2015
Annual Report and Accounts
Foxtons Group plc

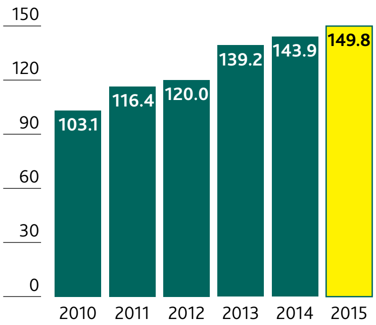
Foxtons is the leading London estate agency focused on providing services to the residential sales and lettings property market.

Contents

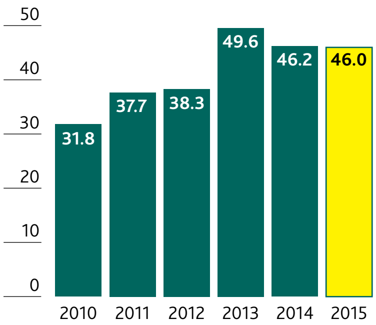
This Annual Report can be found on our website: www.foxtonsgroup.co.uk

Continued high margins and strong cash generation

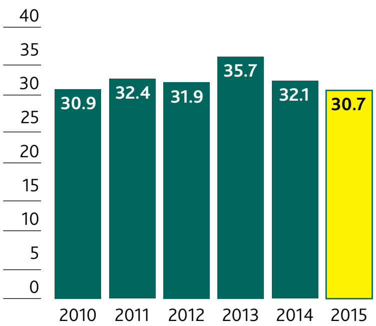
Revenue (£m)
£149.8m
+4.1%



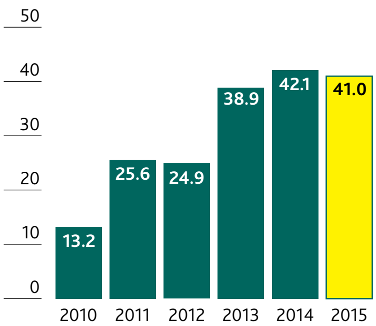
Adjusted EBITDA[1] (£m)
£46.0m
-0.4%



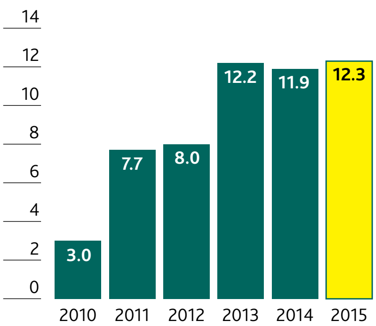
Adjusted EBITDA margin (%)
30.7%
-140bps



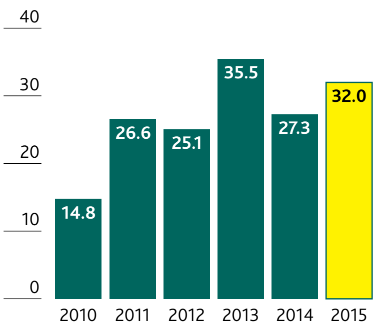
Profit before tax (£m)
£41.0m
-2.6%



Basic earnings per share[2] (pence)
12.3p
+3.4%



Net free cash flow[3] (£m)
£32.0m
+17.1%



1 Adjusted EBITDA is defined as profit before tax, finance costs, finance income, depreciation, amortisation, profit on disposal of assets, share-based payments and exceptional items (refer to note 5, page 69 for a reconciliation to profit before tax).
2 Statutory basic earnings per share (pence).
3 Net free cash flow is defined as net cash from operating activities less net cash used in investing activities exclusive of exceptional items. (Refer to note 30, page 89 for a calculation of net free cash flow and page 83 for further analysis).

Continuing successful expansion

The London property market remains very attractive and Foxtons continues to make excellent progress with its organic growth strategy.

Overview

Revenue grew across all business streams enabling the Group to report record revenues. In the sales market we saw falling volumes in central London, where price and Stamp Duty pressures have deterred buyers, more than offset by more active markets in outer London where the Group has been focusing recent expansion. Adjusted EBITDA is the key metric by which we measure performance, achieving £46.0 million (2014: £46.2 million) with margins in excess of 30%. Profit before tax was £41.0 million (2014: £42.1 million). The Company continued its growth across London by opening seven new branches, bringing the total network to 58. Cash generation remains strong, enabling the Company to propose an increase in full year dividends of 13.4%. In addition the Company commenced a share buy-back programme at year end.

Board and governance

The Board places significant importance on corporate governance and compliance with the UK Corporate Governance Code. Full details are set out in the Corporate Governance section of our Annual Report and Accounts.

Dividend and share buy-back

The Group's dividend policy is to pay between 35% and 40% of profit after tax as ordinary dividends with the potential for special dividends to return excess cash to Shareholders. During 2015 an interim dividend of 1.67p per share plus a special dividend of 3.10p per share was paid in September 2015. The Board is proposing a final dividend for 2015 of 3.34p per share plus a further special dividend of 2.89p per share, bringing the total for the full year to 11.0p per share, £30.8 million in total. The proposed dividends will, subject to Shareholder approval at the Annual General Meeting ("AGM") on 18 May 2016, be paid on 26 May 2016 to Shareholders on the register at 29 April 2016. Since its IPO in September 2013, the Company will have returned £73.5 million of dividends to Shareholders inclusive of the above dividend proposal.

In addition to paying the expected dividend, the Company commenced a share buy-back programme on 16 December 2015, to make on-market purchases of Foxtons ordinary shares in line with the Company's policy of returning excess cash to Shareholders, and the programme has continued into 2016. As at 7 March 2016, the Company had purchased and cancelled in total 7 million ordinary shares at a cost of £12 million.

Summary

The attractive fundamentals of the London property market remains strong. Our strategy continues to be the delivery of profitable growth through targeted organic expansion. The Group has continued to perform well, taking into consideration the slow recovery of the London market since the General Election. The Group has a dynamic and dedicated team of people, all determined to build further on our success. I would like to take this opportunity on behalf of the Board to thank everyone at Foxtons for their commitment and hard work. With their continued support we can look forward with confidence to the future.

Garry Watts
Chairman

Delivering on our strategy

Despite a subdued sales market, our innovative business model, effective expansion strategy and strong position in lettings enabled us to grow revenues and maintain high EBITDA margins.

Review of the year

Property sales transaction levels within the London market as a whole remained subdued throughout the year. In particular, the increase in activity expected by many following the General Election in May 2015 did not arrive and as a result, 2015 property sales within Greater London were well below levels in 2014. Activity in central London property markets has been especially constrained due to strong recent price growth and Stamp Duty changes, which have significantly increased the cost of moving home.

Despite these challenging underlying market conditions, we have been able to deliver growth in revenue and market share by continuing to expand our branch network, particularly within outer London. Our centralised business model has enabled us to generate high Adjusted EBITDA margins and the innovative application of technology and data throughout our Company continues to support the excellent customer service that is key to our proposition as a premium estate agency.

The Group achieved record revenue in 2015 of £149.8 million, up 4.1% versus prior year. Adjusted EBITDA of £46.0 million remained in line with prior year and Adjusted EBITDA margins remained industry leading at over 30%.

Foxtons Sales revenue grew 3.4% reflecting market share gains, against an overall market that contracted significantly in 2015, while holding firm to our standard commission rates. Our New Homes business continued to grow representing 14% of sales commissions compared to 9% last year. Lettings continued to produce steady top line growth and excellent margins. Lettings revenue was more skewed towards renewals than new lets as record numbers of tenants chose to extend their tenancies in 2015.

1 Operating cash conversion is computed as Adjusted operating cash flow/Adjusted EBITDA. Adjusted operating cash flow is defined as the summation of Adjusted EBITDA, change in working capital and net capital spend.

2 As defined by Transport for London (TFL).

Alexander Hall, our mortgage broker, had a particularly strong year delivering both substantial revenue and Adjusted EBITDA growth.

The Group once again generated high levels of cash with an operating cash conversion[1] ratio of 87.4% in 2015 (2014: 84.5%) and net free cash flow of £32.0 million (2014: £27.3 million). This stable cash generation has allowed the Group to continue to fund its own organic branch expansion.

Expansion programme

During 2015 we opened seven new branches, all in the outer London areas of zone 2 and beyond. These areas remain our priority for expansion and we have a healthy pipeline of new branches in similar locations for 2016. Since our IPO we have continued our geographic diversification, opening 16 new branches of which 15 are outside zone 1[2] and these continue to follow a similar profile in terms of profitability and cash flow generation to our earlier openings. The 20 branches opened between 2010 and 2013 on average achieved positive Adjusted EBITDA in seven months of opening, and broke even in cash terms in 20 months. Average returns on capital employed for the second full year of operation were circa 150%. All branches opened in 2014 and 2015 are performing in line with expectations.

Awards

As well as achieving strong financial results, Foxtons was delighted to win many prestigious awards for its service, training, website and marketing, both nationally and internationally, including Best London Real Estate Agency and Best Real Estate Agency Website at the International Property Awards, and Best Large Lettings Agency in the UK at the Sunday Times awards. These awards demonstrate the unwavering commitment of our people to delivering exceptional service to clients, day in, day out.

Outlook

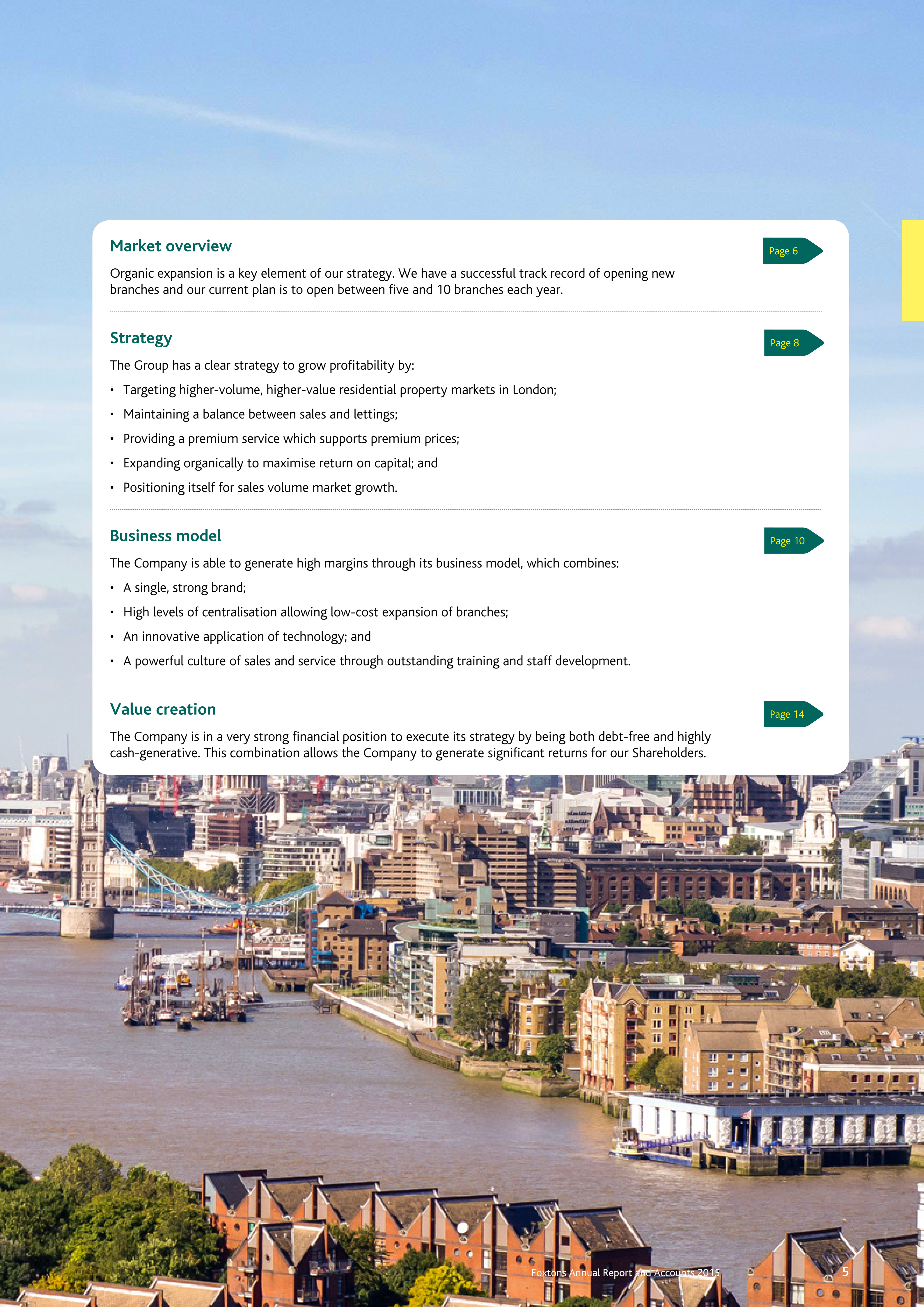
Our strategy puts us in a strong position both to capture growth in outer London through organic expansion and to benefit from any future growth in the sales market. We expect some growth in the sales market in 2016 but continue to believe that a recovery in volumes will be affected by a low level of stock. We remain confident that our organic expansion strategy together with our strong lettings business will enable us to continue to deliver robust results.

London is fundamentally a highly attractive property market for both sales and lettings and our balanced business model is proven to generate Shareholder value across the market cycle. The Group remains debt-free, highly cash-generative and focused on returning all excess cash to Shareholders.

Nic Budden
Chief Executive Officer

Foxtons: The market leader

Foxtons Group is the leading London estate agency, offering residential property sales and lettings services through its network of 58 branches. The Group offers independent mortgage advice and other related services through Alexander Hall. Foxtons was founded in 1981 and the first branch opened in Notting Hill Gate in 1982. The Group focuses on the higher-volume, higher-value London property market. In 2015, Foxtons revenue was £150 million, generating £46 million of Adjusted EBITDA at a margin of over 30%.



Market overview

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Organic expansion is a key element of our strategy. We have a successful track record of opening new branches and our current plan is to open between five and 10 branches each year.

