptions consistent with those set out above in relation to the individual operating segment calculations.

The analysis performed calculates that the recoverable amount of the Group's assets exceeds their carrying value by £444m (2012: £469m), and as such, no impairment was identified.

With regard to the Group level impairment testing, the level of the decrease in cash flows, with all the other assumptions held constant, required to give a value in use for the Group's assets equal to their carrying value, would be in excess of what can reasonably be expected to happen (2012: outside of reasonable range). Similarly, the level of the increase in the discount rate, with all the other assumptions held constant, required to give a value in use for the Group's assets equal to their carrying value, would be in excess of what can reasonably be expected to happen (2012: outside of reasonable range).

At an asset category level, management believe that the assumptions relating to each intangible asset remain applicable, and that no adjustment is required to their valuation, nor their useful economic lives.

Acquisition of Financial Services Net Limited ('FSN')

During 2012 FSN continued to trade below management expectations. As a result of this management reviewed the remaining intangible assets for impairment. The analysis performed calculated the value in use of FSN being lower than the carrying value of the business' identified intangible assets. Therefore, an impairment charge of £4.4m was recognised within administrative expenses, as well as a credit of £0.2m in relation to the release of the accrued contingent consideration.

During 2013 the business ceased to trade. This has had no impact on the carrying value of the related goodwill and intangible assets. An impairment review has not been performed on FSN in the current year as the related goodwill and intangible assets have no carrying value.

Acquisition of Local Daily Deals Limited ('LDD')

In 2012, LDD traded below its forecast performance, and as a result management reviewed the goodwill balance for impairment. The analysis performed calculated the value in use of LDD being lower than the carrying value of goodwill created on the acquisition of LDD. Therefore an impairment charge of £0.6m was recognised in 2012 in administrative expenses.

During 2013 the business ceased to trade. This has had no impact on the carrying value of the related goodwill. An impairment review has not been performed on LDD in the current year as the related goodwill has no carrying value.

Acquisition of certain trade and assets of Martin Lewis and MoneySavingExpert.com

The fair value of the intangible assets recognised upon the acquisition of trade and certain assets from Martin Lewis and MoneySavingExpert.com ('MSE') were calculated as set out below:

- **Market related**

Within MSE, the main market related intangible assets are the MSE tradename, MSE domain name and Martin Lewis' image and reputation. These assets were valued using an income-based approach, namely, the royalty savings method, where it is assumed that a company, without similar assets, would license the right to use these assets and pay a royalty related to turnover achieved over their useful economic life of 10 years. A royalty rate of 20% has been applied for the first three years after acquisition, which will include the use of Martin Lewis' name and image, and a 10% royalty rate has been used for the following seven years when Martin Lewis' name and image will not be included.

- **Customer lists**

This asset represents the value of the customer data held by MSE at the date of acquisition, and its valuation has been performed with reference to the cost of buying an equivalent book of customer data on the open market. This was done through analysis of recent sales of comparable assets.

- **Non-compete agreement**

To value the non-compete agreement management considered what percentage of the business could be lost if Martin Lewis was to leave the acquired business and subsequently compete against the Group. The non-compete agreement is valid for a period of four years following acquisition. However, as the contingent remuneration which may become payable to Martin Lewis is dependent upon his continued employment by the business for three years following the acquisition, the non-compete agreement has been valued for the twelve months following the three year earnout period.

- **Tax amortisation benefit**

Included in the market related intangible and non-compete agreement is an additional increment of value, the tax amortisation benefit.

Notes to the Consolidated Financial Statements continued

12. Intangible assets continued

The goodwill balance recognised upon the acquisition represented the anticipated incremental value which the Group expected to generate by applying the existing skills and expertise within the Group's workforce to the acquired business and assets, as well as the skills and expertise of the acquired workforce and Martin Lewis.

The recoverable amount has been estimated based on the present value of its future cashflows using the following key assumptions:

- Cash flows for year 1 represent management's best estimate of future cash flows as at 31 December 2013, and are based upon the Group's approved budget for 2014. The main assumptions underlying the budget relate to visitor numbers, the amount of revenue generated per visitor, and the staff resource required to run the business. The forecast assumes an improvement during 2014, driven by investments in technology and search engine optimisation.
- Cash flows for the first three years assume an average 10% per annum increase in revenue, with costs expected to grow at around 10% per annum. Cash flows after three years assume no growth.
- Cash flows into perpetuity have been built into the model.
- A pre-tax discount rate of 16.2% (2012: 16.2%) has been used in the forecast.

The analysis performed calculates that the recoverable amount of the assets exceeds their carrying value by £24m (2012: £16m), and as such, no impairment was identified. The discount rate would need to increase to 22% (2012: 19%) with all other assumptions held constant, to give a value in use of MSE's assets equal to the carrying value. Similarly, a decrease in the annual cash flows of £4.0m (2012: £2.5m) with all other assumptions held constant, would also give a value in use equal to the carrying value.

