

Runpath Pilot Limited

Report and Financial Statements

Year ended 31 March 2017



Company no. 07406032

Runpath Pilot Limited

Registered No. 07406032

Directors

S Devine
I Major
JP Wilkins

Secretary

M Schlichting

Auditor

Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

Registered Office

White Collar Factory
1 Old Street Yard
London EC1Y 8AF

Previously

112-116 Old Street
London EC1V 9BG

Bankers

Barclays Bank plc
27 Soho Square
London W1D 3QR

Strategic report

Business overview

The company carries on business primarily as a technology and digital media business specialising in content, tools, service provision, product comparison, knowledge management and agency services, to consumers and to businesses, for finance and other verticals.

The company's performance for the year is contained in the Directors' Report on page 3, which forms part of the strategic report.

Principal risks and uncertainties

The principal risks and uncertainties facing the company are described below:

Economic:

- Dependence on financial service partners for product provision in the online product comparison market
- Dependence on network partners for distribution of some of the group's technical services

Operational:

- Loss of key staff within the management, development, editorial, marketing and support functions would impact the business, whilst replacements are identified and employed
- Technical failures related to the delivery of service

The directors seek to mitigate and manage each of these risks through continual review and policy setting.

Key performance indicators

The group's key performance indicators are considered to be aggregate product clicks from visitors across its distribution network, and customers' engagement with the knowledge management platform on the group's own sites and on its distribution network, and growth in the agency business. With regard to the group's key performance indicators, performance in the financial year and position at the end of the financial year is considered to be satisfactory, with further significant progress made on developing the technology and functionality underlying the knowledge management platform, and in expanding the business to business distribution network in the finance vertical.

The Strategic Report was approved by the Board on 26 September 2017 and was signed on its behalf by:

S Devine
Director



Directors' report

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2017.

Principal activity

The company's principal activity is as a technology and digital media business specialising in content, tools, service provision, product comparison, knowledge management and agency services, to consumers and to businesses, for finance and other verticals.

Results and dividends

The profit for the year after taxation amounted to a loss of £516,698 (2016 profit £144,349). The directors do not recommend the payment of a dividend and the profit for the year has been transferred to reserves.

Future development

The company will continue to pursue a strategy of focused growth, leveraging its digital expertise for the benefit of its own consumers and for its expanding network of distribution partners.

Post balance sheet events

There have been no post balance sheet events.

Directors

The directors who served during the year are as follows:

S Devine
I Major
JP Wilkins

Auditor

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with Section 487 of the Companies Act 2006.

Directors' responsibility statement

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

Directors' report

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

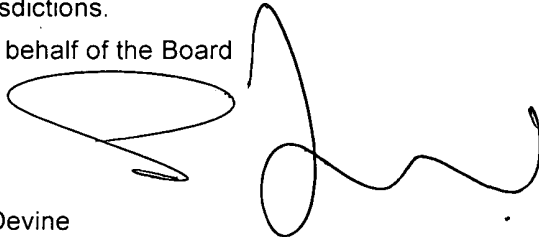
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

On behalf of the Board



S Devine

Director

26 September 2017

Independent auditor's report

to the members of Runpath Pilot Limited

We have audited the financial statements of Runpath Pilot Limited for the year ended 31 March 2017 which comprise the statement of comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Independent auditor's report

to the members of Runpath Pilot Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Other matter

The company was not required to have an audit of its financial statements for the year ended 31 March 2016. Accordingly, the corresponding figures have been taken from financial statements that were unaudited.



David Pearson
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants,
London
26 September 2017

Statement of Comprehensive Income

for the year ended 31 March 2017

	Notes	2017 £	2016 unaudited £
Turnover	5	7,448,720	6,185,982
Cost of Sales		(6,195,514)	(4,150,302)
Gross Profit		1,253,206	2,035,680
Administrative expenses		(1,774,991)	(1,899,742)
Operating (loss) / profit	6	(521,785)	135,938
Net interest expense		5,087	8,411
(Loss) / profit before taxation	7	(516,698)	144,349
Taxation		-	-
Total comprehensive income for the financial year		(516,698)	144,349

Continuing operations

The above results relate to the continuing operations of the Company.

