

Company Registration No. 06054477

Foxtons Operational Holdings Limited

Annual Report and Financial Statements

For year ended 31 December 2015

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Foxtons Operational Holdings Limited

Annual report and financial statements 2015

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Foxtons Operational Holdings Limited

Annual report and financial statements 2015

Officers and professional advisers

Directors

N Budden
G Nieslony

Company Secretary

K Daly

Registered Office

Building One
Chiswick Park
566 Chiswick High Road
London
W4 5BE
United Kingdom

Registered Number

06054477 (England and Wales)

Bankers

Barclays Bank PLC Level 28
1 Churchill Place
London
E14 5HP

Solicitors

Dickson Minto WS
Broadgate Tower
20 Primrose Street
London
EC2A 2EW

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

Foxtons Operational Holdings Limited

Directors' report

The directors present their annual report with the audited financial statements of the company for the year ended 31 December 2015.

The director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption and in preparing a strategic report.

Principal Activity

The principal activity of the company in the year under review was that of a holding company.

Dividends

Dividends totalling £29,300,000 were paid during the year ended 31 December 2015 (2014: £29,501,000).

Directors

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

N Budden
G Nieslony

Going Concern

The Directors continue to adopt the going concern basis in preparing the financial statements. See note 2 for further information.

Future Developments

The company will continue to operate in this capacity going forward.

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.

Statement as to disclosure of information to auditor

So far as the directors are 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 each director 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.

On behalf of the Board:


.....
G Nieslony
Director

Date: 12/8/2016

Foxtons Operational Holdings Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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), including FRS 101 "Reduced Disclosure Framework". 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; and
- 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

Independent auditor's report to the members of Foxtons Operational Holdings Limited

We have audited the financial statements of Foxtons Operational Holdings Limited for the year ended 31 December 2015 which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 12. 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 FRS101 'Reduced Disclosure Framework'.

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 a 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 auditor

As explained more fully in the Directors' Responsibilities Statement, 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 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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us in the course of performing the audit. 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 2015 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.

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 directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report or from the requirement to prepare a Strategic Report.

Andy Siddons

Andy Siddons (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

Date: 12 August 2016

Foxtons Operational Holdings Limited

Statement of comprehensive income For the year ended 31 December 2015

	Notes	2015 £	2014 £
Turnover		-	-
Administrative expenses		(73)	(43)
Operating loss		(73)	(43)
Income from shares in group undertakings		29,300,000	29,502,000
Interest receivable and similar income		454	-
Profit on ordinary activities before taxation	4	29,300,381	29,501,957
Tax on profit on ordinary activities	5	(77)	-
Profit for the financial year		29,300,304	29,501,957
Other comprehensive income		-	-
Total comprehensive income for the year		29,300,304	29,501,957

The notes form part of these financial statements

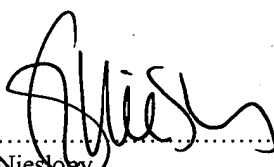
Foxtons Operational Holdings Limited

Balance sheet As at 31 December 2015

	Notes	2015 £	2014 £
Fixed assets			
Investments	7	8,662,521	8,662,521
Current assets			
Debtors: amounts falling due within one year	8	400,950	400,950
Cash at bank and in hand		1,388	1,007
		<u>402,338</u>	<u>401,957</u>
Creditors: amounts falling due within one year	9	<u>(77)</u>	<u>-</u>
Net current assets		<u>402,261</u>	<u>401,957</u>
Total assets less current liabilities		<u>9,064,782</u>	<u>9,064,478</u>
Capital and reserves			
Called up share capital	10	10,311	10,311
Share premium		9,053,146	9,053,146
Retained earnings		<u>1,325</u>	<u>1,021</u>
Shareholders' funds		<u>9,064,782</u>	<u>9,064,478</u>

The financial statements of Foxtons Operational Holdings Limited, registered number 06054477 were approved by the Board of Directors on 12/6/2016 and were signed on its behalf by:

Signed on behalf of the Board of Directors


G Nieslony
Director

The notes form part of these financial statements

Foxtons Operational Holdings Limited

Statement of changes in equity 31 December 2015

	Called up share capital £	Share premium £	Retained earnings £	Shareholde rs' funds £
Balance at 1 January 2014	10,311	9,053,146	64	9,063,521
Changes in equity				
Total comprehensive income for the year	-	-	29,501,957	29,501,957
Dividends	-	-	(29,501,000)	(29,501,000)
Balance at 31 December 2014	10,311	9,053,146	1,021	9,064,478
Changes in equity				
Total comprehensive income for the year	-	-	29,300,304	29,300,304
Dividends	-	-	(29,300,000)	(29,300,000)
Balance at 31 December 2015	10,311	9,053,146	1,325	9,064,782