13. Trade and other receivables

	31 December 2013 £000	31 December 2012 £000
Trade receivables	21,907	20,768

All receivables fall due within one year.

As a result of click based revenue being recognised in the period that the lead is generated, a revenue accrual for approximately one month's revenue is recognised at the year end date. The accrued revenue is estimated by considering the volume of clicks that have passed from the Group's websites through to provider websites in the period, and the historic conversion of such clicks into completed product purchases, for which the Group would receive a fee.

At 31 December 2013, trade receivables are shown net of a provision for doubtful debts of £122,000 (2012: £72,000), which represents a judgement made by management of which receivables balances are unlikely to be recovered taking into consideration the ageing of the debt, evidence of poor payment history or financial position of a particular debtor.

Movements in the provision for doubtful debts were as follows:

	2013 £000	2012 £000
At 1 January 2013	72	53
Charge for the year	70	23
Amounts written off	(20)	(4)
At 31 December 2013	122	72

As at 31 December, the analysis of trade receivables that were past due but not impaired is as follows:

	Total £000	Neither past due nor impaired £000	Past due not impaired				
			0-30 days £000	30-60 days £000	60-90 days £000	90-120 days £000	>120 days £000
At 31 December 2012	20,768	18,323	1,604	796	61	28	(44)
At 31 December 2013	21,907	18,183	2,704	729	189	82	20

The Group's standard payment terms are 15 days.

14. Trade and other payables**Non-current**

	31 December 2013 £000	31 December 2012 £000
Contingent remuneration in relation to the acquisition of MoneySavingExpert.com	11,087	2,521
Unsecured borrowings at amortised cost	59,581	–
	70,668	2,521

Additional amounts of up to £27.0m may become payable on the third anniversary of the completion of the acquisition of MoneySavingExpert.com. The amount payable depends in part upon the achievement of a number of non-financial performance measures specified in the purchase agreement and is, in part, at the discretion of the Company's Board, subject to the continued employment of Martin Lewis.

The arrangement to pay these additional amounts has been accounted for separate to the business combination as remuneration as their payment is linked to the continued employment of Martin Lewis.

The benefit payable will be charged to the Consolidated Statement of Comprehensive Income over the period in which services are provided (the earnout period) as an employment expense. Management has estimated the benefit payable by assessing, amongst other things, the performance of the acquired business since acquisition, against the measures specified in the purchase agreement. During the year £8.0m (2012: £2.3m) has been charged to the Consolidated Statement of Comprehensive Income as an employment expense, and £0.6m (2012: £0.2m) has been recognised as an expense within net finance costs, being the unwinding of the discount rate applied.

The Group drew down £60m from its bank facility in the year (see note 17) which is held at amortised cost.

Current

	31 December 2013 £000	31 December 2012 £000
Trade payables	20,393	17,208
Non-trade payables and accrued expenses	10,795	10,050
Deferred income	72	33
	31,260	27,291

As a result of click based revenue being recognised in the period that the lead is generated, an accrual for the cost of sales relating to the revenue accrued at the year end date (see note 13) is included within trade payables.

15. Deferred tax liabilities

Deferred tax assets and liabilities are attributable to the following:

	2013 £000	2012 £000
Intangible assets recognised under IFRS	10,093	16,896
Share schemes	(1,412)	(2,262)
Goodwill related to MoneySavingExpert.com	1,452	(203)
Accelerated capital allowances	(843)	(999)
Deferred tax liability at 31 December 2013	9,290	13,432

The following table illustrates the movement in the deferred tax liability during the year:

	2013 £000	2012 £000
At 1 January 2013	13,432	23,251
Temporary differences	(3,790)	(6,173)
Revaluation of LTIP equity-settled share awards	997	(682)
Reversal of deferred tax liability recognised on the acquisition of Financial Services Net Limited	–	(1,289)
Issue of LTIP equity-settled share awards	(147)	(127)
Reduction in corporation tax rate to 20% (2012: 23%)	(1,329)	(1,505)
Adjustment in relation to prior period	127	(43)
At 31 December 2013	9,290	13,432

Deferred tax liabilities arise from the creation of the intangible assets upon the acquisition of Moneysupermarket.com Financial Group Limited by the Company, and the acquisition of Financial Services Net Limited by Moneysupermarket.com Financial Group Limited. Deferred tax assets arise on share option schemes based on the expected tax deduction on vesting, and on the acquisition of MoneySavingExpert.com. Deferred tax assets and liabilities have been calculated at the tax rate enacted at the balance sheet date of 20%, unless the related asset or liability is expected to unwind in the year ended 31 December 2014, in which case it has been calculated at 21%.

Notes to the Consolidated Financial Statements continued

16. Capital

The following rights attached to the shares in issue during the year:

Ordinary shares

The holders of ordinary shares were entitled to returns of capital, receive a dividend and vote.