Statement of other comprehensive income

The Company does not have other comprehensive income (2016: nil); therefore, no statement of other comprehensive income has been prepared for the years ended 31 March 2017 and 2016.

The accompanying accounting policies and notes form an integral part of these financial statements.

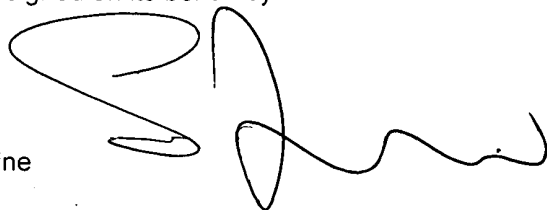
Statement of Financial Position

at 31 March 2017

	<i>Notes</i>	2017	2016
		£	Unaudited £
Current assets			
Debtors	8	4,888,109	2,834,509
Cash at bank and in hand		1,363,319	1,277,186
		<u>6,251,428</u>	<u>4,111,695</u>
Creditors: amounts falling due within one year	9	<u>(4,797,724)</u>	<u>(2,141,293)</u>
Net current assets		<u>1,453,704</u>	<u>1,970,402</u>
Total assets less current liabilities		<u>1,453,704</u>	<u>1,970,402</u>
Creditors: amounts falling due after more than one year		<u>-</u>	<u>-</u>
Net Assets		<u><u>1,453,704</u></u>	<u><u>1,970,402</u></u>
Capital and reserves			
Called up share capital	10	2	2
Profit and loss accounts	11	<u>1,453,702</u>	<u>1,970,400</u>
Shareholder's surplus		<u><u>1,453,704</u></u>	<u><u>1,970,402</u></u>

These financial statements were approved and authorised by the Board on 26 September 2017 and were signed on its behalf by

Saul Devine
Director



Registered number 07406032

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Cash Flow

for the year ended 31 March 2017

	<i>Notes</i>	2017	2016
		£	Unaudited £
Cash flows from operating activities			
(Loss) / profit for the financial year		(516,698)	144,349
Adjustments for			
Net interest expense		(5,087)	(8,411)
(Increase)/decrease in debtors		(2,053,600)	2,275,234
Increase/(decrease) in creditors		2,656,431	<u>(2,731,437)</u>
Net cash generated from / (used in) operating activities		81,046	(320,265)
Cash flows from investing activities		-	-
Cash flows from financing activities			
Interest received		5,087	8,411
Net cash generated from financing activities		<u>5,087</u>	<u>8,411</u>
Net increase / (decrease) in cash and cash equivalents		86,133	(311,854)
Cash and cash equivalents at the beginning of the year		<u>1,277,186</u>	<u>1,589,040</u>
Cash and cash equivalents at the end of the year		<u><u>1,363,319</u></u>	<u><u>1,277,186</u></u>

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Changes in Equity

for the year ended 31 March 2017

	Called-up share capital	Profit and loss account	Total
	£	£	£
At 1 April 2015	2	1,826,051	1,826,053
Profit for the financial year	-	144,349	144,349
At 31 March 2016	2	1,970,400	1,970,402
Profit for the financial year	-	(516,698)	(516,698)
At 31 March 2017	2	1,453,702	1,453,704

Notes to the financial statements

at 31 March 2017

1. Company information

The Company is a private limited company limited by shares and is incorporated in England. The address of the registered office is White Collar Factory, 1 Old Street Yard, London, EC1Y 8AF.

2. Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Sterling (£).

Going Concern

After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

3. Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The financial statements do not include any significant judgments or estimates.

