



News release

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Chairman of Skype and co-Founder of Bebo invest in online start-up Crunch.co.uk

Skype Chairman Michael van Swaaij and co-Founder of Bebo Paul Birch and have backed online accounting start-up Crunch.co.uk by investing hundreds of thousands of pounds into the venture.

Crunch.co.uk is the UK's first combined online accounting system and accounting practice dedicated to freelancers, contractors and independent consultants working across all professions. Brighton-based entrepreneur Darren Fell, who previously built and sold email marketing technology firm Pure for \$7.8m, is behind the project. Crunch.co.uk launched in April this year.

Following van Swaaij's intended exit from Skype after the company's \$1.9bn majority stake sale to a private investor group closes, Crunch.co.uk is one of the forward-thinking new projects he'll focus on.

"The accounting industry is ripe for some disruption in order to make it more efficient, lower cost and less time consuming for freelancers," said Michael van Swaaij.

"Freelancing is booming and here to stay as a form of employment, giving millions of people access to work and income otherwise out of their reaches. I've been privileged to be involved with eBay and Skype, and like them Crunch not only aims to reshape an industry but will genuinely help freelancers and micro companies be more productive - thereby supporting an increasingly important part of our economy."

Paul Birch, along with his co-founders, sold social networking site Bebo to AOL for \$850m last year and is backing Crunch.co.uk as a result of his own experiences as a freelancer.

"I used to work as a freelance IT contractor with my own Limited company - I tried two accountancy firms, but both seemed to have weak processes and use Excel spreadsheets as the mainstay of my interaction with them," said Paul Birch. "When I met Darren and discussed Crunch I was immediately excited about the opportunity to offer simple steps for people to follow and deliver a great accounting service for the lowest price in the market."

Crunch.co.uk, which was valued at £2m pre-trading, recently featured on Chris Evans' Radio 2 Drivetime show in the 'business innovation' slot. Play the interview here: www.crunch.co.uk/radio2

"Given that investors are being incredibly cautious with start up investment, to attract the interest of two very high profile online entrepreneurs demonstrates the huge potential of Crunch," said Darren Fell, MD of Crunch.co.uk. "Crunch is revolutionising the way people are doing their accounts and our target customer base is huge as the system is relevant to all freelancers working across every industry - IT contractors, those in the medical profession, oil and gas workers, plumbers, electricians, teachers and so on.

Freelancing has surged in the UK this year due to economic uncertainty and mass redundancies.”

Fell continued: “Crunch delivers excellent personal service levels and the latest web 2.0 technology. For the first time we are offering freelancers a new, online, time saving and cost-effective way to do their accounting and all returns for a fair, fixed price of £59.50 per month, with the ability to also speak to our accountants and tax specialists with any queries – for example what mileage they can claim or how to set up a home office and offset costs against tax.”

Crunch.co.uk provides a full end-to-end process, from setting up sole traders as Limited Companies to taking on freelancers who already operate as Limited Companies. Full assistance is given - checking VAT returns before submission as well as annual returns and corporation tax, and advising on all aspects of a freelancer’s accounts.

About Crunch.co.uk

Crunch.co.uk is the UK’s first combined online accounting system and accounting practice dedicated to freelancers, contractors and independent consultants. Crunch.co.uk allows users to manage their entire accounts, invoicing, expenses and returns on a secure and user-friendly website, with the benefit of having an accountant at the end of the phone. It’s the first time traditional accountancy has been combined with the experience of a new media team to build one online package for a fair monthly price of £59.50. Crunch.co.uk is founded by award-winning online entrepreneur Darren Fell. Fell appears in this year’s ‘Courvoisier The Future 500 in association with The Observer’; a league table of the UK’s most talented business people and was also named Entrepreneur of the Year at the Sussex Business Awards 07/08. High profile online entrepreneurs – Bebo’s co-Founder Paul Birch and Skype Chairman Michael van Swaaij – are investors in the company.

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