Issued and fully paid

Number of shares	Ordinary shares
At 1 January 2013	537,288,389
Issued on exercising of LTIP share awards	4,704,386
Issued on exercising of SAYE options	21,803
At 31 December 2013	542,014,578
£	Ordinary shares
At 1 January 2013	107,458
Issued on exercising of LTIP share awards	941
Issued on exercising of SAYE options	4
At 31 December 2013	108,403

The Group operates a Long Term Incentive Plan under which conditional nil cost awards of ordinary shares in the Company have been made to certain Directors and employees of the Group, and an HMRC-approved Save As You Earn scheme ('Sharesave') eligible to all employees (see note 18).

17. Financial instruments

Interest rate risk

The Group invests its cash in a range of cash deposit accounts with UK banks. Interest earned therefore closely follows movements in Bank of England base rates. A movement of 1% in this rate would result in a difference in annual pre-tax profit of £303,000 (2012: £187,000) based on Group cash, cash equivalents and financial instruments at 31 December 2013. At the balance sheet date, £38,377,000 was invested with Lloyds Banking Group, this being the most invested with any one bank.

Effective interest rates

In respect of interest-earning financial assets, the following table indicates their effective interest rates at the year end date:

	31 December 2013		31 December 2012	
	Effective interest rate	£000	Effective interest rate	£000
Cash and cash equivalents	0.74%	38,935	0.66%	18,680

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted a policy of only dealing with credit worthy counterparties as a means of mitigating risk of financial loss from default. The Group's exposure is continuously monitored by the credit control team and finance management.

By value, over 90% (2012: 90%) of the Group's revenue comes from blue chip companies. At the balance sheet date, the five largest trade receivables, by provider, accounted for 19% (2012: 14%) of the total trade receivables balance of £21,907,000 (2012: £20,768,000) and the largest individual balance was £2,045,484 (2012: £855,442).

Fair values

The Group's financial assets and liabilities are principally short-term in nature, and therefore their fair value is not materially different from their carrying value. The valuation method for the Group's financial assets and liabilities can be defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All financial assets and liabilities are valued at amortised cost. There have been no transfers between levels in the year.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

17. Financial instruments continued**Liquidity risk management**

The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows. Details of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risks, are set out below:

	Year ended 31 December 2013 £000	Year ended 31 December 2012 £000
Unsecured bank loan facilities with a maturity date of 30 September 2016		
- amount used	60,000	–
- amount unused	10,000	20,000

During the year, £60,000,000 was drawn down against the banking facility.

18. Share-based payments**Share Incentive Plan scheme ('SIP')**

Upon listing, the Company granted £3,000 of ordinary shares at the price of £1.70 per ordinary share to each eligible employee free of charge. If an employee left within one year of listing, all of these ordinary shares were forfeit; between one and two years of listing, 50% were forfeit; between two and three years of listing, 20% were forfeit; and after three years of listing, none were forfeit. 948,184 shares were issued under the Share Incentive Plan scheme in 2007. On 31 July 2010 eligible employees became entitled to receive their allocation of free shares. 18,409 (2012: 93,886) shares have been withdrawn from the trust by employees during the period and a further 95,452 remain held in trust (2012: 113,861).

Long Term Incentive Plan scheme ('LTIP')

On 7 April 2010, conditional awards were made over 6,473,309¹ ordinary shares under the Moneysupermarket.com Group PLC Long Term Incentive Plan scheme to senior employees ('2010 LTIPs'). Under this scheme, up to 70% of the shares were to vest at the end of a three year period dependent upon the absolute total shareholder return of the Company against a target set at the start of the period, and up to 30% of the shares were to vest at the end of a three year period dependent upon the total shareholder return of the Company relative to a comparator group of defined companies. On 7 April 2013 the awards vested in full following full achievement of the performance criteria.

During 2011, conditional awards were made over 3,945,803¹ ordinary shares under the Moneysupermarket.com Group PLC Long Term Incentive Plan scheme to senior employees ('2011 LTIPs'). Under this scheme, up to 50% of the shares were to vest at the end of a three year period dependent upon the absolute total shareholder return of the Company against a target set at the start of the period, and up to 50% of the shares vest at the end of a three year period dependent upon the total shareholder return of the Company relative to a comparator group of defined companies.

During 2012, conditional awards were made over 3,148,724¹ ordinary shares under the Moneysupermarket.com Group PLC Long Term Incentive Plan scheme to senior employees ('2012 LTIPs'). Under this scheme, up to 70% of the award vests at the end of a three year period dependent upon the achievement of a specified average growth rate in Adjusted EBITDA from 31 December 2011 to 31 December 2014, and up to 30% of the award vests at the end of a three year period dependent upon the total shareholder return ('TSR') of the Company relative to a comparator group of defined companies.

During 2013, conditional awards were made over 2,324,186¹ ordinary shares under the Moneysupermarket.com Group PLC Long Term Incentive Plan scheme to senior employees ('2013 LTIPs'). Under this scheme, up to 70% of the award vests at the end of a three year period dependent upon the achievement of a specified average growth rate in Adjusted EBITDA from 31 December 2012 to 31 December 2015, and up to 30% of the award vests at the end of a three year period dependent upon the total shareholder return ('TSR') of the Company relative to a comparator group of defined companies.