Strategy

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The Group has a clear strategy to grow profitability by:

- Targeting higher-volume, higher-value residential property markets in London;
- Maintaining a balance between sales and lettings;
- Providing a premium service which supports premium prices;
- Expanding organically to maximise return on capital; and
- Positioning itself for sales volume market growth.

Business model

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The Company is able to generate high margins through its business model, which combines:

- A single, strong brand;
- High levels of centralisation allowing low-cost expansion of branches;
- An innovative application of technology; and
- A powerful culture of sales and service through outstanding training and staff development.

Value creation

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The Company is in a very strong financial position to execute its strategy by being both debt-free and highly cash-generative. This combination allows the Company to generate significant returns for our Shareholders.

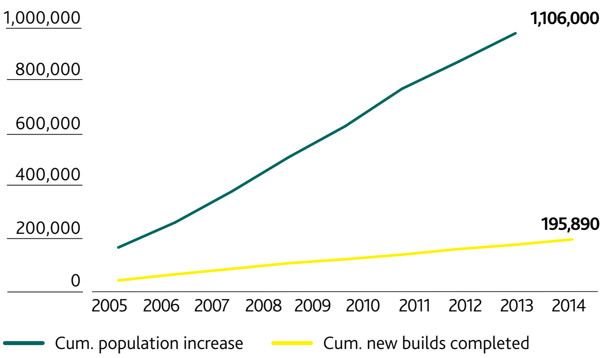
Attractive market fundamentals

The UK property market, in terms of value and volume, is concentrated in the south-east of the country. High property density and resilient prices in London and the south-east create a disproportionately valuable market in this area. Based on Land Registry data in 2015, London accounted for nearly half of all residential property sales transactions by value in England and Wales, while the south-east accounted for over 80%. London also supports a very strong lettings market. Foxtons current and medium-term focus is on the London area with a longer-term opportunity in the south-east.

Sales market

The London property market continues to offer disproportionate value and growth. High population density and limited housing stock within London continue to drive resilient sales prices and a valuable lettings market. The long-term fundamentals of the London market remain attractive mainly due to the lack of supply of properties and ever increasing demand. Excess demand is primarily driven by high levels of economic activity, affluence, domestic and international mobility and population growth, particularly of young adults. London also attracts overseas purchasers who buy residential property either as homes or for investment purposes. Based on the latest London census figures, there was a cumulative population increase of circa 1.1 million from 2005 to 2014 with only circa 200k new homes built in the same period.

Population new builds

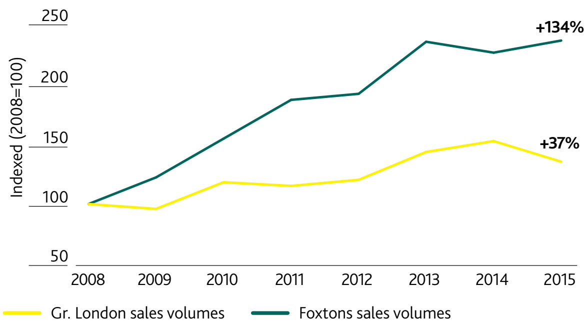


Although average prices are significantly higher in London than the rest of the country, over 90% of London residential property sales are transacted at prices below £1 million and 69% are in the price band £200k to £600k. With an average price during 2015 of £550k, Foxtons market profile mirrors that of the wider London market.

Growth through organic expansion

Foxtons current and medium-term focus continues to be on the higher-volume, higher-value London market. As at 31 December 2015, the Group operated 58 offices, with over 80% located in the outer London areas. Foxtons branch network covers only just over half of London, and there is significant scope to expand and to grow revenue and profit without any meaningful uplift in the overall market.

Indexed London and Foxtons residential property sales transaction volumes



Foxtons relative performance in sales against the market

Foxtons sales market share in London has doubled since 2008, with Foxtons sales growing 134% whilst markets in which Foxtons operates have grown only 37%. This improvement has been made through increased market share by more mature branches and the opening of new branches.

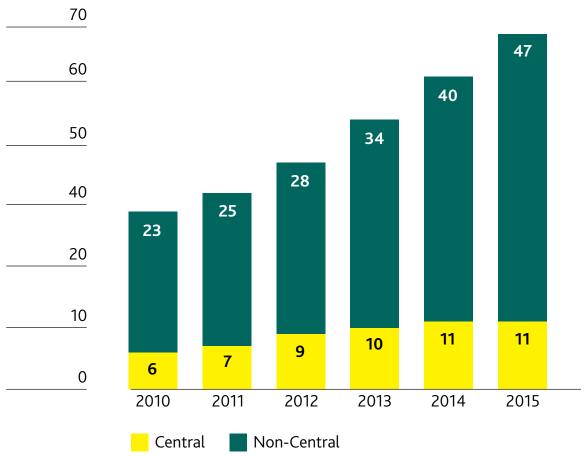
Foxtons strategy puts us in a strong position to capture growth by both expanding further into outer London areas and benefitting from any future improvements in market conditions in our more mature branches in the central London area.

Divergence of sales activities from central[1] to outer London[2]

Residential property sales transaction volumes have been stronger in outer London areas whereas zone 1 volumes have decreased by 15%. Declining volumes were caused by uncertainty around the General Election and potentially an introduction of a mansion tax, changes to Stamp Duty and general affordability issues as prices in zone 1 rose by 15% in 2015.

In the medium-term, affordability will continue to drive migration and house building to outer London. Foxtons expansion strategy is to capture this growth by continuing to open between five to 10 branches per year, predominantly in outer London and longer term in the south-east of England.

Foxtons branch network – Central vs non-central branches



1 Central London defined as zone 1
2 Outer London defined as zones 2-6

Lettings market

London has experienced a significant shift in tenure with nearly 30% of households now living in private rented accommodation, double the number seen in the last decade. This huge increase in demand for private rentals in London provides a solid base for the Group's lettings business. In addition, the continuing increase in London's population maintains an upward pressure on rental rates. The lettings market continues to be a key element of Foxtons business strategy. It provides a steady, reliable income stream and it accounts for half of the Group's business.

Strategy

Foxtons has an impressive track record of growing its business by delivering premium service levels. The Group's strategic aim is to continue to leverage its brand, centralised resources, technology and sales and service culture, in order to grow revenue and profit as it expands its branch network through London's higher-volume, higher-value property markets.

Foxtons has five strategic priorities:

Target higher-volume, higher-value residential property markets in London

Foxtons current focus is on the higher-volume, higher-value London market, which represents a disproportionately valuable property market. Over time we have the potential to increase significantly the number of existing branches in London.

Related to KPIs: 2 3 4 6
Related to principal risks: 1 2 5

Balanced business

The Group places equal importance on sales and lettings, aiming to achieve a relatively even balance between the financial contributions made by each over time. The Group's lettings business benefits from a strong base of recurring revenues which has delivered year-on-year revenue growth and provides valuable protection against naturally more cyclical property sales markets.

Related to KPIs: 1
Related to principal risks: 1 2

Premium service and prices

The Group delivers high-quality service levels, maximising value for clients by selling or letting their properties at the best price through the innovative application of technology, the utilisation of data and by working harder than competitors. Foxtons branches are open 8am to 8pm, 362 days a year, enabling them to work around our clients' busy schedules. Over a third of viewings take place outside normal working hours.

Related to KPIs: 5 7 8
Related to principal risks: 2 4 5

Organic expansion under a single strong brand

The Group has a track record of profitable, organic expansion. The Group's well-invested centralised business model enables rapid scaling at low incremental cost allowing new branches to achieve a rapid payback and a high-return on capital employed. Growth is financed by internal funds.

Related to KPIs: 6

Related to principal risks: 1 2 3 4 5

Related to executive remuneration. See annual bonus

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Positioned for sales market growth

Residential property sales transaction volumes in London have been depressed since 2008. Over the last five years, Foxtons has doubled the size of its branch network, gaining market share and positioning itself to benefit from any future growth in sales volumes.

Related to KPIs: 6

Related to principal risks: 1 2 5

Read about our KPIs to understand our progress in achieving our strategic priorities

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1. Balanced business
2. Sales volumes
3. Lettings volumes
4. Mortgage volumes
5. Adjusted EBITDA margin
6. Number of branches at year end
7. Average revenue per branch
8. Average revenue per employee

Read about how we manage risks and their potential impact on our strategy

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1. Market risk
2. Competitor challenge
3. Compliance with the legal and regulatory environment
4. IT systems
5. People

Business model

The Group is based on a business model with a proven significant and sustainable competitive advantage.

A single brand with a strong identity

The Foxtons brand has been supported by significant levels of expenditure on brand and customer marketing communications programmes over the past 35 years. Foxtons leading property website, www.foxtons.co.uk, and "0% commission" campaigns, which support each new branch opening, generate strong brand awareness and new business growth. Its distinctive branches and branded MINI fleet reinforce its high street presence and underpin its quality credentials.

Business centralisation

The Group's substantial long-term investment in centralised work groups, business process engineering and technology has created a highly scalable business, delivering unparalleled levels of productivity and service. This centralised approach also delivers significant operational leverage, enabling the Group to expand its branch network at relatively low cost, whilst delivering high profit margins.

Innovative application of technology

Foxtons development over the last 35 years has been characterised by the innovative application of technology to estate agency. The Group is recognised as the technology leader in the sector, with sophisticated workflow systems, web applications and content-rich information databases underpinning virtually every aspect of its business model. These systems enable our internal departments to work cohesively together to deliver exceptional levels of service and productivity, and have been a key driver in reducing average costs. Foxtons systems also provide vital performance tools for managers, enabling them to monitor employee performance in real-time.

Foxtons has invested heavily in its website and web-based applications, which are internally developed and maintained, and which have received many industry awards for their innovative features. Foxtons website showcases clients' properties using high-quality images and floorplans and allows users to search for properties using pioneering search criteria. Clients have access to web-based applications, such as the landlord portal, giving them secure, direct access to key tenancy information and documents, and applications that enable documents to be signed and payments to be made online.

Culture and people

Foxtons people are highly motivated to deliver exceptional results for clients. A wide range of incentives ensures that outstanding personal and team results are rewarded and recognised across the Company. Foxtons recruits high-quality individuals and is a true meritocracy. We always promote sales people from within our current pool of employees, ensuring that our best people experience rapid career progression into leadership positions where they can have the greatest positive impact. Our training and development goal is to create the finest estate agents in the industry with a clear focus on professionalism, integrity and a strong work ethic.

Integrated mortgage broker

Foxtons integrated mortgage broker, Alexander Hall, benefits from low-cost sales leads from the estate agency business and has the potential to grow as Foxtons expands and as property sales transactions increase.

The key to our success

We recognise that our continued success can only be achieved through the commitment and dedication of our people. We are not just passionate about training our people in how to sell and let properties, we are passionate about their ongoing development, both personally and professionally.

We offer a unique culture

In order to offer exceptional service to our clients, it's vital that our people are inspired, engaged and supported. That's why working at Foxtons is energetic, sociable and rewarding.

We provide the opportunity for talented and enthusiastic employees to thrive in an incentive-driven environment where outstanding work is recognised in both team and individual capacities, encouraging development as a team member as well as personally. We also hold regular awards ceremonies, where our employees are rewarded for their exceptional performance or contribution.

Extensive training

Much of the value we offer our clients is created through the specialist skills and deep knowledge of our people and we are committed to ensuring they receive the best training and career development opportunities with a view to building a long-term career. Our award-winning training strategy consists of nearly 300 modules made up of formal and informal training, mentoring programmes and networking events, giving everyone the support and first-class resources they need to drive their own learning. This investment in training is ongoing throughout our peoples' careers irrespective of roles or levels as we believe that in order to excel you never stop learning. We're strongly committed to the highest standard of business behaviour, compliance and ethics and this forms a major part of all our training.

Commitment to career progression

In order to promote loyalty and develop a business of true experts, Foxtons is a meritocracy and we only ever promote from within (specialist positions excepted). We believe that those trained by us are best suited to drive this Company forward and anyone who demonstrates skill and hard work may aspire to reach the highest level and experience accelerated development. Our commitment to opening five to 10 new offices every year means that we offer fast-track career opportunities for those with the ability and drive to succeed. The average tenure of a senior operational Director at Foxtons is nearly 13 years; however, early responsibility and rapid promotion for high achievers is not unusual.

Diversity and inclusion

We are proud of our diversity throughout the Company and our working practices. We hire people from a multitude of backgrounds and our training takes a comprehensive and personal approach allowing us to focus on matching the right people to the right roles. The diversity profile of our workforce reflects society and our client base.

We are committed to equal opportunities and an entirely non-discriminatory working environment. Our diversity policy aims to ensure that no job applicant or employee receives less favourable treatment because of gender, marital status, race, age, sexual preference, religion, belief or disability. All decisions are based on the merits of the individual concerned. The Group is dedicated to undertaking its business operations in a way which respects individual human rights, treats individuals with dignity and allows freedom of association. We value the contribution of each and every one of our employees and together we have created an inspiring working environment where everyone is engaged, motivated and safe from discrimination so they can fulfil their own potential.

Our diversity is evident throughout the organisation where 45% (2014: 49%) of our total staff are female and 19% (2014: 23%) of our senior staff are female.

Appointments to the Board are made on merit, against objective criteria and with due regard for the benefits of diversity on the Board. Of the seven Board members at year end, one was female.

Company diversity

End of year figures	Male	Female	Male %	Female %
Directors of parent company	6	1	86%	14%
Senior Managers[1]	131	30	81%	19%
All other	616	584	51%	49%
Total	**753**	**615**	**55%**	**45%**

1 Senior Managers are defined as direct reports of the CEO and COO plus Sales Managers and Lettings Managers.

High profitability and cash generation

The combination of our strategy and business model, whilst operating within the attractive London property market, leads to high profit margins and high cash generation:

- The absolute level of profit is determined by the market and our branch expansion plan;
- Our strategy and business model generates industry leading margins in excess of 30%;
- High profitability, minimal working capital requirements and a relatively low level of capital spend generates high levels of net free cash. In 2015, £32.0 million of net free cash was generated, representing 69.6% of Adjusted EBITDA;
- As the Company is debt-free, net free cash is available to return to Shareholders;
- During 2015 the Company returned 90.3% of net free cash to Shareholders in the form of dividends and share buy-backs.


