

Registered number: 03871904



GIVING.COM LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



GIVING.COM LIMITED
YEAR ENDED 31 DECEMBER 2018
COMPANY INFORMATION

Directors A W Boor
 J W Olson

Company Secretary Taylor Wessing Secretaries Limited

Registered number 03871904

Registered office 2nd Floor
 Blue Fin Building
 110 Southwark Street
 London
 SE1 0TA

Independent auditor BDO LLP
 55 Baker Street
 London
 W1U 7EU

GIVING.COM LIMITED
YEAR ENDED 31 DECEMBER 2018
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GIVING.COM LIMITED
Strategic report
for the year ended 31 December 2018

The directors present their strategic report and the audited financial statements of the company for the year ended 31 December 2018.

Principal activities

Giving.com Limited, trading as 'JustGiving', is the world's leading social platform for giving, enabling people all over the globe to raise funds for, and donate to, the charities and causes they care about.

Results and dividends

The profit for the year, after taxation, amounted to £3,834,857 (2017 - £3,452,129). The company paid no dividend in 2018 (2017 - £nil).

Business review

JustGiving was acquired by Blackbaud Inc., the world's leading cloud software company powering social good, on 2 October 2017.

JustGiving's products and services support charities and individual causes to maximise donations effectively and efficiently with minimum administration.

The directors consider the company's performance in 2018 to have been satisfactory. The strategic decisions taken to invest in compliance and security have reinforced JustGiving's trusted status in the market as well as provided the opportunity to diversify revenues into new emerging areas.

Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis and in accordance with the Companies Act 2006 and applicable accounting standards.

The directors believe that preparing these accounts on the going concern basis is appropriate as its ultimate parent, Blackbaud Inc., has confirmed its intention to provide financial support to enable the company to settle its liabilities as they fall due from the twelve months of the signing of these financial statements, if required.

Future outlook

The market in which the company operates is expected to remain competitive. Fundraising is expected to be affected by regulation as well as uncertainty regarding the UK's status within the European Union (EU). The directors are confident that the company will navigate these challenges throughout the 3-year planning horizon.

Principal Risks and Uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks affecting the company are considered to relate to competition from new entrants to the market, the current economic climate in regards to the UK's pending exit of the EU, and changes to government regulations.

Key performance indicators

The board utilises a number of key performance indicators to enable a consistent method of analysing performance, in addition to allowing the directors to benchmark performance against similar businesses. The key performance indicators utilised by the board are as follows:

Revenue

Revenue is calculated on income received from a platform fee, subscriptions and provision of digital services. The company achieved revenue of £27 million in 2018, an increase of 1% from 2017.

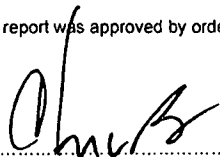
Operating profit margin

Operating profit margin measures the profit achieved on the company's activities after taking account of the total operating costs incurred, before finance costs and taxation. This is calculated by dividing operating profit by turnover.

The company's operating profit margin increased compared to the prior year mainly due to reduced share based payment costs related to the acquisition transaction in 2017 (see note 5) and the reduction in Directors' remuneration (see note 4).

Approval

This strategic report was approved by order of the Board on 26/09/2019



A W Boor
Director

Date: 26/09/2019

GIVING.COM LIMITED
Directors' report
for the year ended 31 December 2018

The directors present their report and the audited financial statements of the company for the year ended 31 December 2018.

Directors

The directors who served during the year were:

A W Boor
J W Olson

Directors' responsibilities

The directors are responsible for preparing the strategic report, the 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 law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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.

Auditors

The directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the next annual general meeting.

On behalf of the Board



A W Boor
Director

Date: 26/09/2019

GIVING.COM LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIVING.COM LIMITED

Opinion

We have audited the financial statements of Giving.com Limited ("the Company") for the year ended 31 December 2018 which comprise Statement of comprehensive income, Balance sheet and Statement of changes in equity, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 and Director's report.

We have nothing to report in respect of the following matters in relation to which 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.