¹ The figures for the awards made in 2010, 2011, 2012 and 2013 are the maximum available if the performance targets are met in full, representing 150% of the actual awards made.

Sharesave scheme

During 2011, the Group established an HMRC-approved savings scheme available to all employees. The scheme allows employees to save an amount of their net pay into a savings account each month, and at the end of the three year period, choose to either receive back their savings or use them to buy ordinary shares in the Company at a discounted exercise price. The exercise price for the 2011 Sharesave scheme was fixed at 89.6p per share.

During 2012, the Group established a further HMRC-approved scheme available to all employees, on the same basis as the scheme established in 2011. The exercise price for the 2012 Sharesave scheme was fixed at 107.6p per share.

During 2013, the Group established a further HMRC-approved scheme available to all employees, on the same basis as the schemes established in 2011 and 2012. The exercise price for the 2013 Sharesave scheme was fixed at 137.5p per share.

Notes to the Consolidated Financial Statements continued

18. Share-based payments continued

Movements in the year

The following table illustrates the number and weighted average exercise price ('WAEP') of, and movements in, share options during the year. The number of awards in the table represents the number awarded, of which up to 150% could vest:

	Number	WAEP
Outstanding at 1 January 2012	11,920,848	£0.00
LTIP awards made during the year	2,099,149	£0.00
LTIP awards vested and exercised during the year	(5,872,192)	£0.00
LTIP awards forfeit during the year	(741,887)	£0.00
LTIP awards lapsed during the year	(339,328)	£0.00
Outstanding at 31 December 2012	7,066,590	£0.00
LTIP awards made during the year	1,549,457	£0.00
LTIP awards vested and exercised during the year	(3,136,257)	£0.00
LTIP awards forfeit during the year	(680,185)	£0.00
LTIP awards lapsed during the year	–	£0.00
Outstanding at 31 December 2013	4,799,605	£0.00

The following table lists the inputs to the Black-Scholes models and Monte Carlo simulations used for the schemes for the year ended 31 December 2013:

	2013 Sharesave	2012 Sharesave	2011 Sharesave	2013 LTIP	2012 LTIP	2011 LTIP
Fair value at grant date (£)	0.33	0.39	0.37	1.91	1.32	0.83
Share price (£)	1.55	1.38	1.10	1.91	1.31	0.90
Exercise price (£)	1.38	1.08	0.90	0.0	0.0	0.00
Expected volatility (%)	45.3	33.0	50.0	45.3	33.6	50.0
Expected life of option/award (years)	3.0	3.0	3.0	3.0	3.0	3.0
Weighted average remaining contractual life (years)	2.8	1.7	0.7	2.2	1.5	0.3
Expected dividend yield (%)	3.7	3.5	4.3	0.0	0.0	0.0
Risk-free interest rate (%)	2.8	2.64	1.9	2.8	2.64	1.9

Expected volatility has been estimated by considering historic average share price volatility for the Company or similar companies. Staff attrition has been assessed based on historic retention rates.

The share option charge in the Consolidated Statement of Comprehensive Income can be attributed to the following types of share option and share award:

	2013 £000	2012 £000
Long Term Incentive Plan scheme	2,240	1,906
Sharesave scheme	79	73
	2,319	1,979

19. Operating lease commitments

The future minimum lease commitments under non-cancellable operating leases are as follows:

	Plant and equipment 31 December 2013 £000	Plant and equipment 31 December 2012 £000	Land and buildings 31 December 2013 £000	Land and buildings 31 December 2012 £000
Operating lease commitment payments:				
Within one year	76	–	632	738
Between two and five years	17	–	2,529	2,471
Over five years	–	–	2,476	2,972
	93	–	5,637	6,181

20. Pensions and other post-employment benefit plans

The Group operates a defined contribution pension scheme based on base salary. The assets of the scheme are held separately from those of the Group in an independently administered fund. The amounts charged to the Consolidated Statement of Comprehensive Income represent the contributions payable to the scheme in respect of the accounting period. In the year ended 31 December 2013 £1,011,017 of contributions were charged to the Consolidated Statement of Comprehensive Income (2012: £552,244). As at 31 December 2013 £132,387 (2012: £93,989) of contributions were outstanding on the balance sheet.

21. Commitments and contingencies

The Group is a defendant in a small number of disputes incidental to its operations which, in aggregate, are not expected to have a material adverse effect on the Group. Provision has been made for the expected settlement where the Group believes a payment will be made to settle the dispute.