Adjusted EBITDA
£46.0m
Adjusted EBITDA margin 30.7%
Working capital minimal requirements
£2.0m
Net capital spend
(£7.8m)
Primarily expansion
Adjusted operating cash
£40.2m
87.4% conversion rate
Other
£0.1m
Corporation tax
(£8.3m)
Net free cash flow
£32.0m
69.6% of Adjusted EBITDA
Share buy-back
£0.9m
(Part of a £12m share buy-back programme completed Q1-2016)
Increase in cash reserves
£3.1m
Dividends paid
£28.0m
87.4% of net free cash

Continued high margins and strong cash generation

The Group has grown revenue across all operating segments and maintained high margins despite the challenges of a difficult market in central London. Overall, revenue increased by 4.1% and Adjusted EBITDA remained flat as the Group continued expanding organically, opening seven new branches during the year. The Group's continued strong cash generation enables the Company to recommend a final and special dividend totalling 6.23p per share which together with the interim and special dividend paid earlier in the year results in a total dividend in respect of 2015 of 11.0p per share. This is an increase of 13.4% on the prior year (2014: 9.7p per share). In addition, the Company commenced a share buy-back programme towards the end of the year which has continued into 2016.

Revenue

The Foxtons Group comprises three business segments – Sales, Lettings and Mortgage broking. The majority of operations are in the London area with two branches in the adjacent area of Surrey.

Revenue growth:

£m	2015	2014	% variance
Sales	**72.2**	69.8	+3.4%
Lettings	**68.9**	67.4	+2.3%
Mortgage broking	**8.3**	6.3	+31.8%
Other	**0.4**	0.4	
Total revenue	**149.8**	143.9	+4.1%

Sales

Revenues from Sales increased by 3.4% over the previous year as a result of higher transaction volumes, despite market volumes falling almost 10%. Foxtons was able to grow volumes through organic growth and market share gains. Average revenue per transaction remained broadly flat versus prior year as underlying London price inflation was offset by the mix effect of significant volume reductions in the higher valued central London area and increased volumes at lower average sales prices as Foxtons expands out from central London. During 2015 the average price of Foxtons property sales was £550k (2014: £544k).

Lettings

The Lettings segment continues to provide a consistent revenue stream irrespective of the variability in the Sales market. Lettings revenue continues to grow, driven by an increase in average rental values. Renewals revenue increased as a percentage of total lets revenue as record numbers of tenants chose to extend their tenancies in 2015.

Mortgage broking

Revenue increased by 31.8%. This was primarily volume driven with a 20.5% increase due to increasing adviser headcount together with average revenue per deal increasing by 9.4% due to both increasing average loan sizes and increased procuration fees paid by lenders.

Organic expansion

The Group has continued its organic expansion programme, opening seven new branches during the year, increasing the network to 58 branches. Foxtons has an experienced in-house project team that works with a number of external professionals to manage the opening of new branches. Organic expansion is a low-risk growth route with many opportunities available within London over the foreseeable future. Each new branch cohort opened between 2010 and 2013 achieved positive Adjusted EBITDA within circa seven months of opening and broke even in cash terms within 20 months. Average returns on capital employed for the second full year of operation were circa 150%. The 2014 and 2015 tranche of branch openings are following a similar profile.

Balanced business

A key strategic priority for the Company is to maintain a balanced business. This balance across the Sales and Lettings segments provides financial strength in the Group to withstand fluctuations in the property market.

% of total revenue	2015	2014
Sales	**48.2%**	48.5%
Lettings	**46.0%**	46.8%
Mortgage broking	**5.5%**	4.4%
Other	**0.3%**	0.3%
Total revenue	**100.0%**	100.0%

KPI analysis

Average revenue per branch of £2.7 million (2014: £3.0 million) declined due to an increase of 14.7% in the number of branches (average branches across year) adding to the number of maturing branches in the network, the difficult central London market plus the expansion of the network into the outer regions of London. Average revenue per employee of £113k (2014: £113k) remained flat with property price inflation being offset by the extension of our network into the outer regions of London where average prices are lower.

Administration expenses

Administration expenses were £108.9 million (2014: £101.9 million) representing an increase of £7.0 million, 6.8% on prior year and include:

- Increase of £2.2 million (5.2%) in Sales and Lettings salaries and other cost of sales moving broadly in line with the increase in total revenue of 4.1%
- Branch overhead costs increased by £2.4 million (9.5%), primarily reflecting the opening of seven new branches during the year. With a 14.7% increase in the average number of branches year on year, average branch costs fell by 4.6%.
- HQ costs (Chiswick Park) increased by £0.6 million (2.6%) and were only marginally impacted by the increase in the branch network during the year, reflecting the operational leverage in the business. Average HQ costs per branch fell by 10.6%.

£m	**2015**	2014	Var.	% Var.
Sales & Lettings salaries and other COS	**44.5**	42.3	2.2	5.2%
Cost as % of total revenue	**29.7%**	29.4%		
Administration costs related to:				
Branches	**27.6**	25.2	2.4	9.5%
HQ costs (Chiswick Park)	**23.2**	22.6	0.6	2.6%
Depreciation and amortisation	**4.4**	4.1	0.3	7.7%
All other administration costs[1]	**9.2**	7.7	1.5	19.1%
Administrative expenses	**108.9**	101.9	7.0	6.8%
Efficiency indices:				
Average branch costs	**0.51**	0.53		-4.6%
Average HQ costs per branch	**0.42**	0.48		-10.6%

1 Includes overhead costs of Property Management, Renewals, Mortgage broking, PLC costs and management incentives.

Profitability analysis

All business segments are highly profitable and are shown in the table below.

£m	2015	2014
Sales	**23.5**	23.2
Lettings	**20.7**	21.8
Mortgage broking	**1.4**	0.7
Other	**0.4**	0.5
Group Adjusted EBITDA	**46.0**	46.2

Sales and Lettings margins reduced slightly due to the challenging central London market in which Foxtons still generates a significant proportion of its revenues and profits, together with the continued growth in the branch network adding to the number of immature branches in the Foxtons network. Mortgage broking continues to produce margin improvements from significant revenue growth.

	2015	2014
Sales	**32.6%**	33.3%
Lettings	**30.1%**	32.4%
Mortgage broking	**16.5%**	11.8%
Group Adjusted EBITDA margin	**30.7%**	32.1%

Seasonality

EBITDA generation is not phased equally during the year due to a certain degree of seasonality in the business. Seasonality is seen in both Sales and Lettings with Q3 being the peak period for Lettings revenues. In addition, EBITDA phasing is impacted by the Foxtons expansion programme with openings skewed to the first half of the year. By the second half of the year new branches are beginning to generate revenues and move into profitability. Historically, Adjusted EBITDA has been weighted towards the second half of the year with a ratio of circa 47:53 (H1:H2). However, during 2015 the weighting was slightly more pronounced with a 45:55 ratio due to the disruption of the General Election in the first half of the year.

Operating profit

Operating profit of £40.9 million (2014: £42.0 million) reduced due to a decline in central London operating profits together with increased costs due to the continued expansion of the branch network into outer London. There were no exceptional items in either the current or prior year.

Profit before tax (PBT)

PBT of £41.0 million (2014: £42.1 million) fell due to the operational performance noted above. The Group has no finance costs as it remains debt-free.

Taxation

The business activities of Foxtons all operate within the UK and are all UK tax registered. The Group does not have any complex tax structures in place and has made significant tax payments during the year. The Company has benefited from reduced UK corporation tax rates. The rate has fallen from 21% (1 April 2014) to 20% (1 April 2015). These tax rates produce a blended rate of 20.25% for the 2015 financial year (2014: 21.5%). The effective current tax rates for the Group are in line with these blended rates being 19.1% for 2015 and 21.2% for 2014.

The absolute tax charge for the period fell by £2.2 million due to:

- Reduced corporation tax rates applied to reduced profit before tax, resulting in a reduction in the current tax charge of £0.7 million.
- Reduction of £2.0 million in deferred tax, primarily due to reduced corporation tax rates on the deferred tax liability in respect of the intangible brand asset.
- All other tax movements totalling an increase of £0.5 million.

Tax payments during the year totalled £8.3 million (2014: £10.3million), reflecting higher profitability in 2013 and the instalment payments thereon falling into 2014, together with lower rates of corporation tax in 2015.

Earnings per share (EPS)
Basic and diluted EPS increased by 3.4% to 12.3p (2014: 11.9p) primarily due to the increase in profitability from the deferred tax credit of £2.0 million.

Cash flow
Net free cash flow for the year increased to £32.0 million (2014: £27.3 million). The increase of 17.1% was primarily due to an improved working capital position together with lower corporation tax payments and the fact that in the prior year shares were purchased in respect of the long-term incentive programme. An improvement in cash conversion can be seen from the metric "net free cash as a percentage of Adjusted EBITDA", which improved from 59.1% in 2014 to 69.6% in 2015.

Due to the continued high cash generation of the Company, no overdraft facilities are in place and the business remains debt-free.

Dividends
The interim and special dividend of 4.77p per share was paid on 25 September 2015. Due to the continued strong cash generation of the Company, a final and special dividend totalling 6.23p per share is being recommended to Shareholders for payment in May 2016. Subject to Shareholder approval, dividends in respect of 2015 will total 11.0p per share (2014: 9.70p per share), representing a 13.4% increase.

Share buy-backs
The Company commenced a share buy-back programme on 16 December 2015, to make on-market purchases of Foxtons ordinary shares in line with the Company's policy of returning excess cash to Shareholders. At year end the Company had purchased 0.5 million shares (0.2% of issued share capital) at an average price of 181p per share and a total cost of £0.9 million. The share buy-back programme has continued into 2016 and is funded from accumulated cash resources. This and any future buy-back programmes are not intended to lead to a change in the Company's dividend policy.

Post balance sheet events
As part of the share buy-back programme commenced on 16 December 2015, a further 6.6 million shares were purchased in 2016 for a cost of £11.1 million. In total, the share buy-back programme has resulted in 7.1 million shares being purchased for a total cost of £12.0 million and an average cost per share of 170p comprising 2.5% of issued share capital.

Treasury policies and objectives
The Group's treasury policy is designed to reduce financial risk.

Financial risk for the Group is low as:

- The Group is debt-free;
- The Group is totally UK based with no foreign currency risk; and
- Surplus cash balances are held with major UK based banks.

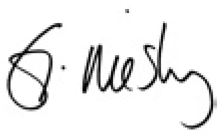
As a consequence of the above, the Group has not had to enter into any financial instruments to protect against risk.

Risk management
The Group has identified its principal risks and uncertainties and they are regularly reviewed by the Board and senior management. See page 22.

Pensions
The Group does not have any defined benefit schemes in place but is subject to the provisions of auto-enrolment which require the Company to make certain defined contribution payments for our employees.

Going concern and viability statement
The going concern declaration is disclosed in note 3 to the consolidated set of financial statements, and the viability statement can be found on page 25.

Related parties
Related party transactions are disclosed in note 27 to the consolidated set of financial statements.



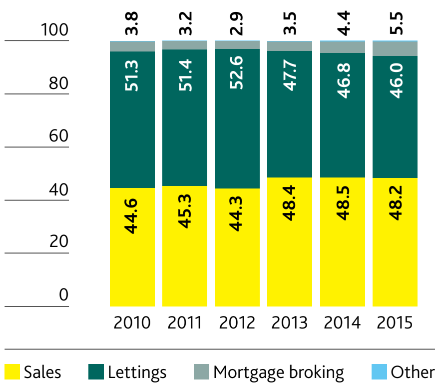
Gerard Nieslony
Chief Financial Officer

Measuring our progress

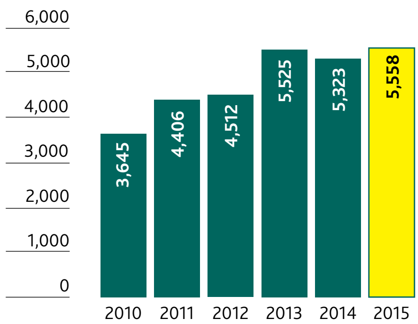
The Group uses a number of KPIs to measure its performance and review the impact of management strategies. The Group continues to review the mix of KPIs to ensure that these best measure our performance against our strategic objectives.

