

REGISTERED NUMBER: 06054477 (England and Wales)

Report of the Director and  
Financial Statements for the Year Ended 31 December 2011  
for  
Foxtons Group Limited



Foxtons Group Limited (Registered number 06054477)

Contents of the Financial Statements  
for the Year Ended 31 December 2011

	Page
Company Information	1
Report of the Director	2
Report of the Independent Auditor	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7

Foxtons Group Limited

Company Information  
for the Year Ended 31 December 2011

**DIRECTOR:** M R Brown

**SECRETARY:** K Daly

**REGISTERED OFFICE:** Building One  
Chiswick Park  
566 Chiswick High Road  
London

**REGISTERED NUMBER** 06054477 (England and Wales)

**AUDITOR:** Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

Report of the Director  
for the Year Ended 31 December 2011

The director presents his report with the financial statements of the company for the year ended 31 December 2011

The director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of an investment holding company

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

**REVIEW OF BUSINESS**

Given the nature of the business, that of a holding company, the company's director is of the opinion that analysis using key performance indicators for an understanding of the development, performance or position of the business is not relevant

**GOING CONCERN**

The director continues to adopt the going concern basis in preparing the financial statements. See note 1 for further information

**RESULTS**

The profit for the year amounted to £nil (2010 £nil)

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2011 (2010 £nil)

**DIRECTOR**

M R Brown held office during the whole of the period from 1 January 2011 to the date of this report

**FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below

In respect of loans guaranteed by the company these are held in the immediate parent company, Foxtons Intermediate Holdings 3 Limited. This company meets the loan and interest payments

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Report of the Director 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). Under company law the director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- 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 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 him to ensure that the financial statements comply with the Companies Act 2006. 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

Foxtons Group Limited (Registered number 06054477)

Report of the Director  
for the Year Ended 31 December 2011

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

**AUDITOR**

The auditor, Deloitte LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting

**The Sole Director\***

A handwritten signature in black ink, appearing to read 'M R Brown', is written over the printed name.

M R Brown - Director

4 April 2012

## **Report of the Independent Auditor to the Members of Foxtons Group Limited**

We have audited the financial statements of Foxtons Limited for the year ended 31 December 2011 on pages five to ten. 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).

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 opinion 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 the director and auditor**

As explained more fully in the Statement of Director's Responsibilities, the director is 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 Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 December 2011 and of its result 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.

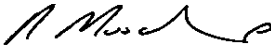
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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, or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the director's report.

  
Richard Muschamp (Senior statutory auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom  
4 April 2012

Foxtons Group Limited (Registered number 06054477)

Profit and Loss Account  
for the Year Ended 31 December 2011

	Notes	2011 £	2010 £
<b>TURNOVER</b>		-	-
<b>OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	-	-
Tax on profit on ordinary activities	5	-	-
<b>RESULT FOR THE FINANCIAL YEAR</b>		-	-

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses for the current year or previous year

Foxtons Group Limited (Registered number 06054477)

Balance Sheet

As at 31 December 2011

	Notes	2011 £	2010 £
<b>FIXED ASSETS</b>			
Investments	6	<u>9,063,457</u>	<u>9,063,457</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>9,063,457</u></u>	<u><u>9,063,457</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	10,311	10,311
Share premium	8	<u>9,053,146</u>	<u>9,053,146</u>
<b>SHAREHOLDER'S FUNDS</b>	11	<u><u>9,063,457</u></u>	<u><u>9,063,457</u></u>

The financial statements were approved by the director on 4 April 2012 and were signed by



M R Brown - Director

The notes form part of these financial statements



Notes to the Financial Statements  
for the Year Ended 31 December 2011

**1 GOING CONCERN**

The company holds investments in companies with considerable financial resources, which are expected to continue trading profitably and generating positive cash flows. As a consequence, the director believes that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, he continues to adopt the going concern basis in preparing the financial statements.

**2 ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and law. The principal accounting policies, all of which have been applied consistently throughout both the current and preceding year, are set out below.