22. Related party transactions

The Group has the following investments in subsidiaries and associates:

	Country of incorporation	Ownership interest %	Principal activity
Moneysupermarket.com Financial Group Limited	UK	100	Holding company
Moneysupermarket.com Limited	UK	100	Internet price comparison
Moneysupermarket.com Financial Group Holdings Limited	UK	100	Holding company
MoneySavingExpert.com Limited	UK	100	Personal finance website
Travelsupermarket.com Limited	UK	100	Dormant
Insuresupermarket.com Limited	UK	100	Dormant
Mortgage 2000 Limited	UK	100	Financial intermediary services
Making Millionaires Limited	UK	100	Holding company
Moneysupermarket Limited	UK	100	Dormant
icero GmbH	Germany	100	Dormant
Betcompare.com Limited	UK	100	Dormant
Financial Services Net Limited	UK	100	Financial intermediary services
Local Daily Deals Limited*	UK	100	Discounted deals website
HD Decisions Limited	UK	25	Credit scoring technology

* The investment in Local Daily Deals Limited increased from 51% to 100% during the year.

The Company is the ultimate parent entity of the Group. Intercompany transactions with wholly owned subsidiaries have been excluded from this note, as per the exemption offered in IAS 24.

The aggregate value of transactions and outstanding balances relating to entities which were not wholly-owned subsidiaries at the balance sheet date were as follows:

	Transaction value Year ended 31 December 2013 £000	Transaction value Year ended 31 December 2012 £000	Balance outstanding as at 31 December 2013 £000	Balance outstanding as at 31 December 2012 £000
Company				
HD Decisions Limited	1,425	1,110	(199)	(90)

Transactions with key management personnel

In addition to their salaries, the Group also provides non-cash benefits to Directors and executive officers. Directors and executive officers also participate in the Group's Long Term Incentive Plan scheme, see note 18.

Gerald Corbett, Michael Wemms, Bruce Carnegie-Brown, Simon Nixon, Peter Plumb, Graham Donoghue, Paul Doughty and Sally James in total received dividends from the Group totalling £12,996,673 in 2012 and £34,763,898 in 2013.

There were no amounts outstanding to the Company or any future commitments of the Company as at 31 December 2013 (2012: nil).

Notes to the Consolidated Financial Statements continued

22. Related party transactions continued

Key management personnel compensation

Key management, defined as the executive management team, received the following compensation during the year:

	31 December 2013 £000	31 December 2012 £000
Short-term employee benefits	2,048	1,544
Share-based payments	1,786	1,445
Post employment benefits	330	141
	4,164	3,130

In addition to the above, the executive management team received a bonus of £2,106,000 (2012: £2,061,000) in relation to the reporting period.

23. Interest in associates

The Group's share of post-acquisition total recognised profit in HD Decisions Limited ('HD') for the year ended 31 December 2013 was £175,000 (2012: £158,000). HD's reporting date is 30 September.

Summary aggregated financial information on associates (100 per cent):

	31 December 2013 £000	31 December 2012 £000
Assets	2,104	1,449
Liabilities	(490)	(94)
Revenue	4,205	3,390
Profit	700	631

Company Balance Sheet

at 31 December 2013

	Note	31 December 2013 £000	31 December 2012 £000
Fixed assets			
Investments	5	181,688	181,688
Goodwill	6	66,322	84,954
Intangible assets	7	667	1,055
Total fixed assets		248,677	267,697
Current assets			
Debtors (including amounts falling due in more than one year £157,194, 2012: £39,498)	8	278,862	85,624
Cash at bank and in hand		1,713	473
Total current assets		280,575	86,097
Creditors: amounts falling due within one year	9	(118,592)	(89,139)
Net current assets/(liabilities)		161,983	(3,042)
Creditors: amounts falling due after one year	10	(83,540)	(23,605)
Net assets		327,120	241,050
Capital and reserves			
Share capital	13	108	107
Share premium	13	201,841	201,824
Other reserves	13	16,942	16,942
Profit and loss account	13	108,229	22,177
Shareholders' funds		327,120	241,050

The Financial Statements were approved by the Board of Directors and authorised for issue on 3 March 2014. They were signed on its behalf by:

Peter Plumb
Chief Executive Officer

Paul Doughty
Chief Financial Officer

Registered number: 6160943

Notes to the Company Financial Statements

1. Accounting policies

Basis of preparation

The Financial Statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

No profit and loss account is presented for the Company as permitted by section 408 of the Companies Act 2006. The profit after tax for the Company was £187,483,000 (2012: £28,725,000), which included dividends received of £200,000,000 (2012: £35,000,000).

The auditor's remuneration for audit and other services is disclosed in note 5 to the Consolidated Financial Statements.

The Company has taken the exemption in FRS 1 5(a) and consequently no cash flow statement is presented for the Company.

Use of estimates and judgements

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The most significant areas of estimation uncertainty, and areas where critical judgements are made in applying accounting policies that have a material effect on the Financial Statements, are listed below. The uncertainties encountered, and judgements made, are described in more detail in the accompanying notes:

- Note 4 contingent consideration and remuneration

Investments

Investments are shown at cost less provision for impairment.