Read about how our KPIs are linked to our strategic priorities
Page 8

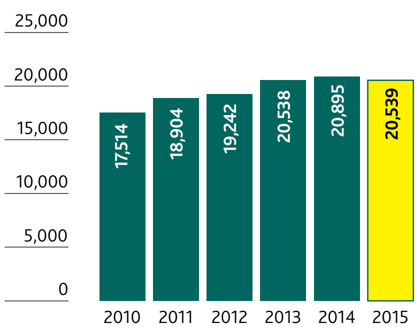
1 Balanced business (% of total revenue)



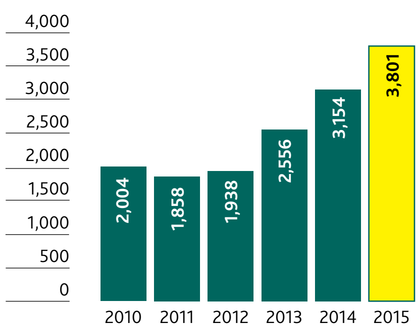
2 Sales volumes



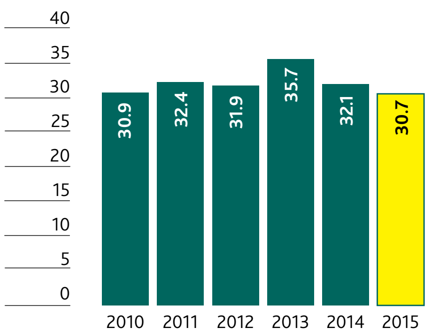
3 Lettings volumes



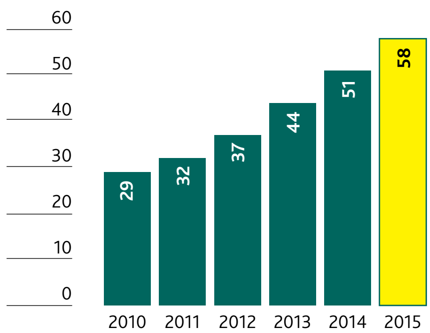
4 Mortgage volumes



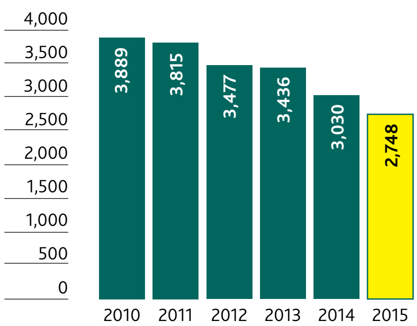
5 Adjusted EBITDA margin (%)



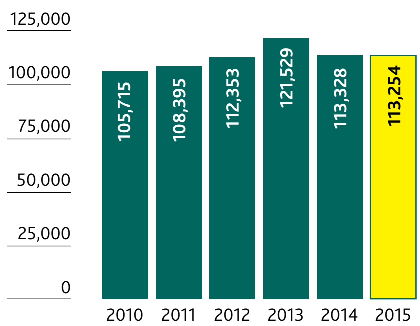
6 Number of branches at year end



7 Average revenue per branch (£'000)



8 Average revenue per employee (£)



Risk management

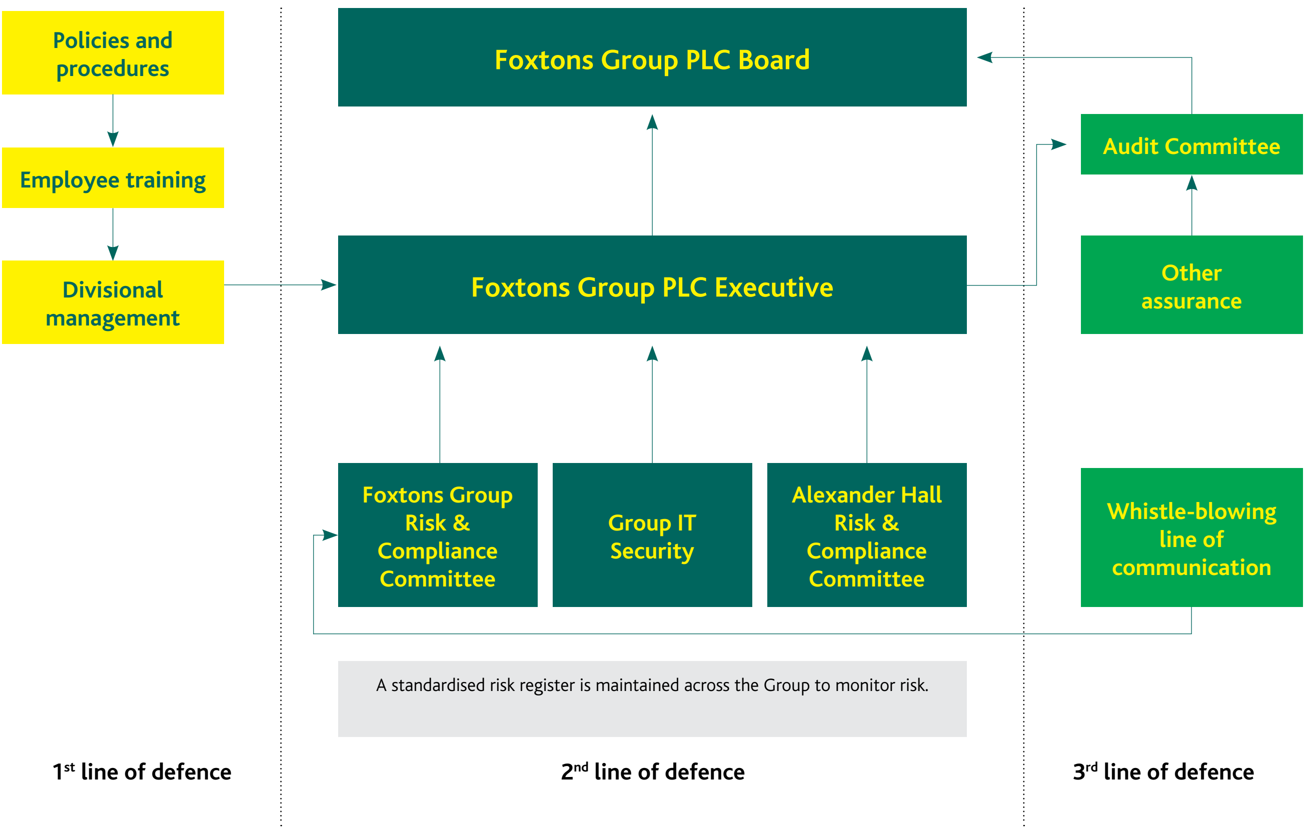
The Board is responsible for establishing and maintaining the Group's system of risk management and internal control, with the aim of protecting its employees and customers and safeguarding the interests of the Company and its Shareholders in the constantly changing environment in which it operates. The Board regularly reviews the principal risks facing the Company together with the relevant mitigating controls and undertakes a robust assessment. In reviewing the principal risks the Board considers emerging risks and significant changes to existing risk ratings. In addition, the Board has set guidelines for risk appetite as part of the risk management process (see table overleaf) against which risks are monitored.

The broad structure of risk management is given in the chart below. The identification of risk in the Group is undertaken by specific executive risk committees which analyse overall corporate risk, information technology risk and mortgage broking risk. Other committees exist below this level to focus on specific areas such as anti-money laundering. A common risk register is used across the Group to monitor gross and residual risk with the results being assessed by the Board. The Compliance department constantly reviews operations to ensure that any non-standard transactions have been properly authorised and that procedures are being properly adhered to across the branch network. The Audit Committee monitors the effectiveness of the risk management system through regular updates originating from the various executive risk committees.

The principal risks table on pages 24 to 25 sets out the risks facing the business at the date of this Report analysed between external and internal factors. An assessment of residual likelihood and impact is shown together with an overall risk rating. An indication is also provided of whether the risk has changed over the course of the year. These risk ratings are also shown graphically in a heat map. Having considered the risks facing the Company the Board replaced "Macroeconomic risk" with the more specific "Market risk" and replaced "Government policy" with "Compliance with the legal and regulatory environment". In addition the Board considered that the previously reported risks of "Client monies" and "Potential for fraud" no longer fell into the category of principal risks and were therefore removed.

The risks detailed do not comprise all of the risks that the Group may face and are not listed in any order of priority. Additional risks and uncertainties not presently known to management or deemed to be less material at the date of this Report may also have an adverse effect on the Group.

Foxtons risk framework chart



Risk appetite

The risk agenda

The “risk appetite” statement highlights those risks that the Group is willing to take, as well as those which are unacceptable. The risk appetite statement includes a series of risk assertions which are aligned to our strategy, together with the risk parameters within which we expect our people to work. Compliance with the risk appetite statement is monitored through the Group’s standard monitoring and reporting mechanisms. The Board will continue to review and update the risk appetite statement on an annual basis.

Risk appetite statement

The Group operates in markets with high growth potential which are subject to volatility, particularly in the property sales market. We will pursue ambitious growth targets and we are willing to accept certain levels of risk to increase the likelihood of achieving or exceeding our strategic objectives, subject to the parameters below.

Risk appetite varies depending on the risk type

The Board’s appetite for risk varies depending on the risk type. The Group measures risk by estimating the potential for loss of profit, staff turnover and reputational damage. The Board has a low tolerance for compliance related risk. Conversely, it has a higher tolerance for strategic risk.

Risk type	Risk assertion	Risk parameter	Risk appetite
Strategic	We will not pursue growth at all costs and expect high margins and strong returns on capital.	We will pursue organic growth strategies to meet our market growth objectives. We aim for industry leading operating margins and returns on capital whilst protecting the long-term viability of the Group.	**High**
Financial	We will manage/avoid situations or actions that might adversely impact the integrity of financial reporting.	It is a critical requirement that financial reporting complies with relevant accounting standards and is fair, balanced and understandable.	**Low**
Operational	We will manage/avoid situations or actions that might adversely impact the Group’s ability to provide a premium service level to our clients and to protect the assets of the Company.	The costs of control systems must be commensurate with the benefits achieved.	**Moderate**
Compliance	We will ensure we comply with all legal requirements and manage/avoid situations or actions that could have a negative impact on our reputation or brand.	No tolerance for breaches of: • Legislative/statutory requirements • Delegated authority levels • Group and divisional policies • Health and safety regulations	**Low**

External factors

Impact on Group	Mitigation of risk	Residual likelihood	Residual impact	Overall residual risk rating	Assessment of change in risk year-on-year

1 Market risk

Impact on Group	Mitigation of risk	Residual likelihood	Residual impact	Overall residual risk rating	Assessment of change in risk year-on-year
Continuous high property price inflation may impact affordability which in turn may reduce transaction levels in the market. The market may also be affected by any reduction in London's standing as a major financial city caused by a decision by the UK to leave the EU. The market is also reliant on the availability of mortgage finance, a deterioration in which may adversely affect Foxtons. The market may also be impacted by any changes in Government policy such as increases in Stamp Duty taxes or increased regulation in the lettings market.	The Board endeavours to maintain a generally even balance between its sales and lettings revenues and profits in order to provide protection against volatility within the property sales market.				Increasing risk due to high property price inflation and increases in Stamp Duty.

2 Competitor challenge

Impact on Group	Mitigation of risk	Residual likelihood	Residual impact	Overall residual risk rating	Assessment of change in risk year-on-year
Foxtons operates in a highly competitive marketplace. New or existing competitors could develop new services or methods of working including online and hybrid agents which could give them a competitive advantage over Foxtons.	Foxtons continually collects information on competitor activity through its branch network and centralised Business Development teams. Foxtons flat management structure allows this competitor intelligence to be fed back to management accurately and quickly so that the Company can rapidly consider appropriate responses. The Board believes that the emotional and complex nature of estate agency transactions means that it is unlikely that online agents will play a major role in the exchange or completion of sales or lettings transactions without the involvement of an estate agent. Any market share gained by online agents is likely to be at the expense of traditional estate agents with low levels of service who compete on price. However, the challenge of online agents will be kept under review.				

3 Compliance with the legal and regulatory environment

Impact on Group	Mitigation of risk	Residual likelihood	Residual impact	Overall residual risk rating	Assessment of change in risk year-on-year
Breaches of laws or regulations could lead to financial penalties and reputational damage. The Mortgage broking division is authorised and regulated by the FCA and could be subject to sanction for non-compliance.	The Group is supported by Compliance and Legal teams who monitor regulatory reform proposals and participate in industry forums. Foxtons centralised service structure provides it with a flexible platform from which to respond to regulatory change. The Mortgage broking division has a specific Risk and Compliance Committee which monitors compliance with FCA regulations.				Increasing risk due to governmental focus on the increasing population renting properties.

The assessment of likelihood and impact is based on the following definitions:

Likelihood	Impact	Risk Rating
Low potential of the risk crystallising	Very limited or isolated impact to the Group and/or its broader customer base	Low
Moderate potential of the risk crystallising	Moderate impact to the Group and/or our broader customer base	Moderate
High potential of the risk crystallising	Potentially significant impact to the Group and/or our broader customer base	High

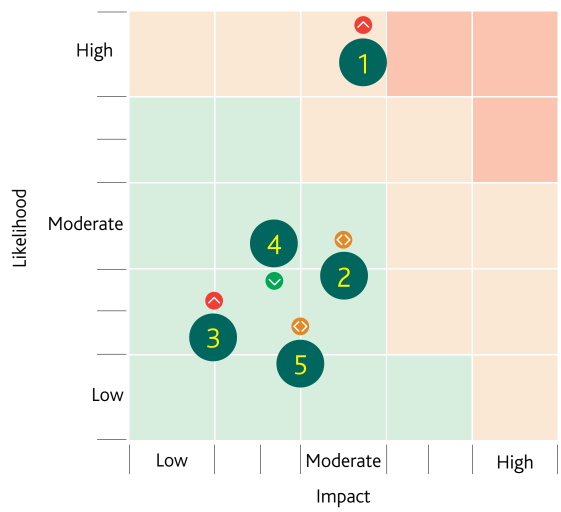
Internal factors

Impact on Group	Mitigation of risk	Residual likelihood	Residual impact	Overall residual risk rating	Assessment of change in risk year-on-year
4 IT systems					
Foxtons business operations are dependent on sophisticated IT systems which could fail, leading to interruption of service or corruption of data.	All key IT systems are closely monitored by internal and external specialist teams. Dedicated in-house IT development and maintenance teams exist to provide rapid response to IT service issues. Group disaster recovery plans are in place utilising a physically separate location for critical systems.				
5 People					
There is a risk that Foxtons may not be able to recruit and retain sufficient people to satisfy its organic expansion plans. In addition, senior staff may be recruited by competitors.	Foxtons structured approach to recruitment using internal specialist teams enables us to increase the recruitment of high-quality people quickly, should it become necessary to do so. Foxtons continues to invest in training, development and succession planning so that future leaders can be identified and nurtured. Our culture of promoting from within generates significant staff loyalty within senior and mid-management employees.				

Assessment of change in risk year-on-year
Assessment of whether there has been a change in the level of risk due to either a change in probability or a change in potential impact.

Principal risk residual heat map

The principal risk residual heat map is a visual representation of the principal risks facing the Group. Risks shown in the bottom left-hand corner of the chart have a low risk rating as they have a low likelihood of occurring and a low potential impact on the Group. Conversely, risks shown in the top right-hand corner of the chart have a high risk rating as they have a high likelihood of occurring and a high potential impact on the Group.



Viability statement
In accordance with provision C.2.2 of the 2014 revision of the UK Corporate Governance Code, the Directors have assessed the prospects of the Company over a longer period than the 12 months required by the 'going concern' provision. The Directors have assessed the viability of the Group over a three year period which is the period over which the Group's strategic review is assessed by the Board.