GIVING.COM LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIVING.COM LIMITED

Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

BDO LLP

Oria Reilly (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

26/09/2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

GIVING.COM LIMITED
 STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Turnover	2	27,218,569	26,932,250
Transaction processing costs		<u>(3,508,721)</u>	<u>(3,283,417)</u>
GROSS PROFIT		23,709,848	23,648,833
Other external charges		(8,844,262)	(8,883,136)
Staff costs	5	(9,966,986)	(12,671,767)
Depreciation and amortisation		<u>(764,790)</u>	<u>(906,799)</u>
OPERATING PROFIT	3	4,133,810	1,187,131
Interest receivable and similar income	6	425,193	49,329
Interest payable and similar charges	7	<u>(160,976)</u>	<u>(43,257)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		4,398,027	1,193,203
Tax on profit on ordinary activities	8	<u>(563,170)</u>	<u>2,258,926</u>
TOTAL COMPREHENSIVE PROFIT FOR THE FINANCIAL YEAR		<u>3,834,857</u>	<u>3,452,129</u>

All amounts relate to continuing operations.

The notes on pages 8 to 21 form part of these financial statements.

GIVING.COM LIMITED
 REGISTERED NUMBER: 03871904
 BALANCE SHEET
 AS AT 31 DECEMBER 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Intangible assets	9		839,335		803,101
Tangible assets	10		<u>581,468</u>		<u>261,925</u>
			1,420,803		1,065,026
CURRENT ASSETS					
Debtors	11	16,566,013		12,126,320	
Cash at bank and in hand		<u>2,571,775</u>		<u>3,247,615</u>	
		19,137,788		15,373,935	
CREDITORS: amounts falling due within one year	12	<u>(7,160,099)</u>		<u>(7,011,067)</u>	
NET CURRENT ASSETS			<u>11,977,689</u>		<u>8,362,868</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			13,398,492		9,427,894
PROVISIONS FOR LIABILITIES					
Other provisions	14		<u>(54,869)</u>		<u>(247,369)</u>
			(54,869)		(247,369)
NET ASSETS			<u>13,343,623</u>		<u>9,180,525</u>
CAPITAL AND RESERVES					
Called up share capital	15		115		115
Share premium			324,071		324,071
Capital contribution reserve			328,241		-
Profit and loss account			<u>12,691,196</u>		<u>8,856,339</u>
SHAREHOLDERS' FUNDS			<u>13,343,623</u>		<u>9,180,525</u>

All equity is attributable to the owners of the parent company.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



 A W Boor
 Director

Date: 26/09/2019

The notes on pages 8 to 21 form part of these financial statements.

GIVING.COM LIMITED
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 DECEMBER 2018

	Share Capital	Share Premium	Capital contribution reserve	Profit and loss account	Total Equity
	£	£	£	£	£
1 January 2017	115	324,071	-	5,404,210	5,728,396
Total comprehensive income for the year	-	-	-	3,452,129	3,452,129
31 December 2017	115	324,071	-	8,856,339	9,180,525
1 January 2018	115	324,071	-	8,856,339	9,180,525
Total comprehensive income for the year	-	-	-	3,834,857	3,834,857
Share based payment charge	-	-	328,241	-	328,241
31 December 2018	115	324,071	328,241	12,691,196	13,343,623

The notes on pages 8 to 21 form part of these financial statements.

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

Giving.com Limited is a company, limited by shares, incorporated in England and Wales under the Companies Act.

The financial statements have been prepared under the historical cost convention except for items required to be measured at fair value, in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Company management to exercise judgement in applying the Company's accounting policies. The financial statements are prepared on a going concern basis, as described in the Strategic Report on page 1.

In preparing the separate financial statements of Giving.com Limited, advantage has been taken of the following disclosure exemptions available under FRS 102:

- No cashflow statement has been presented

1.2 Revenue

Turnover represents commissions, fees and subscriptions revenue earned during the period, net of commission rebates due to charities. All revenue is recorded net of Value Added Tax. Commissions and fees revenue is based on charitable donations, and is recognised by the Company on authorisation by the donor. Subscriptions are charged to members of the JustGiving website. Revenue from subscriptions is recognised over the period that services are provided. Commission rebates due to charities are calculated based on contractual agreements with specific charities to provide discounts on commission rates when certain donation volumes are exceeded.