4. Principal accounting policies

4.1. Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

4.2. Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

4.3. Provisions for liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the income statement in the period it arises.

Notes to the financial statements

at 31 March 2017

4.4. Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Timing differences arise because of differences in treatment of certain items for accounting and tax purposes.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

5. Turnover

Product, partnership and syndication revenues are recognised in accordance with the underlying contracts and periods of delivery of contracted products and services.

Turnover consists entirely of sales made in the United Kingdom, stated net of value added tax.

6. Operating Profit

This is stated after charging:

	2017	2016
		Unaudited
	£	£
Auditor's remuneration for audit services	3,000	-
Other fees to auditor – taxation services	2,700	-

Notes to the financial statements

at 31 March 2017

7. Tax on profit on ordinary activities

	2017	2016
	£	Unaudited £
Corporation tax at 20%	-	-
Tax charge in respect of the current year	-	-
Deferred tax	-	-
	-	-

The total taxation charge for the year is different from the effective rate of corporation tax in the UK at 20%. The differences are explained below.

	2017	2016
	£	Unaudited £
(Loss) / profit on ordinary activities before tax	(516,698)	144,348
Theoretical tax at UK Corporation tax rate of 20%	(103,340)	28,870
<i>Effects of:</i>		
- Group relief surrendered / (claimed)	86	(28,870)
- Losses carried forward	103,254	-
Actual total tax charge / (credit)	-	-

A deferred tax asset of £98,091 has not been recognised as it is currently uncertain when the group will generate sufficient profits to utilise the losses going forward.

8. Debtors

	2017	2016
	£	Unaudited £
Trade Debtors	2,330,539	2,199,341
Prepayments and accrued income	358,200	288,329
Amounts due from group undertakings	2,134,687	346,839
Amounts due from related party	63,388	-
Other debtors	1,295	-
	4,888,109	2,834,509

Notes to the financial statements

at 31 March 2017

9. Creditors: amounts falling due within one year

	2017	2016
	£	Unaudited £
Trade creditors	1,025,190	188,231
Accruals and deferred income	1,495,346	1,298,991
Other taxes and social security	9,150	-
Amounts due to group undertakings	417,632	220,183
Amounts due to related party	1,850,406	358,888
Other creditors	-	75,000
	<u>4,797,724</u>	<u>2,141,293</u>

10. Authorised and issued share capital

	2017	2016
	£	Unaudited £
Authorised, called up, and fully paid		
Ordinary shares of £1.00 each	2	2

11. Reserves

Called-up share capital – represents the nominal value of shares that have been issued.

Profit and loss account – includes all current and prior period retained profits and losses.

12. Financial commitments

At 31 March 2017 and 31 March 2016 the company had no annual commitments under non-cancellable rental agreements.

13. Contingent liabilities

There is a charge over the company's assets held by Barclays bank, as a condition of a loan to parent company Runpath Group. The loan is for £2m incurring interest of 3.75% and is repayable over three years. The debenture is with full title guarantee with the payment or discharge of all secured sums by way of floating and fixed charge. The company had no contingent liabilities at 31 March 2017.

Notes to the financial statements

at 31 March 2017

14. Financial assets and financial liabilities

Financial Assets

	2017	2016 Unaudited
	£	£
Financial assets measured at amortised cost	5,875,768	3,806,660

Financial Liabilities

	2017	2016 Unaudited
	£	£
Financial liabilities measured at amortised cost	4,788,574	2,141,293

15. Related party transactions

	2017	2016 Unaudited
	£	£
Sales to related parties	-	-
Purchases from related parties	452,111	198,152
Trade debtor amounts due from related parties	2,198,075	346,839
Trade creditor amounts due to related parties	2,268,038	579,071

Group undertakings of the company are other companies in the same group; Runpath Group Limited, Runpath Regulated Services Limited and Runpath Support Limited. Amounts due to group undertakings and related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16. Parent undertaking and controlling parties

The immediate controlling undertaking is Runpath Group Limited, a UK company. The ultimate controlling undertaking is Runpath Group Employee Trustee Ltd., incorporated in the UK, by virtue of its 52% interest in Runpath Group.