This assessment has considered the potential impact of the principal risks on the business model, future performance and liquidity of the Group over the period. In making this statement the Directors have considered the resilience of the Group under varying market conditions together with the effectiveness of any mitigating actions. Specifically, the Board has reviewed its three year financial plan and stress-tested it against property price deflation and reductions in transaction volumes. In addition, the Board has assessed the potential impact from online and hybrid agents. As part of this assessment the Directors have taken account of the Group's debt-free position, ability to raise finance, strong cash generation and key potential mitigating action of restricting dividend payments.

Based on the results of this analysis, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three year period of their detailed assessment.

Commitment to integrity and community

We are committed to operating our business in an ethical and responsible manner. As such, looking after the communities and environments in which we operate through our Corporate Social Responsibility (CSR) strategy is an integral part of our Company ethos and plays a major role in leading our people and operations.

Integrity and the highest of ethical standards

Foxtons business model is built upon our values of honesty and integrity and we work hard to ensure that everything is done with total transparency. Our key strategy is to provide a superior quality of service and integrity is actively promoted in all dealings with employees, Shareholders, customers and suppliers. We recognise that reputation is a valuable and fragile asset gained over a substantial period of time and our CSR initiatives are aligned with our Company values, reinforcing our duty of care and encouraging a positive impact. We promote high ethical standards in carrying out our business activities and have clear guidelines for dealing with gifts, hospitality, corruption, fraud and the use of inside information.

Communication

Emphasis is placed on effective communication regarding matters that may affect employees and the overall performance of the Group. Employee engagement is achieved through a variety of means, including regular briefings and team meetings.

Human rights

This Report does not contain information about any policies of the Company in relation to human rights issues since it is not considered necessary for an understanding of the development, performance or position of the Group's business activities.

Health and safety

Foxtons takes the health and safety of its employees very seriously, with regular training sessions and meetings chaired by the CEO who reports back to the Board.

Whistle-blowing

Details of the Company's whistle-blowing procedures are included in the governance section on page 36.

Supporting our local communities

We have a responsibility to the communities in which we operate. We are actively involved in supporting local communities, schools and charities. We believe this type of engagement offers not only social benefits, but benefits to our people too. In addition to our regular commitments, 2015 saw Foxtons proudly launch two new long-term charity partnerships:

London's Air Ambulance (LAA) – LAA is Foxtons first long-term official corporate partnership with a three year commitment following the charity's campaign to acquire and sustain a much-needed second helicopter to reach patients across Greater London. In addition to sponsorship commitments, the partnership is supported by numerous employee fundraising activities, as well as an extensive marketing campaign aimed at increasing public awareness for the non-NHS funded charity.

Making the Leap (MTL) – Training and education is a core element of Foxtons strategy and we wanted to share our expertise and knowledge by contributing towards education within the local community. MTL is a charity aimed at raising aspirations of disadvantaged school students and young adults by providing a range of educational programmes. Supporting the invaluable work that MTL does, Foxtons hosts and delivers regular training and interview coaching sessions to help give young people the head start that they deserve.

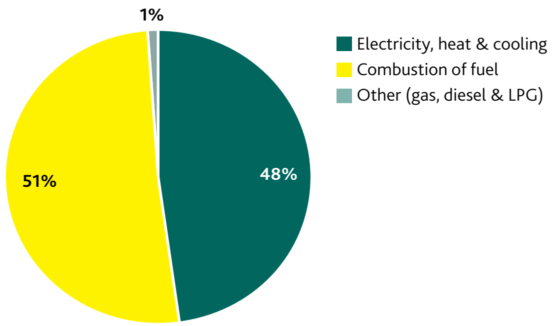
Managing our environmental impact

As a rapidly expanding business we are committed to finding ways of reducing our environmental impact and endeavour to be a considerate member of our local communities, as well as looking at the bigger picture.

We ensure that all of our estate agency branches' lighting is low energy and voltage or LED, and that lights are only in use during office hours and for maintenance purposes. We are constantly reviewing new technology to improve our energy efficiency. We also only stock Belu as our bottled water of choice, with 100% of profits donated to WaterAid.

As a business we actively encourage a paperless environment, but where this is not possible all our offices are equipped with recycling facilities to reduce our consumptive waste.

Total CO_2 by emission type



Baseline year:	Financial year: 2014
Emission factor data source:	Defra (2015)
Assessment methodology:	The Greenhouse Gas Protocol
Intensity ratio:	Emissions per full-time employee (FTE)

Greenhouse Gas Emissions Reporting

As a service Company our greenhouse gas emissions are minimal. Full disclosure is given below. We have targeted to reduce our emissions per employee by focusing on efficiencies in the Company. In particular, we aim to increase the efficiency of our car fleet, which is a major element of our CO_2 emissions.

This is our third carbon footprint emissions report and it has been prepared in full accordance with the Greenhouse Gas Protocol (GHG), the most widely used international carbon calculation methodology. Foxtons uses operational control to establish the organisational boundary of its carbon reporting, which includes all the sites and vehicles owned and leased by Foxtons.

The GHG statement opposite is based on Foxtons Group plc greenhouse gas emissions from 1 January 2015 to 31 December 2015. It gives a summary of emissions from fuel consumption and the operation of our facilities (scope 1) and from purchased electricity (scope 2), both of which are mandatory.

Our total GHG footprint in line with mandatory reporting requirements is 5,808 tonnes CO_2e.

Foxtons Group PLC emission data for period:	**2015**	2014
Emissions from	**Tonnes CO_2e**	Tonnes CO_2e
Scope 1		
Combustion of fuel	**2,996**	2,807
Other (gas, diesel & LPG)	**39**	35
Scope 2		
Purchased electricity	**2,773**	2,908
Total footprint	**5,808**	5,750

Group metrics		
FTE (average number during the year)	**1,323**	1,270
Intensity ratios		
Tonnes of CO_2 per FTE	**4.39**	4.53

The Strategic Report, from pages 1 to 27, has been reviewed and approved by the Board of Directors on 7 March 2016.

Nic Budden
Chief Executive Officer

7 March 2016

Governance

Garry Watts

Non-Executive Chairman

Appointed to the Board: 23 August 2013

Committee memberships: Remuneration, Nomination (Chair)

Experience: Garry joined Medeva plc as Finance Director in 1996 and in 2000, following a merger with Celltech Chiroscience, he was appointed as Director of Celltech Group plc and became CEO of its Celltech Medeva division. In 2001 Garry joined SSL International plc as Finance Director and was subsequently appointed as its CEO from 2004 to 2010. In addition to his executive roles, Garry was a Non-Executive member of the board, and Chairman of the audit and risk committee, of the UK's Medicines and Healthcare Products Regulatory Agency from 1991 to 2008. Between 2004 and 2008, he was Non-Executive Director and Chairman of the audit committee of Protherics plc. Garry is a chartered accountant and a former partner at KPMG. During 2007 and 2008 he was a member of the Institute of Chartered Accountants' Corporate Governance Committee. Garry is a Fellow of the Institute of Chartered Accountants in England and Wales.

External appointments: Garry is the Chairman of Spire Healthcare Group plc, Chairman of BTG plc, Deputy Chairman of Stagecoach Group plc, and a Non-Executive Director and Chairman of the audit committee of Coca-Cola Enterprises Inc.

Nic Budden

Chief Executive Officer

Appointed to the Board: 1 July 2014

Committee memberships: None

Experience: Nic joined Foxtons in 2005 as its Chief Operating Officer. Prior to joining Foxtons, Nic had an international career in business development, operations, marketing, strategy and finance, having held positions at BT Group plc from 1990 to 1997, Cable & Wireless Group from 1997 to 2002 and Severn Trent Group from 2003 to 2005. Nic holds a degree in economics from the University of Essex.

External appointments: None

Gerard Nieslony

Chief Financial Officer

Appointed to the Board: 23 August 2013

Committee memberships: None

Experience: Gerard joined Foxtons in 1999 as Group Financial Controller and was appointed Chief Financial Officer in 2013. Prior to joining Foxtons, Gerard spent two years at Kvaerner Oilfield Products Limited as Financial Controller. Prior to Kvaerner Oilfield Products Limited, Gerard spent 10 years at Duracell Batteries, initially as an analyst and subsequently as Manufacturing Financial Manager and then Financial Controller of the Duracell European Technical Centre. Gerard is a qualified accountant and holds a degree in economics from the University of Warwick.

External appointments: None

Annette Court

Senior Independent Non-Executive Director

23 August 2013

Audit, Remuneration, Nomination

Experience: Between 2007 and 2010 Annette was the Chief Executive Officer of the European General Insurance division of the Zurich Financial Services group. Prior to this, from 2001 to 2006 she was Chief Executive Officer of the insurance division, and a member of the group executive management committee, of The Royal Bank of Scotland Group plc. Annette holds a degree in engineering from the University of Oxford.

External appointments: Annette is a Non-Executive Director of Admiral Group plc, Jardine Lloyd Thompson Group plc and a Director of Workshare Ltd. Annette is also Chairman of the Dining Club Group, a private equity backed company. In addition, she is a business mentor for Merryk & Co. Ltd and sits on the advisory board of StreetGames, a charity that helps disadvantaged young people.

Andrew Adcock

Independent Non-Executive Director

23 August 2013

Audit, Remuneration (Chair), Nomination

Experience: Andrew was, until July 2011, Managing Partner of Brompton Asset Management and, until 2009, Vice-Chairman of Citigroup Corporate Finance. He was previously a partner at Lazard LLC. Andrew has over 30 years of experience in the City of London and holds an MA in law and history of art from the University of Cambridge.

External appointments: Andrew is Chairman of both Majedie Investments plc and JP Morgan European plc. He is a Non-Executive Director of F&C Global Smaller Companies plc and Kleinwort Benson Bank Limited. He is also a Director of the Courtauld Institute of Art and Chairman of The Samuel Courtauld Trust. In February 2015, Andrew was appointed Chairman of VPC Speciality Lending Investments plc.

Ian Barlow

Independent Non-Executive Director

23 August 2013

Audit (Chair), Remuneration, Nomination

Experience: Ian is a past chairman of WSP Group plc. He retired from KPMG LLP in 2008 as Senior Partner, London. Ian is a chartered accountant and a chartered tax adviser. He holds an MA in engineering science from the University of Cambridge.

External appointments: Ian is a Non-Executive Director of Smith and Nephew Plc and Brunner Investment Trust Plc, chairing the Audit Committee at both companies. He is also the lead Non-Executive Director, chairing the board, of HM Revenue & Customs and a board member of the China-Britain Business Council.

Michael Brown

Non-Independent Non-Executive Director

18 December 2009

None

Experience: Michael joined Foxtons in 2002 as Chief Operating Officer of Foxtons and Chief Executive Officer of Alexander Hall. He was appointed as Chief Executive Officer of the Group in 2007 when BC European Capital acquired a majority interest in the Foxtons business. With effect from 1 July 2014 Michael stepped down as Chief Executive Officer but remains on the Board as a non-independent Non-Executive Director. Prior to joining Foxtons, Michael spent six years at Enron Europe as General Counsel and latterly as Chief Operating Officer. Michael is a former Non-Executive Director of Fitness First Limited and Teesside Gas Processing Plant Limited. Michael started his career as a solicitor at Slaughter and May and holds a degree in law from the University of Leeds.

External appointments: None

Dear Shareholders,

I am pleased to introduce the 2015 Corporate Governance Report on behalf of the Board. This review and the reports of the Audit, Remuneration and Nomination Committees that follow summarise the Board's activities during the year.

The Board remains committed to promoting the highest standards of corporate governance as we believe this supports the achievement of the Group's strategy and also creates and preserves value for Shareholders.

Risk
The Board is accountable for the Company's success and is responsible for setting strategy, monitoring delivery of the Company's strategic objectives and managing risk. In 2014 the UK Corporate Governance Code (the "Code") was revised to include a particular focus on how risk is governed and managed. For the first time this year the Board is required to publish a viability statement. In preparing to make the statement the Board, in conjunction with the Audit Committee, has reviewed the Company's risk culture and risk appetite to ensure that risk and strategy are appropriately aligned. We have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. Details of the principal risks and how they are mitigated, together with further information on our risk management, risk culture and appetite is provided in the Principal Risks section on pages 22 to 25. We will continue to monitor the Company's risk management system, principal risks and mitigations on an ongoing basis through the Audit Committee and Board in 2016.

Due to the size of Foxtons and the centralised nature of its operations, the Board does not consider it necessary for the Company to have an internal audit function. However, we will obtain independent assurance on key areas from time to time, as appropriate. During the year the Board agreed that an independent assurance audit of the Company's IT control environment should be undertaken, in addition to the regular external security testing arrangements that the Company commissions. The Company's auditor, Deloitte, was asked to perform the review, which was completed prior to the year end. Further information is given in the Audit Committee Report but we were pleased to note that no areas of high risk were identified. An appropriate plan will be implemented to address recommendations made.

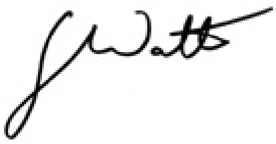
Values
It is important for any company to have corporate values that underpin its behaviour and actions. During the year, the Company's values – integrity, innovation and transparency – were articulated and are being reinforced throughout the organisation. We believe that it is important that the tone is set from the top, that the Company operates to the highest ethical standards and is open and honest in all dealings with customers, partners and stakeholders.

Board evaluation
In the second half of 2015 we carried out a Board evaluation exercise to review the performance of the Board, its Committees and individual Directors. This was an internal evaluation facilitated by Capita Asset Services, under my direction. The results indicated that the Board continues to work well and, whilst there are some areas of focus for the Board in the next 12 months, there are no significant concerns. More information on the results of the evaluation are provided on page 35. In 2016 the Board will be undergoing an external evaluation for the first time and I look forward to being able to share the findings from that exercise with you next year.

Appointment and re-election of Directors
Following the internal performance evaluation of Directors in 2015, I can confirm that all Directors continue to be effective, committed to their roles and have sufficient time available to perform their duties. Accordingly, as recommended by the Nomination Committee, all Directors will be offering themselves for annual re-election at the Company's Annual General Meeting to be held on 18 May 2016, in accordance with the Code. Further information on the appointment of Directors can be found on page 54 of the Directors' Report.