1.3 Depreciation and amortisation

Depreciation on tangible assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Leasehold Improvements	- 3 years to over the life of the lease
Fixtures and fittings	- 3 years
Computer licences and hardware	- 3 years
Software development	- 3 years

1.4 Impairment of fixed assets

Assets that are subject to depreciation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

1.5 Share based payments

Directors, senior managers and other qualifying staff of the Company have been granted options to subscribe for ordinary shares of the ultimate parent company, Blackbaud Inc. All options are share settled.

The fair value of services received in return for share options granted is estimated by the parent company Blackbaud Inc.

The share option charge is recognised to the Statement of Comprehensive Income and an intercompany creditor is recognised with parent company, Blackbaud Inc, to the Balance Sheet.

1.6 Foreign currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in pounds sterling, which is the Company's functional and presentation currency.

1. ACCOUNTING POLICIES *(continued)*

1.6 Foreign currencies *(continued)*

All assets and liabilities of foreign currency operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at the opening rate and the results of foreign currency operations at the actual rate are recorded in administrative expenses.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'Interest payable and similar charges'. All other foreign exchange gains and losses are presented within 'Other external charges'.

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

1.7 Operating leases

Rentals under operating leases are charged to the income statement on a straight line basis over the period of the lease. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the non cancellable lease term.

1.8 Research and development

Research and development costs are incurred in respect of the Company's continued investment in its donation platform. Where development costs incurred meet the criteria for capitalisation they are recognised within fixed assets and subsequently written off over their estimated useful life. Research and development costs which are not capitalised are written off to the income statement as they are incurred.

1.9 Intangible fixed assets

Intangible assets include software development costs, and are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. No internally generated costs are capitalised. Intangible assets are amortised on a straight line basis over their useful economic lives.

1.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

1.11 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.12 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Cash in the trust accounts are held off the balance sheet as the company does not consider it has control over these funds.

1.13 Financial Instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable. All debt instruments are repayable or receivable within one year, and are therefore measured at the undiscounted amount.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

GIVING.COM LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES *(continued)*

1.13 Financial instruments *(continued)*

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.14 Creditors

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

1.15 Provisions for dilapidations

Provisions for dilapidations are recognised in full when the facilities are installed. A corresponding amount equivalent to the provision is also recognised as part of the leasehold improvements. The amount recognised is the estimated cost of dilapidations, and where the effect of time value of money is material the provision is discounted to its net present value, and is reassessed each year.

1.16 Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either the Company's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept voluntary redundancy in exchange for those benefits. A provision is recognised in full when the Company has demonstrably committed to terminating employment of an employee, or when an offer has been made to encourage voluntary redundancy.

1.17 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

1.18 Current and deferred taxation

The tax credit for the period comprises current and deferred tax. The current income tax credit is calculated on the basis of tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred balances are recognised in respect of all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation, that have originated but not reversed by the balance sheet date.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted. A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

1.19 Equity

The component of the company equity can be described as follows:

- Share capital - The nominal value of shares issued during the period.
- Share Premium - includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.
- Capital contribution reserve - Contribution from parent entity which includes the share based payment charge.
- Profit and Loss Accounts - The reserves for net gains and losses recognised in the income statement.

GIVING.COM LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

1 ACCOUNTING POLICIES (continued)

1.20 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determined whether there are indicators of impairment of the Company's tangible & intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determined which costs charged to the statement of comprehensive income during the year are regarded as research and development costs for the purposes of the tax credits.
- Determined that the point at which the Company recognises revenue is when donations have been authorised by the donor and on submission of Gift Aid claims.
- Determined that the Trust accounts are held off the balance sheet.

2 TURNOVER

All turnover arose within the United Kingdom.

