

COMPANY REGISTRATION NUMBER 06054477

FOXTONS GROUP LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2007

WEDNESDAY



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29/10/2008
COMPANIES HOUSE

SHIPLEYS LLP
Chartered Accountants & Registered Auditors
10 Orange Street
Haymarket
London
WC2H 7DQ

FOXTONS GROUP LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

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FOXTONS GROUP LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The director	M Brown
Company secretary	K Daly
Registered office	Building One Chiswick Park 566 Chiswick High Road London W4 5BE
Auditor	Shipleys LLP Chartered Accountants & Registered Auditors 10 Orange Street Haymarket London WC2H 7DQ

FOXTONS GROUP LIMITED

THE DIRECTOR'S REPORT (*continued*)

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

The director presents his report and the financial statements of the company for the period from 16 January 2007 to 31 December 2007

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was an investment holding company. The company was incorporated on 16 January 2007 as Foxtons Group Holdings Limited, and changed its name to Foxtons Group Limited on 8th February 2007.

Foxtons Group Limited is one of a number of investment holding companies within the Foxtons Holdings Limited group of companies.

The group's trading subsidiaries are Foxtons Limited and Alexander Hall Associates Limited. The principal activities of these companies are that of Estate Agency and Mortgage Broking respectively.

FUTURE DEVELOPMENTS

It is expected that the trading subsidiaries will continue to grow through the opening of new offices.

RESULTS AND DIVIDENDS

The profit for the period amounted to £nil. The director has not recommended a dividend.

STRATEGY

The company's strategy is to hold the investment for the foreseeable future in order to achieve a growth in net worth.

DIRECTORS

The directors who served the company during the period were as follows:

M R Brown

J M Hunt

M R Brown was appointed as a director on 29 January 2007.

J M Hunt was appointed as a director on 29 January 2007.

J M Hunt retired as a director on 15 June 2007.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk to the company is the potential impairment to the carrying value of its investment. This could arise if the current reduction in availability of credit in the mortgage market were to continue.

KEY PERFORMANCE INDICATORS

The company's key performance indicator is that of the valuation of its investment. No change in the carrying value of its investment is considered necessary this year.

FOXTONS GROUP LIMITED

THE DIRECTOR'S REPORT (*continued*)

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

In so far as the director is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

FOXTONS GROUP LIMITED

THE DIRECTOR'S REPORT *(continued)*

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

AUDITOR

A resolution to re-appoint Shipleys LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office
Building One Chiswick Park
566 Chiswick High Road
London
W4 5BE

Signed by order of the director



M BROWN

Approved by the director on 01/05/2008

FOXTONS GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FOXTONS GROUP LIMITED

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

We have audited the financial statements of Foxtons Group Limited for the period from 16 January 2007 to 31 December 2007 which comprise the Profit and Loss Account, Balance Sheet and the related notes. These financial statements have been prepared on the basis of the accounting policies set out therein

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

FOXTONS GROUP LIMITED

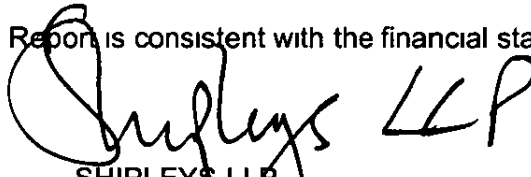
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FOXTONS GROUP LIMITED (*continued*)

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

OPINION

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its result for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Director's Report is consistent with the financial statements



SHIPLEY'S LLP
Chartered Accountants
& Registered Auditors

10 Orange Street
Haymarket
London
WC2H 7DQ

01/05/2008

FOXTONS GROUP LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

	Period from 16 Jan 07 to 31 Dec 07 £
TURNOVER	—
Administrative expenses	—
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	—
Tax on profit on ordinary activities	—
PROFIT FOR THE FINANCIAL PERIOD	<u>—</u>

The company has no recognised gains or losses other than the results for the period as set out above

The notes on pages 9 to 12 form part of these financial statements

FOXTONS GROUP LIMITED

BALANCE SHEET

31 DECEMBER 2007

	Note	31 Dec 07 £
FIXED ASSETS		
Investments	3	9,063,457
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,063,457</u>
CAPITAL AND RESERVES		
Called-up equity share capital	5	10,311
Share premium account	6	9,053,146
SHAREHOLDERS' FUNDS	7	<u>9,063,457</u>

These financial statements were approved and signed by the director and authorised for issue on 01/05/2008



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M BROWN

The notes on pages 9 to 12 form part of these financial statements.

FOXTONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

Investments

Fixed asset investments are stated at cost less provision for diminution in value

Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by Section 228 of the Companies Act 1985 as it is a subsidiary undertaking of Foxtons Holdings Limited, and is included in the consolidated accounts of that company

2. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the director, during the period

FOXTONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

3. INVESTMENTS

	Total £
COST	
Additions	9,063,457
At 31 December 2007	<u>9,063,457</u>
NET BOOK VALUE	
At 31 December 2007	<u>9,063,457</u>

The company acquired during the period 100% of the issued share capital of the companies listed below,

	Class of share
Foxtons Limited	Ordinary
Alexander Hall Associates Limited	Ordinary

Foxtons Limited and Alexander Hall Associates Limited were acquired on 10th May 2007
The combined fair values of the net assets acquired were as follows

	Book Value	Adjustments	Fair value to company
	£	£	£
Tangible fixed assets	15,215,133	-	15,215,133
Debtors	20,854,239	-	20,854,239
Bank	23,736,881	-	23,736,881
Creditors	(28,009,635)	-	(28,009,635)
Creditors due after more than one year	(22,733,161)	-	(22,733,161)
Total net assets	9,063,457	-	9,063,457

4. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by its parent company, Foxtons Holdings Limited.

FOXTONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

5. SHARE CAPITAL

Authorised share capital:

	31 Dec 07 £
99,500 Ordinary Class 'A' shares of £1 each	99,500
500 Ordinary Class 'B' shares of £1 each	500
	<u>100,000</u>

Allotted, called up and fully paid:

	No	£
Ordinary Class 'A' shares of £1 each	10,002	10,002
Ordinary Class 'B' shares of £1 each	309	309
	<u>10,311</u>	<u>10,311</u>

During the year 10,311 Ordinary Class 'A' shares of £1 each and 309 Ordinary Class 'B' shares at £1 each were allotted and fully paid at a premium of £878 each

6. SHARE PREMIUM ACCOUNT

	Period from 16 Jan 07 to 31 Dec 07 £
Premium on shares issued in the period	9,053,146
Balance carried forward	<u>9,053,146</u>

FOXTONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 16 JANUARY 2007 TO 31 DECEMBER 2007

7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 Dec 07
	£
New equity share capital subscribed	10,311
Premium on new share capital subscribed	9,053,146
Net addition to shareholders' funds	<u>9,063,457</u>
Closing shareholders' funds	<u>9,063,457</u>

8. ULTIMATE PARENT COMPANY

The ultimate parent company is CIE Management II Limited