Compliance with the Code
To ensure that it is up to date with evolving governance requirements and best practice, the Board regularly receives updates on changes to corporate governance, the Listing Rules and the Disclosure and Transparency Rules.

The remainder of this Report explains in more detail how the Company has complied with the principles and provisions of the 2014 edition of the Code.



Garry Watts
Chairman, Foxtons Group plc

7 March 2016

Board governance

Overview
This Report explains the key features of the Company's governance structure and how it complies with the UK Corporate Governance Code (the "Code"), published by the Financial Reporting Council in September 2014. The Report, which highlights areas of focus during the year, also includes items required by the Disclosure and Transparency Rules. The Code is available on the Financial Reporting Council website at www.frc.org.uk.

The disclosures in this Report relate to our responsibilities for preparing the Annual Report (including compliance with the Code as required), our report on the effectiveness of the Group's risk management and internal control systems, and the functioning of our Board Committees.

Compliance with the Code
The Company adheres to the principles of the Code and has complied with all the provisions throughout the year, except in respect of part of E.1.1. relating to the Senior Independent Director ("SID") attending meetings with a range of major Shareholders. The Board believes that there were appropriate mechanisms in place during the year for the Board to understand the views of major Shareholders and to communicate with them. The SID is available to meet with Shareholders if requested and would instigate such meetings if she became aware of issues or concerns through the procedures in place. The Board believes this is consistent with the main principle of the Code on dialogue with Shareholders.

The role of the Board and division of responsibilities
The Board is responsible for the effective oversight of the Company and agrees the strategic direction and governance structure that will help to achieve the long-term success of the Company and deliver Shareholder value. The Board comprises the Non-Executive Chairman, three independent Non-Executive Directors, one non-independent Non-Executive Director and two Executive Directors. A list of the Directors, with brief biographical details, is provided on pages 30 to 31. There is a separation of responsibilities between the Chairman and the Chief Executive Officer which is set out in writing. Coupled with the schedule of reserved matters described below, this division of responsibilities ensures that no individual has unfettered powers of decision-making.

Key roles and responsibilities
Chairman
Garry Watts
- provides leadership of the Board;
- promotes a culture of openness and debate and ensures constructive relations between Executive and Non-Executive Directors;
- ensures that systems are in place to provide Directors with accurate, timely and clear information to enable the Board to operate effectively; and
- responsible for the integrity and effectiveness of the system of governance.

Chief Executive Officer
Nic Budden
- responsible for leading the Group's operating performance and day-to-day management; and
- implementation of strategy, agreed by the Board.

Senior Independent Director
Annette Court
- available to Shareholders if they have concerns that cannot be addressed through normal channels; and
- internal sounding board for the Chairman and intermediary for the other Directors with the Chairman, if necessary.

Non-Executive Directors
Andrew Adcock, Ian Barlow, Michael Brown, Annette Court
- provide a broad range of skills and experience to the Board to assist in formulating the Company's strategy; and
- provide constructive challenge and support to the Executive Directors.

All of the Non-Executive Directors, except for Michael Brown, are regarded by the Company as independent Non-Executive Directors within the meaning defined in the Code and are free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

The Board and its Committees
A number of key decisions and matters are reserved for the Board's approval and are not delegated to management or any of its Committees, though it may consider recommendations from them. These include matters relating to the Group's strategy, approval of acquisitions, capital expenditure, financial results and overseeing the Group's systems of internal control, governance and risk management.

Each year, the Board meets to set annual objectives for the business in line with the current Group strategy. The Board monitors the achievement of the Company's objectives through monthly Board reports which include updates from the Group Chief Executive Officer, Chief Financial Officer and other key personnel. The Board has a rolling agenda of items that are regularly considered by the Board and this agenda is continually updated to include any topical matters that arise.

The key agenda items discussed by the Board during the year included:

Area	Agenda items
Financial reporting	• Approval of annual results, 2015 AGM Notice and associated documentation for the year ended 31 December 2014 • Approval of interim results for the six months ended 30 June 2015 • Approval of trading updates • Dividend payment/recommendation (as appropriate) • Review of monthly financial management report and market update
Budget	• Review and approval of financial plan for 2016 to 2018 including the budget for 2016
Operations	• Review of significant projects • Approval of acquisition of a small lettings portfolio • Consideration of risk framework, significant risks and risk appetite (in conjunction with Audit Committee) • Presentation from Alexander Hall on strategy, trading and risk management • Competitor performance review • Customer service and satisfaction review
Strategy	• Annual review of strategy • Consideration of strategic projects
Shareholder engagement	• Updates on views of Shareholders following the announcement of results and investor roadshow meetings • Independent feedback from joint brokers following investor meetings • Investor Relations report • Consideration of market reaction to key announcements
Board	• Consideration of Board Evaluation results for 2015 • Approval of Non-Executive Directors' fees
Governance	• Review of Terms of Reference of Audit Committee and matters reserved for the Board • Review of Company policies • Company secretarial and governance update reports • Updates from Board Committee chairmen

The Board delegates specific responsibilities to Committees so that the Board can operate effectively and efficiently and give the right level of attention and consideration to relevant matters. The Board has established the following Committees: Audit, Nomination and Remuneration. A report from each Committee is set out on pages 37 to 53. The role and responsibilities of each Board Committee are set out in formal Terms of Reference which are determined by the Board and the Chairman ensures that the very significant work of the Committees feeds into, and is influenced by, the full Board. The Chair of each Committee reports to the Board after each Committee meeting on the matters discussed and minutes of each meeting are provided to the Board for information as appropriate. The terms of reference of the Committees are available at www.foxtonsgroup.co.uk.

Board meetings

Directors' attendance at Board and Board Committee meetings held during 2015 is provided in the table below:

	Meetings attended			
Director	Board	Audit Committee	Remuneration Committee	Nomination Committee
Garry Watts	7 of 7	–	4 of 4	3 of 3
Andrew Adcock	7 of 7	4 of 4	4 of 4	3 of 3
Ian Barlow	7 of 7	4 of 4	4 of 4	3 of 3
Michael Brown	7 of 7	–	–	–
Nic Budden	7 of 7	–	–	–
Annette Court	7 of 7	4 of 4	4 of 4	3 of 3
Gerard Nieslony	7 of 7	–	–	–

Directors' contracts

All of the Directors have service agreements or letters of appointment which are available for inspection at the Company's registered office during normal business hours. The details of their terms are also set out in the Remuneration Report. No other contract with the Company or any subsidiary undertaking of the Company in which any Director was materially interested subsisted during or at the end of the financial year.

Directors' induction and professional development

The Company has in place an induction programme, led by the Chairman and the Company Secretary, for new Directors to provide them with a full, formal and tailored introduction on joining the Board, which ensures that they attain sufficient knowledge of the Company to discharge their responsibilities effectively. The programme includes meeting with senior management and advisers and visits to the Group's operational locations. The Board calendar is planned to ensure that Directors are briefed on a wide range of topics, including updates on Corporate Governance and regulatory matters.

Directors are also given the opportunity to visit the Group's branches and discuss aspects of the business with employees. As well as internal briefings, Directors also attend appropriate external seminars and briefings.

All Directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring the Board procedures are complied with and that Directors have access to independent and professional advice at the Company's expense, where they judge this to be necessary to discharge their responsibilities as Directors.

Directors' conflicts of interest

Directors have a statutory duty to avoid situations in which they have or may have interests that conflict with those of the Company, unless that conflict is first authorised by the Directors. This includes potential conflicts that may arise when a Director takes up a position with another company. The Company's Articles of Association allow the Board to authorise such potential conflicts, and there is in place a procedure to deal with any actual or potential conflict of interest. Should a Director become aware that they, or their connected parties, have an interest in an existing or proposed transaction with the Company, they should notify the Board. The Board deals with each appointment on its individual merit and takes into consideration all the relevant circumstances.

Board evaluation and effectiveness

An internal evaluation of the performance of the Board, its Committees and the Chairman was carried out during the year and the process of evaluating the performance was undertaken by Capita Asset Services under the direction of the Chairman.

A tailored, high-level questionnaire was distributed for the Directors to complete. This was structured to provide Directors with an opportunity to express their views about:

- The performance of the Board and its Committees, including how the Directors work together as a whole;
- The balance of skills, experience, independence and knowledge of the Directors; and
- Individual performance and whether each Director continues to make an effective contribution.

The responses to the evaluation of the Board and its Committees were reviewed with the Chairman and then considered by the Board. Separate meetings were also held between the Chairman and individual Directors to discuss the Board's effectiveness and individual performance. The results of the evaluation indicated that the Board continues to work well and there are no significant concerns among the Directors about its effectiveness. It was agreed that the following were key areas of focus for the Board in 2016:

- Continue to develop the talent pipeline and increase diversity;
- Continue to review succession planning within the Executive Team;
- Make enhancements to the risk reporting to the Audit Committee and Board;
- Senior management to meet with and present to the Board on a more regular basis; and
- Revisit the format of the annual strategy session and adapt it to ensure more time for presentation and debate.

The results of the evaluation of the Chairman's performance were considered by the SID and the Non-Executive Directors and were discussed between the SID and the Chairman.

In accordance with the Code, the Board will be undertaking an externally facilitated evaluation in 2016.

Accountability and audit

Financial reporting
The Group has in place a comprehensive financial review cycle, which includes a detailed annual financial planning process where budgets are prepared for approval by the Board. The Group uses a number of KPIs to measure both operational and financial activity within the business. Depending on the measure, these are reported and reviewed on a weekly or monthly basis. In addition, management receives a weekly and monthly pack of indicators which are the basis of regular operational meetings, where corrective action is taken if necessary. At a Group level, a well-developed comprehensive management accounts pack, including income statements, balance sheets, cash flow statements as well as key ratios, is reviewed monthly by management and at Board meetings. A re-forecast of the current year numbers is carried out quarterly. Management monitors the publication of new reporting standards and reports on any updates to the Board.

Risk management and internal controls
The Audit Committee, on behalf of the Board, keeps under review the effectiveness of the Group's risk management and internal control systems to ensure that controls in place are effective in order to safeguard Shareholders' investments and the Group's assets. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

In 2015 a number of activities were undertaken to enhance and further develop the Group's risk management and internal control systems. These included implementation of a standard methodology for risk assessment across the Group to assist with monitoring gross and residual risk and comparing residual risk against the Board's appetite for risk. As required by the Code, the Board has carried out a robust assessment of the principal risks facing the Company, including those that could threaten its business model, future performance, solvency or liquidity. This is more fully described in the Risk Management section on pages 22 to 25.

The Group has the following key procedures in place to provide effective internal control:

- an ongoing process to identify, evaluate and manage significant risks, which is monitored and regularly reviewed by the Executive Team with significant issues presented to the Board and Audit Committee;
- the Group's Compliance department continuously reviews operations to ensure that transactions have been properly authorised and procedures are adhered to across the Group;
- the Group's controls include appropriate segregation of duties and are fully documented and embedded within the organisation;
- the Audit Committee reviews fraud, anti-bribery and whistle-blowing policy and procedures and considers any whistle-blowing incidents; and
- the Group has in place a system for planning, reporting and reviewing financial performance, including performance against strategy and the business plan as described under the Financial Reporting above.

In 2015 the Audit Committee also commissioned, at the Board's request, an independent review of IT system controls to provide additional assurance in this area. More detail on this is provided in the Audit Committee Report on page 38.

On the basis of the above procedures and the monitoring processes employed, and having regard to the "Guidance on Risk Management, Internal Control and Related Financial and Business Reporting" issued by the Financial Reporting Council in September 2014, the Board, advised by the Audit Committee, has concluded that the systems of internal controls within the Group are effective. No significant control failings or weaknesses were identified during the period under review.

The Directors confirm that the processes described above have been in place during the 2015 financial year and up to the date of the approval of this Annual Report and Accounts.

Whistle-blowing
The Group believes that it is important to have a culture of openness and accountability in order to prevent situations relating to possible impropriety, financial or otherwise, from occurring or to address them when they do occur. The Company's independent whistle-blowing hotline continues to be in operation and reports are provided to the Audit Committee on any material matters reported to the independent whistle-blower hotline.

Fair, balanced and understandable

The Group has a comprehensive and thorough assurance process in respect of the preparation, verification and approval of periodic financial reports. The process involves:

- The involvement of qualified and appropriately experienced staff, under the direction of the CFO;
- A comprehensive review and verification process which deals with the factual content of the reports and ensures consistency across various sections;
- A common understanding amongst senior staff which ensures consistency and overall balance;
- A transparent process to ensure full disclosure of information to the external auditors;
- Engagement of a professional and experienced firm of external auditors who understand the Foxtons business and business model; and
- Oversight by the Audit Committee which, among other things, reviews:
  - the key accounting judgements and key sources of estimation uncertainty;
  - the consistency of, and any changes to, significant accounting policies and practices;
  - significant adjustments arising from the external audit;
  - the Company's statement on risk management and internal control; and
  - the going concern and viability assumptions.

The process outlined, together with the review and challenge of management by the Audit Committee and its recommendation to the Board, provides comfort to the Board that the Annual Report taken as a whole is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's business model, strategy and performance.

Relations with Shareholders
Responsibility for Shareholder relations rests with the Chairman, Chief Executive Officer and Head of Investor Relations. The Board receives regular updates at each Board meeting on the views of its Shareholders, and the SID is available to meet Shareholders if they wish to raise issues separately. The Chairman, Chief Executive Officer and Head of Investor Relations also ensure that there is effective communication with Shareholders on matters such as governance and strategy, and are responsible for ensuring that the Board understands the views of major Shareholders.

The Board aims to present a balanced and clear view of the Group in communications with Shareholders and believes that being transparent in describing how we see the market and the prospects for the business is extremely important. We communicate with Shareholders in a number of different ways. The formal reporting of our full and half year results is a combination of presentations, group calls and one-to-one meetings. The full and half-year reporting are followed by investor meetings in a variety of locations where we have institutional Shareholders. We regularly meet with existing and prospective Shareholders to update them on our latest performance or to introduce them to the Company and periodically arrange a visit to the business to give analysts and major Shareholders a better understanding of how we manage our business. These visits and meetings are principally undertaken by the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Head of Investor Relations with any relevant material being uploaded to the corporate website to make it available to all Shareholders.