3 OPERATING PROFIT

The operating profit/(loss) is stated after charging/(crediting):

	2018	2017
	£	£
Amortisation of intangible fixed assets	512,099	515,662
Depreciation of tangible fixed assets	252,691	39,137
Fees payable to the Company's auditor and its associates for the audit of the company's annual accounts	65,110	54,400
Operating lease rentals:		
- land and buildings	900,169	867,769
Research and development expenditure	2,048,049	1,446,241
Research and Development expenditure credit	<u>(245,766)</u>	<u>(159,087)</u>

4 DIRECTORS' REMUNERATION

	2018	2017
	£	£
Directors' emoluments	-	530,629
Company pension contributions to defined contribution pension scheme	<u>-</u>	<u>17,600</u>

During the year retirement benefits were accruing to nil directors (2017 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £nil (2017 - £237,436). No remuneration were made to directors who served in the year.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £nil (2017 - £17,600).

GIVING.COM LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

5. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	2018	2017
	£	£
Wages and salaries	8,537,882	8,955,472
Social security costs	826,500	951,623
Cost of defined contribution pension costs	274,363	287,196
Share based payment costs	328,241	2,477,476
	<u>9,966,986</u>	<u>12,671,767</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2018	2017
	No.	No.
Administration	45	52
Information technology	54	58
Sales and distribution	10	12
	<u>109</u>	<u>122</u>

A defined contribution pension scheme is operated by the company on behalf of the employees of Giving.com Limited. The assets of the scheme are held separately from those of the group in an independently administered fund. The amount recognised in the statement of comprehensive income as an expense in relation to the group's defined contribution schemes is £274,363 (2017: £287,196). At the year end there was £nil payable to the scheme (2017: £43,750).

6. INTEREST RECEIVABLE

	2018	2017
	£	£
Bank interest receivable	30,950	16,498
Interest receivable from group companies	412,334	13,479
Exchange differences on cash & cash equivalents balances	(18,091)	19,352
	<u>425,193</u>	<u>49,329</u>

7. INTEREST PAYABLE

	2018	2017
	£	£
Interest payable to group companies	160,976	-
Bank interest & arrangement fees payable in respect of loan facility	-	43,257
	<u>160,976</u>	<u>43,257</u>

GIVING.COM LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

8. TAXATION	2018	2017
	£	£
Analysis of tax credit in the year		
Current tax		
Tax charge on profit/(loss) for the year	46,696	30,619
Adjustments in respect of prior periods	<u>(62,173)</u>	<u>(46,328)</u>
Total current tax	<u>(15,477)</u>	<u>(15,709)</u>
Deferred tax		
Origination and reversal of timing differences	601,058	(2,467,934)
Adjustment in respect of prior years	(4,928)	116,319
Effect of changes in tax rates	<u>(17,483)</u>	<u>108,398</u>
Total deferred tax	<u>578,647</u>	<u>(2,243,217)</u>
Tax on loss on ordinary activities	<u>563,170</u>	<u>(2,258,926)</u>

Factors affecting total tax charge for the year

The tax assessed for the year is the same as (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018	2017
	£	£
Profit/(loss)-on ordinary activities before tax	<u>4,398,027</u>	<u>1,193,203</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in UK of 19% (2017 - 19.25%)	835,625	229,692
Effects of:		
Non-tax deductible expenses	90,762	542,818
Adjustments to tax charge in respect of prior periods	(67,101)	69,991
Tax rate changes	(17,483)	108,398
Group relief	(5,946)	2,803
Share acquisition relief	-	(4,300,187)
Deferred tax not recognised	<u>(272,687)</u>	<u>1,087,559</u>
Total tax credit for the year (see note above)	<u>563,170</u>	<u>(2,258,926)</u>

Total losses carried forward at year end amount to £13,355,641 (2017 - £13,536,973).

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

The acquisition of JustGiving by Blackbaud on the 2nd October 2017 involved the immediate exercise and sale of existing share options. The difference between the fair market value of the share options and the exercise price resulted in a tax benefit which created tax losses the company is able to set off against future tax charges. The amount of these losses the company forecasts utilising in the next 3 years has been recognised as a deferred tax asset in these financial statements (see note 13).