The notes form part of these financial statements

Foxtons Operational Holdings Limited

Notes to the financial statements For the year ended 31 December 2015

1. General Information

Foxtons Operational Holdings Limited (the Company) is a Company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

These financial statements are separate financial statements. The Company has taken advantage of the exemption offered by section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is a wholly owned subsidiary of Foxtons Group plc which prepares consolidated financial statements that are publicly available. The group accounts of Foxtons Group plc can be obtained as set out in note 11.

2. Accounting policies

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, in the year ended 31 December 2015 the Company has undergone transition from reporting under pre-2015 UK GAAP to FRS 101 'Reduced Disclosure Framework'. The financial statements have therefore been prepared in accordance with FRS 101. This transition is not considered to have had a material effect on the financial statements. The financial statements have been prepared under the historical cost convention.

The Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 other than those relating to legal changes and has not applied the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 that are effective for accounting periods beginning on or after 1 January 2016.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of Foxtons Group plc.

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, they continue to adopt the going concern basis in preparing the financial statements

Investments

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

Foxtons Operational Holdings Limited

Notes to the financial statements For the year dated 31 December 2015

2. Accounting policies (continued)

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 considers 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

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.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical judgements or key sources of estimation uncertainty that the Directors believes have a significant effect on the amounts recognised in these financial statements.

3. Employee and directors

The company does not have any employees (2014: nil).

The directors did not receive any remuneration in respect of their services to the company during the year (2014: £nil).

	2015	2014
	£	£
Directors' remuneration	-	-

Foxtons Operational Holdings Limited

Notes to the financial statements For the year dated 31 December 2015

4. Profit on ordinary activities before taxation

Auditor's remuneration of £4,075 (2014: £3,075) is borne by Foxtons Limited.

The auditor did not provide any non-audit services to the company during the year (2014: £nil).

5. Tax on profit on ordinary activities

Analysis of tax expense

	2015 £	2014 £
Current tax:		
Tax	77	-
Total tax expense in statement of comprehensive income	<u>77</u>	<u>-</u>

6. Dividends

	2015 £	2014 £
Ordinary Class 'A' Shares shares of 1.00 each		
Interim 284,163 pence per share (2014: 286,112 pence per share)	<u>29,300,000</u>	<u>29,501,000</u>

7. Investments

	Shares in group undertakings £
Costs	
At 1 January 2015 and at 31 December 2015	<u>8,662,521</u>
Net book value	
At 31 December 2015	<u>8,662,521</u>
At 31 December 2014	<u>8,662,521</u>

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. The company also has an indirect 100% ownership of the issued share capital of Alexander Hall Direct Limited, a dormant company incorporated in Great Britain.

Foxtons Operational Holdings Limited

Notes to the financial statements For the year dated 31 December 2015

8. Debtors: amounts falling due within one year

	2015 £	2014 £
Amounts owed by group undertakings	400,950	400,950

9. Creditors: amounts falling due within one year

	2015 £	2014 £
Corporation tax creditor	77	-

10. Called up share capital

	2015 £	2014 £
Authorised, called up, allotted and fully paid: 10,311 ordinary shares of nominal value 1.00	10,311	10,311

11. Ultimate parent company

Foxtons Intermediate Holdings Limited is the immediate parent undertaking of Foxtons Operational Holdings Limited. Foxtons Group PLC represents the ultimate parent undertaking and controlling party of Foxtons Operational Holdings Limited. The consolidated financial statements of Foxtons Group PLC are publicly available at www.foxtonsgroup.co.uk, with a registered office of Building One, Chiswick Park, 566 Chiswick High Road, London. Foxtons Group PLC is the only undertaking in which the results of Foxtons Operational Holdings Limited are consolidated.

12. Explanation of transition to FRS 101

This is the first year that the Company has presented its financial statements under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. The last financial statements under a previous GAAP (UK GAAP) were for the year ended 31 December 2014 and the date of transition to FRS 101 was therefore 1 January 2014. The transition to FRS 101 has not resulted in any quantifiable adjustments to the Company's Statement of comprehensive income, Balance sheet or Statement of changes in equity.