Nomination Committee

Chairman: Garry Watts

Other members: Ian Barlow, Andrew Adcock, Annette Court

Welcome to the Company's Nomination Committee Report for 2015.

Composition, role and responsibilities
The members of the Committee, listed above, comprise all the independent Non-Executive Directors, together with the Chairman. Their biographies are detailed on pages 30 to 31.

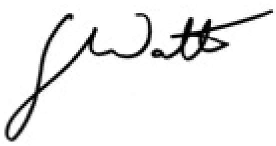
The main responsibilities of the Committee are to keep under review the structure, size and composition (including the skills, knowledge, expertise and diversity) of the Board and the membership of its Committees; to consider succession planning for the Board and other senior executives; and to assist with the selection process for the appointment of new Directors, both Executive and Non-Executive, including the Chairman.

Main activities
The Committee met three times during the year with all the members attending.

The Committee met early in the year to discuss the structure, size and composition of the Board, the annual time commitments required of the Non-Executive Directors, and the recommendation to be made to Shareholders regarding the re-election of the Directors at the Annual General Meeting. In assessing the independence of the Non-Executive Directors, consideration was given to other interests of Directors and the findings of the internal Board evaluation conducted towards the end of 2014. The Committee concluded that each Director continued to demonstrate the necessary skills, experience and commitment to contribute effectively and add value to the Board. Accordingly, all Directors were recommended for re-election.

During the year the Committee also met to consider succession planning for the Executive Directors and senior management, in addition to Foxtons approach to diversity. The Board recognises that effective succession planning and the development of executive strength within the business is a key driver for the long-term success of the Group. The Committee concluded that the Group has appropriate succession plans in place for senior management and other key personnel, either in terms of permanent succession or short-term cover until a permanent successor can be identified. Due to the nature of the Company's operations, the size of the Board and the relatively short period of time since the Board was constituted, the Committee has not considered it necessary to consider a succession plan for the Non-Executive Directors. However, the Committee intends to review this and the need to refresh the Board membership in the next 12 to 18 months. The Directors believe that diversity throughout the business is important for the Group, due to the diverse nature of the communities that Foxtons operates in and the need to relate to its customers. Details of Foxtons diversity policy and the diversity of Foxtons workforce are set out on page 12. The Committee is broadly satisfied with the diversity within the business, but aspires to improve it further and will consider various options to achieve this goal. In seeking to achieve its aspirations, Foxtons always seeks to employ the best candidate for the role.

Annual evaluation of the Nomination Committee's performance
An evaluation of the performance of the Nomination Committee was undertaken during the year and it was concluded that the Committee had operated effectively throughout the year.



Garry Watts
Chairman of the Nomination Committee

7 March 2016

Audit Committee

Chairman: Ian Barlow

Other members: Annette Court, Andrew Adcock

Welcome to the Company's Audit Committee Report for 2015.

Summary

There were no changes to the Committee members from the previous year. Each member is an independent Director and deemed to have recent and relevant financial experience with the Chairman, Ian Barlow, being a chartered accountant and chartered tax adviser. The Committee held four meetings during the year with attendance disclosed on page 35.

A schedule of the role and responsibilities of the Audit Committee is given below together with the main activities undertaken.

Of particular note during the year was a review by the Committee of two significant changes to the Corporate Governance Code, namely:

- **Viability statement** – the Committee reviewed the viability statement and supporting sensitivity analysis which assessed the potential impact of the principal risks on the future performance and liquidity of the Group over a three year period.
- **Risk management system** – the Committee reviewed the risk monitoring systems within the Company and the Company's assessment of gross risk and residual risk and compared this against the Board's appetite for risk.

The Committee also initiated an independent report on the IT function within Foxtons to provide assurance on the controls in place. The review concluded that controls in this area were working well but recommended improvements to their governance and formal documentation and extending business continuity arrangements from IT to an enterprise-wide business continuity management framework.

Role, responsibilities and main activities

The primary function of the Audit Committee is to assist the Board in fulfilling its responsibilities to protect the interests of the Shareholders with regard to the integrity of the financial reporting, audit, risk management and internal controls. Since the last Audit Committee Report the Committee has held four meetings, with the principal work being:

Role	Tasks	Jul-2015	Sep-2015	Nov-2015	Feb-2016
Financial reporting	Monitoring and reviewing the Group's accounting policies, practices and significant accounting judgements			•	•
	Reviewing the plan and progress for the production of the 2015 Annual Report and Accounts		•	•	
	Receiving the annual and half yearly financial statements and advising the Board on whether the Annual Report and Accounts are fair, balanced and understandable. In fulfilling this task the Audit Committee reviewed the process undertaken to produce the Annual Report and Accounts, which included guidance given to contributors, internal verification processes and content approval procedures. The Committee also reviewed supporting papers to ensure the Annual Report and Accounts were factually correct	•			•
	Reviewing the going concern paper, which analysed the profitability and cash generation of the Company and agreeing with the adoption of the going concern basis	•			•
	Considering and reviewing the viability statement and supporting sensitivity analysis which assessed the potential impact of the principal risks on the future performance and liquidity of the Group over a three year period. For each principal risk, the Company assessed adverse scenarios and their potential impact		•		•
External audit	Approving the appointment of, and recommending the reappointment of, the external auditor and their terms of engagement and fees		•	•	•
	Considering the scope of work to be undertaken by the external auditor and reviewing the results of that work				•
	Receiving the external auditor's audit planning paper for 2015 and reviewing materiality thresholds and areas of risk where the auditors would concentrate		•		
	Reviewing and monitoring the independence of the external auditor and approving their provision of non-audit services				•
	Reviewing the effectiveness of the external audit process				•

Role	Tasks	Jul-2015	Sep-2015	Nov-2015	Feb-2016
	Agreeing the policy for approval of non-audit services provided by the external auditor – details are on our website: www.foxtonsgroup.co.uk			•	
	Reviewing the Company's policy on the employment of former employees of the external auditor			•	
	Receiving the external auditor's interim review report to the Audit Committee, in which there were no issues of concern identified	•			
Internal controls	Ensuring compliance with the Code				•
	Reviewing whether the Company should have an internal audit function. It was concluded that this was not required because of the simplicity of the Group's centralised business model combined with existing assurance activity in key control areas. This will continue to be reviewed annually		•		
	Assessing and advising the Board on internal financial, operational and compliance controls				•
	Reviewing the whistle-blowing policy				•
Risk management	Reviewing the Company's risk monitoring systems which assess gross risk, mitigating controls and residual risk across the Company. Considering the Company's development of a risk appetite and its application to risk management. Having considered the analysis, the Committee agreed that it was appropriate for the Board to assert in the Annual Report and Accounts that the Company's systems of internal control are effective			•	•
	Receiving an independent report on the controls within the IT function			•	
	Assessing and advising the Board on the internal financial, operational and compliance controls				•

Governance processes

The Audit Committee usually invites the full Board, plus the external auditor, to attend each meeting. Other members of management attend as and when requested. The Committee held a private session with the external auditor without members of management being present at the February 2015, November 2015 and February 2016 meetings. At the end of 2015 it was decided that a private session with the external auditor would be held after each Audit Committee meeting.

Critical accounting judgements and key sources of estimation uncertainty

The Audit Committee reviewed the following judgements, estimates and assumptions made by the Directors in the production of the accounts all of which were consistent with prior years, except for the removal of share-based payments as the methodology and assumptions used in the calculation are now well established.

Revenue recognition in respect of lettings commission	For lettings commission, as the business has substantially completed all of its obligations at the point of signing the contract, with the exception of the administration in respect of the cash collection service, the Group is able to recognise the majority of the lettings commission upfront. However, for those leases with break clauses, the Group is required to refund any commissions related to the associated period should these break clauses be activated. The Audit Committee reviewed management's methodology and judgement in assessing the recognition of lettings commission which is based on historical average contract lengths, average break clause lengths and average commission rates. The Audit Committee concurred with their approach. (See notes 3 and 4 of the financial statements.)
Impairment of goodwill and intangibles with an indefinite life	The Group has goodwill and intangible assets with indefinite lives amounting to £19.2 million and £99 million respectively. The Audit Committee considered the impairment review methodology used by management including relevant forecasts and discount rates. The Audit Committee concurred with management's view that no impairment was required and that a reasonable change in assumptions would not lead to an impairment. (See note 13 of the financial statements.)
Client funds	The rationale for not showing client funds in the consolidated statement of financial position was reviewed and the Committee concurred with management's view that, as these funds belong to the client the asset and liability should not be recorded in the accounts. (See note 4 of the financial statements.)

External auditor
The external auditor, Deloitte LLP, has audited the accounts of the Group since 2009. The 2015 audit process was led by Claire Faulkner, replacing Richard Muschamp who had completed his term as partner following the 2014 year end. No tender has been conducted since Deloitte's appointment.

In accordance with the requirements of the Code and recent changes to the EU regulatory framework, the Company will ensure that the external audit contract is put out to tender at least every 10 years from the appointment date of the current auditors. There are no contractual obligations on the Company which restrict the choice of auditor.

As noted, the Committee has reviewed the effectiveness of the external audit process. The Committee did this by:

- Reviewing the proposed external auditor's plan for the 2015 audit;
- Discussing the results of the external auditor testing, including their views on material accounting issues and key judgements and estimates and their audit report;
- Considering the robustness of the audit process;
- Reviewing the quality of people and service provided by Deloitte; and
- Confirming the independence and objectivity of Deloitte.

We concluded that we were satisfied with the performance and independence of Deloitte LLP as external auditors and recommended their reappointment.

Non-audit services
Total non-audit services provided by Deloitte LLP for the year ended 31 December 2015 were £0.1 million (2014: £0.2 million) (note 7 on page 71).

The details of our policy are set out on our website www.foxtonsgroup.co.uk. In brief, there are certain services termed "excluded services" that are not permitted to be provided by the external auditor. Excluded services refers to the situation where the auditor could audit their own work or work to which they have contributed. All permitted non-audit services provided by the external auditor are subject to prior approval by the Audit Committee. The main engagement under permitted non-audit services was that of tax compliance, as the Committee considers that the Group benefits from the knowledge and experience of Deloitte while maintaining objectivity and independence by the tax team being separate from the audit team.

The Committee considers that the policy and processes in place with oversight by the Committee enables the Group to benefit from the knowledge and experience of Deloitte whilst ensuring that the objectivity and independence of the auditors is maintained.

The Committee will keep under review the extent to which non-audit services may be provided by the Group's external auditor in light of the new restrictions to be introduced by the EU audit legislation which comes into effect in June 2016.

Annual evaluation of the Audit Committee's performance
An evaluation by the Board of the performance of the Audit Committee has been undertaken and concluded that it had effectively fulfilled its role.

Ian Barlow
Chairman of the Audit Committee

7 March 2016

Annual statement from the Remuneration Committee Chairman

On behalf of the Board, I am pleased to present our Directors' Remuneration Report for the year ended 31 December 2015, which has been prepared in accordance with the relevant provisions of the Listing Rules, section 421 of the Companies Act 2006 and Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). This Report, as per last year, is set out in two parts: the Policy Report which was approved by Shareholders at our 2014 AGM and the Annual Report on Remuneration which will be put forward for an advisory Shareholder vote at the 2016 AGM.

The Group performed well in 2015 in challenging market conditions. Revenue grew across all business streams enabling the Group to report record revenues. In the sales market falling volumes in central London were offset by more active markets in outer London where the Group has been focusing its continuing expansion. Margins remained in excess of 30% with Adjusted EBITDA of £46m. The Company continued its growth across London by opening seven new branches, bringing the total across the network to 58.

This performance warranted annual bonuses of 51.5% of maximum for the Executive Directors.

As a result of a review of remuneration conducted by the Committee during the year, the Committee identified a need to significantly improve the competitiveness of its CEO remuneration. Following consultation with major Shareholders, the Committee has made changes to executive remuneration for 2016 which are in line with our remuneration objectives and within the Shareholder-approved Remuneration Policy. These changes are set out below.

The Committee increased the CEO's salary from £461,250 to £550,000 (+c.19%), effective from 1 January 2016. The Committee recognises that an increase of this magnitude is unusual, however after careful consideration and consultation with key Shareholders resolved this was the correct decision. When the CEO was appointed to the Board in July 2014, his remuneration was set at relatively low levels. This was deemed acceptable by both the CEO and the Board as he adapted and grew into the enlarged role. Since then the CEO has demonstrated strong leadership and has handled well the increasing complexity and size of the business. Foxtons delivers market-leading economies of scale and has cemented its leadership position in London estate agency.

The successful expansion of the business and the experience gained over the last two years makes the CEO very valuable to the business, a view the Committee has confirmed by testing the external market for top executives with the necessary combination of estate agency and PLC experience. Accordingly, the Board has concluded that the CEO's remuneration should be increased in the manner described.

2016 annual bonuses for the Executive Directors will be based 60% on profit (EBITDA), 20% on organic growth (successful opening of new branches on time and on budget) and 20% on personal/strategic objectives. The Committee believes the introduction of an element on personal/strategic objectives will help reinforce delivery of annual business priorities. The Committee increased the CEO's maximum bonus opportunity for 2016 from 125% to 150% of salary to further strengthen the annual performance incentive.

The Committee has incorporated malus and clawback provisions into its incentives which will apply for 2016 annual bonuses and LTIP awards to be granted in 2016 onwards. It also has in place share ownership guidelines of 200% of salary for both Executive Directors. Actual shareholdings of the Executive Directors exceed these levels.

During 2016, the Committee will be reviewing the Remuneration Policy prior to submitting it for formal approval from Shareholders at the 2017 AGM. The Committee will consult with major Shareholders in advance if significant changes are proposed.

We continue to value all feedback from Shareholders and hope to receive your support at the forthcoming AGM.

Andrew Adcock

Andrew Adcock
Chairman of the Remuneration Committee

7 March 2016

Policy Report (unaudited)

This Remuneration Policy came into legal effect from 21 May 2014 after Shareholder approval at the 2014 AGM, although in practice the Policy has been applied since 1 January 2014.