GIVING.COM LIMITED
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9. INTANGIBLE FIXED ASSETS

	Software development £
Cost	
At 1 January 2018	4,603,008
Additions	<u>548,333</u>
At 31 December 2018	<u>5,151,341</u>
Amortisation	
At 1 January 2018	3,799,907
Charge for the year	<u>512,099</u>
At 31 December 2018	<u>4,312,006</u>
Net book value	
At 31 December 2018	<u>839,335</u>
At 31 December 2017	<u>803,101</u>

The remaining amortisation period of intangible assets at the period end is 1.59 years (2017 - 1.46 years).

GIVING.COM LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
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10. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Fixtures and Fittings	Computer licences and hardware	Total
	£	£	£	£
Cost				
At 1 January 2018	1,038,512	231,534	1,103,374	2,373,420
Additions	<u>236,602</u>	<u>-</u>	<u>335,632</u>	<u>572,234</u>
At 31 December 2018	<u>1,275,114</u>	<u>231,534</u>	<u>1,439,006</u>	<u>2,945,654</u>
Depreciation				
At 1 January 2018	875,877	230,184	1,005,434	2,111,495
Charge for the year	<u>64,830</u>	<u>1,350</u>	<u>186,511</u>	<u>252,691</u>
At 31 December 2018	<u>940,707</u>	<u>231,534</u>	<u>1,191,945</u>	<u>2,364,186</u>
Net book value				
At 31 December 2018	<u>334,407</u>	<u>-</u>	<u>247,061</u>	<u>581,468</u>
At 31 December 2017	<u>162,635</u>	<u>1,350</u>	<u>97,940</u>	<u>261,925</u>

GIVING.COM LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
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11 DEBTORS

	2018	2017
	£	£
Trade debtors	208,971	479,653
Amounts due from group undertakings	10,945,285	4,448,819
Corporation tax recoverable	389,444	496,044
Rent deposit	-	1,387,895
Other debtors	2,447,322	2,115,965
Prepayments and accrued income	748,829	793,135
Deferred tax asset (see note 13)	1,826,162	2,404,809
	<u>16,566,013</u>	<u>12,126,320</u>

Other debtors includes amounts receivable from the JustGiving trust account in relation to commission and card fee revenue of £2,063,445 (2017: £1,991,283)

Deferred tax assets are recoverable in more than one year.

The expense recognised in the company income statement in the year in respect of bad and doubtful trade debtors was £4,616 (2017: £17,423).

Amounts due from group undertakings includes a short term loan to Blackbaud Global Limited, the immediate holding company of Giving Limited and subsidiary of ultimate controlling party, Blackbaud Inc of £10,980,335 (USD 13,934,264).

12 CREDITORS:

Amounts falling due in one year

	2018	2017
	£	£
Trade creditors	1,341,921	1,396,006
Amounts owed to group undertakings	3,906,961	2,502,073
Other taxation and social security	454,728	570,139
Other creditors	33,856	80,658
Rebate accrual	721,281	1,250,393
Other accruals	608,989	979,746
Deferred income	92,363	232,052
	<u>7,160,099</u>	<u>7,011,067</u>

GIVING.COM LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
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13 DEFERRED TAXATION

	2018	2017
	£	£
At beginning of year	2,404,809	161,592
Adjustment in respect of prior years	4,928	(116,319)
Movement	<u>(583,675)</u>	<u>2,359,536</u>
At end of year	<u><u>1,826,162</u></u>	<u><u>2,404,809</u></u>

The deferred taxation balance is made up as follows:

	2018	2017
	£	£
Fixed asset timing differences	93,873	105,283
Short-term timing differences	3,547	7,543
Losses	1,685,050	2,261,364
R&D expenditure credit	<u>43,692</u>	<u>30,619</u>
	<u><u>1,826,162</u></u>	<u><u>2,404,809</u></u>

14 PROVISIONS

	Note	Dilapidations	Total
		£	£
At 1 January 2018	13	247,369	247,369
Utilised in year		<u>(192,500)</u>	<u>(192,500)</u>
At 31 December 2018		<u><u>54,869</u></u>	<u><u>54,869</u></u>

15 SHARE CAPITAL

	2018	2017
	£	£
Allotted, called up and fully paid		
1,150 Ordinary shares of £0.10 each	<u>115</u>	<u>115</u>
	<u><u>115</u></u>	<u><u>115</u></u>

16 FINANCIAL INSTRUMENTS

	2018 £	2017 £
<i>Financial assets</i>		
Financial assets that are measured at amortised cost	<u>16,173,353</u>	<u>11,679,947</u>
	2018 £	2017 £
<i>Financial liabilities</i>		
Financial liabilities measured at amortised cost	<u>6,667,877</u>	<u>6,407,677</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors and intercompany debtor.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and intercompany creditor.