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including direct issue costs, are accounted for on an accruals basis in profit or loss using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Intangible Assets

Goodwill

Goodwill is recognised on the acquisition of trade and assets, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired. The amounts are capitalised and written off on a straight-line basis over its useful economic life, which is five years. Provision is made for any impairment.

Other Intangible Assets

The cost of other intangible assets acquired in a business combination is fair value at the date of acquisition. Where this can be measured reliably after initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. All of the Company's intangible assets have been identified as having finite useful lives. As such they are amortised on a straight-line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The estimated useful lives are as follows:

Customer lists 3 years

For accounting purposes, customer lists have been identified separately. Customer lists allow the Company to undertake targeted marketing activities.

Share-based payment transactions

The Group's share schemes allow certain Group employees to acquire ordinary shares in the Company. The fair value of share awards made is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at award date and spread over the period during which the employees become unconditionally entitled to the awards. The fair value of the awards made is measured using an option valuation model, taking into account the terms and conditions upon which the awards were made. The amount recognised as an expense is adjusted to reflect the number of share awards expected to vest. Subsidiaries are recharged for the amount recognised as share-based payments relating to awards to their employees. The fair value of the recharge is recognised over the vesting period.

Dividends

Dividends receivable are recognised when the Company's right to receive payment is established. Dividends payable to the Company's shareholders are recognised as a liability and deducted from shareholders' equity in the period in which the shareholders' right to receive payment is established.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates in force for the year, and any adjustment to tax payable in respect of previous years.

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. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

2. Share-based payments

The analysis and disclosures in relation to share-based payments are given in the Consolidated Financial Statements in note 18.

3. Staff numbers and cost

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	Number of employees 31 December 2013	Number of employees 31 December 2012
Administration	3	5

The aggregate payroll costs of these persons were as follows:

	31 December 2013 £000	31 December 2012 £000
Wages and salaries	1,047	1,265
Social security costs	144	157
Other pension costs	190	110
Share-based payments	1,112	1,146
	2,493	2,678

In addition to the above, these persons received a bonus of £1,220,000 (2012: £1,635,000) in relation to the reporting period.

4. Acquisitions

MoneySavingExpert.com (MSE)

On 21 September 2012, the Company purchased trade and certain assets from Martin Lewis for an initial consideration of £64.5m. The initial consideration of £64.5m was settled by a cash payment of £34.0m and £30.5m of equity represented by 22.1m ordinary shares in the Company. In addition, a contingent amount of up to £27.0m, payable in part against the achievement of certain non-financial metrics and in part at the discretion of the Company Board, is dependent on the continued employment of Martin Lewis for three years following the acquisition. Part of this payment is due to individuals who were employed by MSE at the point of acquisition and who remain in employment at the end of the earnout period, with the remainder payable to Martin Lewis.

The amounts due to MSE employees have been accounted for separate to the business combination as remuneration. The fair value of this element will be charged to the Company profit and loss account over the earnout period. At the balance sheet date the fair value of the contingent amount was £1.7m (2012: £1.7m) and £0.6m (2012: £0.2m) has been charged to the Company profit and loss account during the period as an employment expense.

In accordance with FRS 7 'Fair values in acquisition accounting' the fair value of the remaining contingent amount is included in the cost of acquisition. At the balance sheet date management have calculated the fair value of this as £23.2m (2012: £23.3m). This will be reviewed at each balance sheet date.

The Company incurred acquisition-related costs of £3.4m during 2012, which under FRS 7 'Fair values in acquisition accounting' were included in the cost of acquisition. No acquisition-related costs were incurred during 2013. Total consideration was therefore:

	£000
Consideration:	
Initial consideration, paid in cash	34,000
Initial consideration, paid in ordinary shares in the Company	30,531
Contingent payable at fair value	23,256
Acquisition costs	3,360
Total consideration	91,147

The acquisition had the following effect on the Company's assets and liabilities:

	Recognised values on acquisition £000
Net assets at the acquisition date	1,163
Net identifiable assets and liabilities: Intangible assets (see note 7)	1,163
Goodwill on acquisition	89,984
Total consideration	91,147

Notes to the Company

Financial Statements continued

4. Acquisitions continued

A detailed description of the intangible assets identified within the acquired business, the methods used to value them, and the background to the acquisition and resulting goodwill are provided in note 12 of the Group's Consolidated Financial Statements.

The results of the acquired business have been included in the Company profit and loss account with effect from 21 September 2012. In the three months and 9 days to 31 December 2012, the business contributed revenue of £2.4m and a net loss of £3.1m to the Company profit and loss account for the year. During 2013 the business contributed revenue of £13.2m and a net loss of £8.8m to the Company profit and loss account for the year.

5. Investments

Shares in
subsidiary
undertakings
£000

Cost and net book value:

At 31 December 2012 and 31 December 2013	181,688
------------------------------------------	---------

The investment represents the Company's holding in Moneysupermarket.com Financial Group Holdings Limited, which was obtained via a share for share exchange during 2012 in which the Company exchanged its existing shareholding in Moneysupermarket.com Financial Group Limited for the entire share capital of Moneysupermarket.com Financial Group Holdings Limited.