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

The company was dormant throughout the year ended 31 December 2011. However, reference to information relating to the year ended 31 December 2010 has been made where appropriate.

**Preparation of consolidated financial statements**

The financial statements contain information about Foxtons Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its ultimate parent, Adnams BBPM Ltd, a company registered in England and Wales.

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the ultimate parent company includes the subsidiary in its published financial statements.

**Investments**

Fixed asset investments are shown at cost less provision for impairment.

**Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2011

**2 ACCOUNTING POLICIES - continued**

**Dividends**

Dividends receivable from the company's subsidiaries are recognised only when they are approved by shareholders, or in the case of interim dividends, when paid

Final dividend distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which they are approved by the company's shareholders. Interim dividends are recognised in the period in which they are paid

**3 STAFF COSTS**

The company does not have any employees (2010 nil)

The director did not receive any remuneration in respect of their services to the company during the year (2010 £nil)

**4 OPERATING PROFIT**

Auditor's remuneration of £2,000 (2010 £2,000) is borne by Foxtons Limited

The auditor did not provide any non-audit services to the company during the year (2010 £nil)

**5 TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2011 nor for the year ended 31 December 2010

**6 FIXED ASSET INVESTMENTS**

Shares in  
group  
undertakings  
£

**COST**

At 1 January 2011  
and 31 December 2011

9,063,457

**NET BOOK VALUE**

At 31 December 2011

9,063,457

At 31 December 2010

9,063,457

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2011

**6 FIXED ASSET INVESTMENTS - continued**

The company owns 100% of the issued share capital of the companies listed below, each of which are incorporated in Great Britain. Foxtons Limited's principal activity is that of an estate agency and Alexander Hall Associates Limited is that of a mortgage broker.

	2011 £	2010 £
<b>Aggregate capital and reserves</b>		
Foxtons Limited	69,742,856	44,893,009
Alexander Hall Associates Limited	<u>606,549</u>	<u>1,571,012</u>
<b>Profit/(loss) for the year</b>		
Foxtons Limited	24,849,847	24,929,519
Alexander Hall Associates Limited	<u>(691,203)</u>	<u>(408,612)</u>

**7 SHARE CAPITAL**

Authorised, called up, allotted and fully paid

Number	Class	Nominal value	2011 £	2010 £
10,002	Ordinary Class 'A' Shares	1 00	10,002	10,002
309	Ordinary Class 'B' Shares	1 00	<u>309</u>	<u>309</u>
			<u>10,311</u>	<u>10,311</u>

'A' ordinary and 'B' ordinary shares rank pari-passu

**8 RESERVES**

	Profit and loss account £	Share Premium £	Totals £
At 1 January 2011 and 31 December 2011	-	9,053,146	9,053,146

**9 ULTIMATE PARENT COMPANY**

Foxtons Intermediate Holdings 3 Limited is the immediate parent of the company. Adnams BBPM Limited was the ultimate parent undertaking and controlling party of Foxtons Group Limited during the financial year. Adnams BBPM Limited, a company incorporated in Great Britain, is the only group for which consolidated financial statements are prepared which include the company.

Until 14 March 2012, Adnams BBPM Limited had no overall controlling party. From 14 March 2012, the ultimate holding company and controlling party of Adnams BBPM Limited is CIE Management II Limited, general partner to funds advised by BC Partners.

**10 RELATED PARTY DISCLOSURES**

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 Adnams BBPM Ltd.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2011

**11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2011 £	2010 £
Profit for the financial year	-	-
Opening shareholders' funds	<u>9,063,457</u>	<u>9,063,457</u>
Closing shareholders' funds	<u>9,063,457</u>	<u>9,063,457</u>

**12 CONTINGENT LIABILITIES**

At year end the company had a cross guarantee in place in respect of the bank borrowings of one of the holding companies. At 31 December 2011 the maximum potential liability under the cross guarantee amounted to £87,198,531 (2010 £110,681,733)

The exposure has fallen due to capital repayments during the year