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17 SHARE BASED PAYMENTS

The Company operated a share option plan, under which directors, senior management and other qualifying staff employed by the Company have been granted options to subscribe for ordinary shares in Giving Limited. All options are settled by the issue of shares. Following the acquisition by Blackbaud Inc. on 2 October 2017, all outstanding share options were exercised. The number and weighted average exercise price of share options in existence at the balance sheet date are as follows:

	2018	Number of	2017	Number of options
	Weighted average exercise price	options	Weighted average exercise price	
Outstanding at 1 January	-	-	8.4p	13,465,105
Granted during the year	-	-	164.9p	1,600,000
Exercised during the year	-	-	7.8p	(14,902,605)
Forfeit during the year	-	-	13.1p	(162,500)
Outstanding at the end of the year	-	-	-	-

Blackbaud, Inc. granted shares of common stock (Restricted Stock Awards, RSAs) subject to certain restrictions under the 2016 Equity and Incentive Compensation Plan. RSAs granted to employees vest in equal annual instalments generally over four years from the grant date subject to the employees' continued employment. The fair market value of the stock at the time of grant is charged to the statement of comprehensive income on a straight line basis over the period of vesting. Recipients of RSAs have the right to vote and receive dividends.

A summary of the unvested RSAs as at 31 December 2018 is as follows:

	Restricted stock awards (RSAs)	Weighted average grant-date fair value
		£
Unvested restricted stock awards (RSAs)		
Unvested at 1 January 2018	5,338	74.72
Granted during the year	8,585	74.19
Vested during the year	(5,058)	74.72
Forefeited during the year	(280)	74.72
Unvested at 31 December 2018	8,585	74.19

The total share option charge recorded in the year was £328,241 (2017: £2,412,885) of which £328,241 (2017: £64,590) relates to RSAs.

The share-based payment charge recorded in the statement of comprehensive income comprises:

	2018	2017
	£	£
Share option charge	328,241	2,412,885
Equity-settled schemes	328,241	2,412,885

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18 OPERATING LEASE COMMITMENTS

At the year end the company had minimum commitments under non-cancellable operating leases as follows:

	2018 £	2017 £
Expiry date:		
Not later than 1 year	649,415	915,311
Later than 1 year and not later than 5 years	-	266,966
Later than 5 years	-	-
Total	<u>649,415</u>	<u>1,182,277</u>

During the year, £900,169 (2017: £867,769) was recorded as an expense in the income statement relating to operating leases.

19 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions available under FRS 102 for Related Party Disclosures, not to disclose any transactions or balances with entities that are under common control to the company.

Key management personnel include all directors of the parent company and certain senior managers who together have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £nil (2017 - £3,186,673).

20 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate controlling party is the parent company Giving Limited. The ultimate controlling party is BlackBaud, Inc. The financial statements for Blackbaud Inc., can be found at <http://phx.corporate-ir.net/phoenix.zhtml?c=176673&p=irol-reports>.

21 RESTRICTED CASH DUE TO CUSTOMERS; CUSTOMER FUNDS RECEIVABLE; DUE TO CUSTOMERS

Restricted cash due to customers consists of monies collected by us and payable to our customers, net of the associated transaction fees earned. Monies associated with amounts due to customers are segregated in separate bank accounts and used exclusively for the payment of amounts due to customers. This usage restriction is either legally or internally imposed and reflects our intention with regard to such deposits. Customer funds receivable consists of monies we expect to collect and remit to our customers.

	2018	2017
	£	£
Restricted cash due to customers	13,513,972	13,402,322
Customer funds receivable	1,373,225	1,144,816
Due to customers	<u>(14,887,197)</u>	<u>(14,547,138)</u>
	<u>-</u>	<u>-</u>