6. Goodwill

Total
£000

Cost:

At 1 January 2013	89,984
Contingent consideration fair value adjustment	(794)

At 31 December 2013	89,190
----------------------------	---------------

Amortisation:

At 1 January 2013	5,030
Charged during the year	17,838

At 31 December 2013	22,868
----------------------------	---------------

Net book value:

At 31 December 2012	84,954
---------------------	--------

At 31 December 2013	66,322
----------------------------	---------------

In September 2012, the Company purchased certain trade and assets from Martin Lewis for consideration of up to £91.5m with an initial consideration of £64.5m paid on completion, and contingent amounts of up to £27.0m payable dependent in part on the achievement of certain non-financial performance criteria and in part at the Company's discretion.

The acquisition gave rise to £90.0m of goodwill, which is being amortised over a period of five years.

As required by FRS 7 'Fair values in acquisition accounting,' management have reviewed the fair value of the contingent amounts expected to be payable in the future at the balance sheet date. This has resulted in a £0.8m reduction in the fair value of the contingent amounts and a corresponding £0.8m reduction in goodwill recognised on acquisition.

7. Intangible assets

Customer lists
£000

Cost:

At 31 December 2012 and 31 December 2013	1,163
------------------------------------------	-------

Amortisation:

At 1 January 2013	108
Charged during the year	388

At 31 December 2013	496
----------------------------	------------

Net book value:

At 31 December 2012	1,055
---------------------	-------

At 31 December 2013	667
----------------------------	------------

8. Debtors

	31 December 2013 £000	31 December 2012 £000
Amount due from subsidiary undertakings	278,283	84,312
Other debtors	422	1,273
Deferred tax asset	157	39
	278,862	85,624

9. Creditors: amounts falling due within one year

	31 December 2013 £000	31 December 2012 £000
Amount owed to subsidiary undertaking	116,140	87,080
Accruals	2,452	2,059
	118,592	89,139

10. Creditors: amounts falling due after one year

	31 December 2013 £000	31 December 2012 £000
Contingent consideration	23,959	23,605
Borrowings	59,581	–
	83,540	23,605

11. Deferred tax

	31 December 2013 £000	31 December 2012 £000
At beginning of year	39	–
Profit and loss account credit	118	39
Deferred tax asset at end of year	157	39
The elements of deferred taxation are as follows:		
Short-term timing differences	157	39
Total deferred tax asset	157	39

12. Dividends

	31 December 2013 £000	31 December 2012 £000
Declared and paid during the year:		
Equity dividends on ordinary shares:		
Final dividend for 2011: 3.03p per share	–	15,431
Interim dividend for 2012: 1.80p per share	–	9,273
Final dividend for 2012: 3.94p per share	21,169	–
Special dividend for 2013: 12.92p per share	70,026	–
Interim dividend for 2013: 2.16p per share	11,707	–
Proposed for approval (not recognised as a liability at 31 December):		
Equity dividends on ordinary shares:		
Final dividend for 2013: 5.12p per share	27,751	–

Notes to the Company

Financial Statements continued

13. Capital and reserves

The following rights attached to the shares in issue during the year:

Ordinary shares

The holders of ordinary shares were entitled to returns of capital, receive a dividend and vote.

Issued and fully paid

Number of shares	Ordinary shares
At 1 January 2013	537,288,389
Issued on exercising of LTIP share awards	4,704,386
Issued on exercising of SAYE options	21,803
At 31 December 2013	542,014,578

£	Ordinary shares
At 1 January 2013	107,458
Issued on exercising of LTIP share awards	941
Issued on exercising of SAYE options	4
At 31 December 2013	108,403

The Group has a Long Term Incentive Plan under which conditional nil cost awards of ordinary shares in the Company have been made to certain Directors and employees of the Group, and an HMRC-approved Save As You Earn scheme ('Sharesave') eligible to all employees (see note 18 of the Consolidated Financial Statements).

Other reserves

	Share premium £000	Other reserves £000	Profit and loss account £000
At 1 January 2012	171,297	16,942	17,683
Total recognised profit in year	–	–	28,725
Equity dividends	–	–	(24,704)
Share-based payment	–	–	1,979
Distribution in relation to LTIP	–	–	(1,506)
New shares issued	30,527	–	–
At 31 December 2012	201,824	16,942	22,177
Total recognised profit in year	–	–	187,483
Equity dividends	–	–	(102,902)
Share-based payment	–	–	2,319
Distribution in relation to LTIP	–	–	(848)
New shares issued	17	–	–
At 31 December 2013	201,841	16,942	108,229

Other reserves represents the merger reserve for £16,923,000 generated upon the acquisition of Moneysupermarket.com Financial Group Limited by the Company, as discussed in the Consolidated Statement of Changes in Equity, 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.

14. Related party transactions

The Company has taken the exemption in FRS 8.3 not to disclose transactions with other Group companies.

Shareholder Information

Registered office and registered number

Moneysupermarket House
St David's Park
Ewloe
Chester CH5 3UZ
No. 6160943

Telephone: +44 (0)1244 665700
Website: www.moneysupermarket.com

Company Secretary

Darren Drabble

Financial advisors/stockbrokers

Credit Suisse Securities (Europe) Limited

One Cabot Square
London E14 4QJ

UBS Limited

1 Finsbury Avenue
London EC2M 2PP

Auditor

KPMG Audit Plc

St James' Square
Manchester M2 6DS

Solicitors

Herbert Smith Freehills LLP

Exchange House
Primrose Street
London EC2A 2HS

Addleshaw Goddard LLP

100 Barbirolli Square
Manchester M2 3AB

Principal bankers

Lloyds Banking Group plc

City Office
PO Box 1000, BX1 1LT

Financial PR

The Maitland Consultancy Limited

Orion House
5 Upper St. Martin's Lane
London
WC2H 9EA

Registrar

Capita Asset Services

The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

Telephone: 0871 200 1536 (UK)
(Calls cost 10p per minute plus network extras. Lines
are open 8.30am-5.30pm Monday-Friday)
+44 (0)20 3008 2245 (overseas)

E-mail: moneysupermarketshares@capita.co.uk

Enquiring about your shareholding

If you want to ask, or need any information, about your shareholding, please contact our registrar (see contact details in the opposite column). Alternatively, if you have internet access, you can access the Group's shareholder portal at www.moneysupermarket-shares.com where you can view and manage all aspects of your shareholding securely.

Investor relations website

The investor relations section of our website, www.moneysupermarket.com, provides further information for anyone interested in the Group. In addition to the Annual Report and share price, Company announcements including the half year and full year results announcements and associated presentations are also published there.

Dividend mandates

If you wish to have dividends paid directly into a bank or building society account, you should contact our registrar (see contact details in the opposite column) or visit the Group's shareholder portal at www.moneysupermarket-shares.com where you can set up or amend a dividend mandate. This method of payment removes the risk of delay or loss of dividend cheques in the post and ensures that your account is credited on the due date.

Dividend reinvestment plan ('DRIP')

You can choose to reinvest dividends received to purchase further shares in the Company through a DRIP. A DRIP application form is available from our registrar (see contact details on the left).

Share dealing service

You can buy or sell the Company's shares in a simple and convenient way via the Capita share dealing service either online (www.capitadeal.com) or by telephone (0871 664 0364). Calls cost 10p per minute plus network extras. Lines are open 8.00am-4.30pm Monday-Friday.

Please note that the Directors of the Company are not seeking to encourage shareholders to either buy or sell shares in the Company. Shareholders in any doubt about what action to take are recommended to seek financial advice from an independent financial advisor authorised by the Financial Services and Markets Act 2000.

Electronic communications

You can elect to receive shareholder communications electronically by contacting our registrar (see contact details in the opposite column). This will save on printing and distribution costs, creating environmental benefits. When you register, you will be sent a notification to say when shareholder communications are available on our website and you will be provided with a link to that information.

Cautionary note regarding forward looking statements

This Annual Report includes statements that are forward looking in nature. Forward looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Except as required by the Listing Rules, Disclosure and Transparency Rules and applicable law, the Company undertakes no obligation to update, revise or change any forward looking statements to reflect events or developments occurring on or after the date of this Annual Report.

Financial Calendar

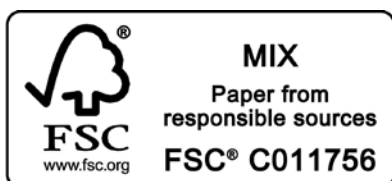
Declaration date of 2013 final dividend	4 March 2014
Announcement of 2013 full year results	4 March 2014
Ex-dividend date of 2013 final dividend	19 March 2014
Record date of 2013 final dividend	21 March 2014
Interim management statement	23 April 2014
Annual General Meeting	23 April 2014
Payment date of 2013 final dividend	2 May 2014
Half year end	30 June 2014
Announcement of 2014 half year results	*July 2014
Interim management statement	*November 2014
Full year end	31 December 2014
Announcement of 2014 full year results	*February 2015

* Exact dates to be confirmed.

Further copies of this Annual Report are available from the Company's registered office, or may be accessed on the investor relations section of the Group's website at www.moneysupermarket.com.

Notes

Notes



This product is completely bio-degradable
and recyclable

It also has the following Ecological Features:
Acid Free
Heavy Metal Absence
Long-Life – ISO 9706
Elemental Chlorine Free Guaranteed
Selected Secondary Fibres



MoneySavingExpert.com

Moneysupermarket.com Group PLC
Telephone: 01244 665700 Web: www.moneysupermarket.com
Registered in England No. 6160943.
Registered Office: Moneysupermarket House, St David's Park, Ewloe, Chester
CH5 3UZ