Policy table for Executive Directors

Component	Purpose and link to strategy	Operation	Maximum	Performance framework

Base salary	Core element of remuneration set at a level to attract and retain Executive Directors of the required calibre to successfully deliver Foxtons strategy.	• Fixed cash amount paid monthly.
		• A number of factors are taken into account when setting salary, including:
		  • Scope and responsibilities of role;
		  • Skills, experience and circumstances of individual;
		  • Appropriate market data; and
		  • Pay and conditions elsewhere in Foxtons.
		• Salary levels are typically reviewed on an annual basis.
			• Although the Committee does not consider it appropriate to set a defined maximum limit on pay increases, the intention is that ordinarily the Executive Directors' increases will be in line with those given to our employees whose pay is non-commission based.
			• Increases may be made above this in certain circumstances, including:
			  • Progression within the role;
			  • Increase in scope and responsibility of the role; and
			  • Increase in experience where an individual has been recruited on a lower salary initially.
				N/A

Benefits	To provide Executive Directors with market competitive benefits consistent with the role.	• Various cash/non-cash benefits are provided to Executive Directors, which may include a company car (or cash equivalent), life assurance, private medical insurance, health club membership and other benefits as appropriate. • Executive Directors would also be able to participate in any all-employee share plans on the same basis as other eligible employees, should such plans be implemented by the Company.	• Although the Committee does not consider it appropriate to set a maximum benefits level, they are set at an appropriate level for the specific nature of the role.	N/A
Retirement benefits	To provide funding for Executive Directors' retirement at market competitive levels consistent with the role.	• Pension contributions are made to a personal pension scheme or cash allowances in lieu of contributions paid.	• 20% of base salary.	N/A

Policy table for Executive Directors (continued)

Component	Purpose and link to strategy	Operation	Maximum	Performance framework

Annual bonus	Variable pay opportunity set at a market competitive level designed to motivate and reward Executive Directors for the achievement of business objectives on an annual basis.	• Payments are typically made in cash based on annual performance against targets set and assessed by the Committee. The Committee may determine that an element of the bonus is deferred into shares.
		• All payments are at the discretion of the Committee who can therefore adjust them to ensure payouts are reflective of performance.
		• Bonus earned for performance periods commencing on or after 1 January 2016 will be subject to malus and clawback provisions. These provisions allow the Committee in certain circumstances, such as an individual engaging in misconduct, miscalculation or a material misstatement of results, the discretion to:
		  • Reduce or cancel entitlement to a potential bonus;
		  • Delay payment;
		  • Impose additional conditions;
		  • Amend performance conditions; and
		  • Request the participant pays back up to 100% of any bonus paid in circumstances detailed above.
			• Usual maximum of 125% of base salary.
			• Absolute maximum of 150% of base salary provided for in plan rules.
				• Performance measures are determined with reference to Foxtons key strategic business objectives for the year.
				• No less than 50% of the bonus will be dependent on financial measures and the remainder will be based on non-financial measures that are aligned to the strategic priorities of the business.
				• At threshold performance, 25% of the maximum pays out. Below this level of performance, no bonus pays out.

LTIP	Variable pay opportunity set at a market competitive level designed to motivate and reward Executive Directors for the achievement of business objectives over the longer term.	• Usually a contingent award of shares or grant of nil cost options is made annually.
		• Vesting of the award is dependent on the achievement of performance targets, typically measured over a three year period.
		• In certain circumstances such as an individual engaging in misconduct, miscalculation or a material misstatement of results, the Committee has discretion to:
		  • Reduce or cancel unvested awards;
		  • Delay vesting;
		  • Impose additional conditions; and
		  • Amend performance conditions.
		• LTIP awards granted after 2016 will also have clawback provisions which allow the Company within two years of any award vesting to claim back up to 100% of the award based on circumstances detailed above.
			• Usual maximum of 150% of base salary.
			• Absolute maximum of 200% of base salary provided for in plan rules.
				• At least 50% of the LTIP will be based on financial measures with the remainder based on share price related measures.
				• For threshold levels of performance, 25% of the award will vest. Below this level of performance, the award will not vest. 100% of the award will vest for maximum performance. Vesting between these points will be on a straight-line basis.

Notes to the policy table
The only addition to the policy table from that disclosed in last year's Report is the inclusion of malus and clawback provisions on the annual bonus and LTIP awards.

Discretion
The Committee reserves the right to make any remuneration payments and payments for loss of office (including exercising any discretions available to it in connection with such payments) that are not in line with the Policy set out above where the terms of the payment were agreed:

(i) before the Policy came into effect; or

(ii) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company.

For these purposes "payments" includes the Committee satisfying awards of variable remuneration and an award over shares is "agreed" at the time the award is granted.

The Committee will operate the annual bonus and LTIP in accordance with the relevant plan rules. The Committee retains discretion as to the operation and administration of these plans as follows:

Annual bonus
- The Committee may settle an award in shares; and
- The Committee may amend the performance targets applying to an award in exceptional circumstances if the new performance targets are considered fair and reasonable and are neither materially more nor materially less challenging than the original performance targets.

LTIP
- The Committee may settle an award in cash;
- The Committee may amend the performance conditions applying to an award in exceptional circumstances if the new performance conditions are considered fair and reasonable and are neither materially more nor materially less challenging than the original performance conditions; and
- In the event of a variation of share capital, demerger, special dividend, distribution or any other corporate event which may affect the current or future value of an award, the Committee may adjust the number of shares or the option price.

Any use of the above discretions would, where relevant, be explained in the Annual Report on Remuneration and may, as appropriate, be the subject of consultation with the Company's major Shareholders.

Takeover or other corporate event
For LTIP awards, on a takeover or other corporate event, generally the performance period will end on the date of the event. The Committee will determine the extent to which performance conditions have been achieved at this point taking into account relevant factors given the shortened period. Such early vesting would generally be on a time pro-rata basis.

Alternatively, in certain circumstances the Committee may allow awards to continue in line with the original terms of the LTIP.

The Committee has the discretion to take other action as appropriate if other events occur which may have an effect on awards.

In the event that all-employee plans are operated, they would be expected to vest on a takeover or other corporate event and those which have to meet requirements to benefit from tax benefits would vest in accordance with those requirements.

Minor changes
The Committee may make minor amendments to the Policy set out above (for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining Shareholder approval for that amendment.

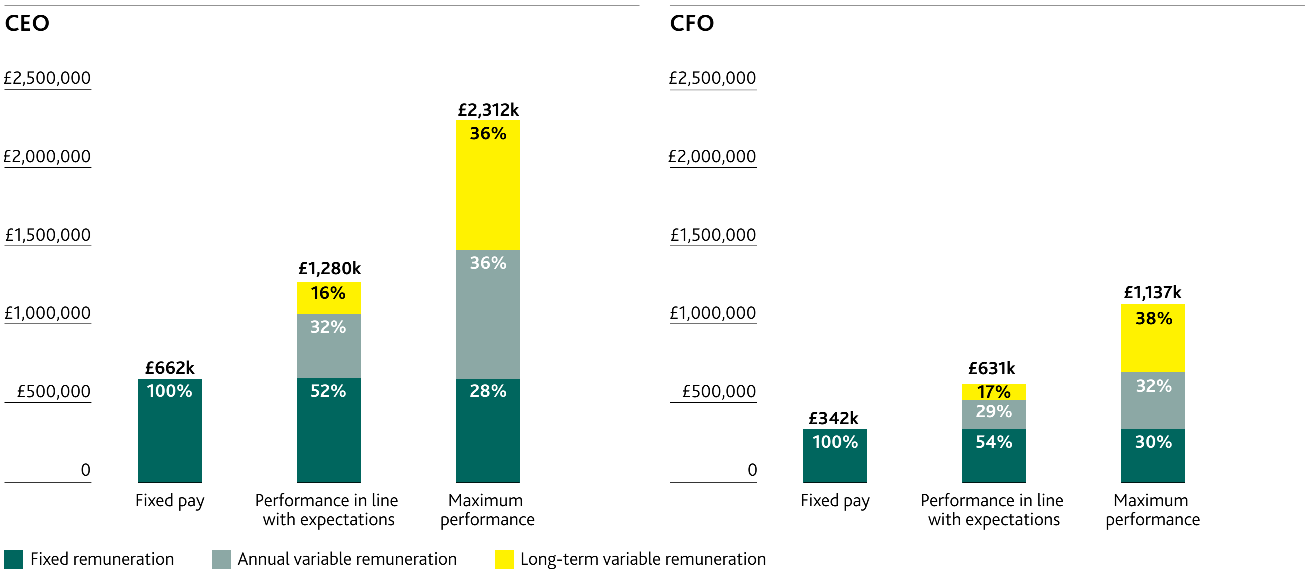
Performance measures and target setting
The annual bonus is based on both financial and non-financial performance measures which are aligned with Foxtons annual strategic plan.

The LTIP is based on a combination of financial and share price measures chosen to motivate and reward Directors for the successful achievement of long-term sustainable performance and to ensure maximum alignment with Shareholders.

Targets for both incentive plans are set on an annual basis by the Committee and take into account a number of internal and external reference points including historic performance, internal expectations and broker forecasts.

Illustrations of Remuneration Policy for 2016

The charts below illustrate the application of the Remuneration Policy set out in the policy table for the Executive Directors:



The assumptions used for these charts are as follows:

Levels of performance		Assumptions
Fixed pay	All scenarios	• Total fixed pay comprises base salary, benefits and pension. • Base salary – effective as at 1 January 2016. • Benefits – as provided in the single figure table on page 49. • 15% of base salary pension contributions.
Variable pay	Minimum performance	• No payout under the annual bonus. • No vesting under the LTIP.
	Performance in line with expectations	• 50% of the maximum potential payout under the annual bonus. • 25% vesting under the LTIP.
	Maximum performance	• 100% of maximum potential payout under the annual bonus. • 100% vesting under the LTIP.

LTIP awards have been shown at face value with no share price growth, dividends or discount rate assumptions.

The Committee does not consider it appropriate to set a maximum limit on increases in the fees of the Chairman and Non-Executive Directors. However, the fees have been and will be set within the aggregate limits set out in the Company's Articles of Association as approved by Shareholders.

Policy for Chairman and Non-Executive Director fees

Purpose and link to strategy	Operation	Fee levels

To enable Foxtons to attract and retain Non-Executive Directors of the required calibre by offering market competitive fees.	• The Chairman is paid an all-inclusive fee for all Board responsibilities.
	• Non-Executive Directors receive a basic Board fee.
	• Additional fees may be payable for additional Board responsibilities such as chairmanship or membership of a Committee.
	• The Committee reviews the fees paid to the Chairman and the Board reviews the fees paid to Non-Executive Directors, periodically. The Committee or the Board (as the case may be) may increase the fees, and any such increases will take into account factors including:
	  • Scope and responsibility of the role; and
	  • Appropriate market data.
	• No Director plays a role in determining their own remuneration.
		• The fee levels for 2015 are as set out on page 49.
		• The fee levels will be increased by 2.5% for 2016.
		• These fees are the only element of Chairman and Non-Executive Director remuneration.

Approach to remuneration on recruitment

Overarching principle

In order to maintain Foxtons competitive advantage, it is important that we are able to recruit Directors of the calibre required to deliver successfully our strategic priorities.

Recruitment of Executive Directors

When determining the remuneration arrangements of a new appointment to the Board (including internal promotions), the Committee will seek to apply the following principles:

- Although we operate in a competitive market for talent, we are mindful to pay no more than is necessary to attract and retain high-quality talent;
- The remuneration package of a new Executive Director will be consistent with the policy table set out above. However, at recruitment, the Committee would retain the discretion to flex the balance between annual and long-term incentives and the measures used to assess performance for these elements, with the intention that a significant portion would be delivered in shares;
- The maximum level of variable remuneration is 350% of salary (excluding buy-outs), in line with the policy as set out in the table above;
- It may be necessary to "buy-out" remuneration arrangements forfeited on leaving a previous employer on appointment. Such payments or awards could include cash as well as performance and non-performance related share awards, and would be in such form as the Committee considers appropriate taking into account all relevant factors such as the form, expected value, anticipated vesting and timing of the forfeited remuneration. The Committee's intention is that the value awarded would be equivalent to the value forfeited;
- An Executive Director may initially be hired on a contract requiring 24 months' notice, which then reduces pro-rata over the course of the first year of the contract to 12 months' notice;
- Appropriate relocation costs and support may be provided; and
- Where an Executive Director is appointed from within the organisation, the normal policy of the Company is that any legacy arrangements would be honoured in line with the original terms and conditions. Similarly, if an Executive Director is appointed following Foxtons acquisition of or merger with another company, legacy terms and conditions would be honoured.

The Committee retains discretion to make appropriate remuneration decisions outside the standard Policy to meet the individual circumstances of recruitment when:

- An interim appointment is made to fill an Executive Director role on a short-term basis; and
- Exceptional circumstances require that the Chairman or a Non-Executive Director takes on an executive function on a short-term basis.

Recruitment of Chairman and Non-Executive Directors

On the appointment of a new Chairman or Non-Executive Director, the fee will normally be consistent with the Policy set out above. Where specific cash or share arrangements are delivered to the Chairman or Non-Executives, these will not include share options or any other performance related elements.

Service contracts

The current service contracts of the CEO and CFO can be terminated by not less than 12 months' and six months' notice respectively given in writing by either party to the contract.

The appointment of the Chairman and each of the Non-Executive Directors is for an initial period of three years, which is renewable, and is terminable by the Chairman/Non-Executive Director (as applicable) or the Company on three months' notice. No contractual payments would be due on termination.

Policy on payment for loss of office

Where an Executive Director leaves employment, the Committee's approach to determining any payment for loss of office will normally be based on the following principles:

- The Committee's objective is to find an outcome which is in the best interests of both Foxtons and its Shareholders, while taking into account the specific circumstances of cessation of employment;
- The Committee must satisfy any contractual obligations agreed with the Executive Director. This is dependent on the contractual obligations (i) not being in contradiction with the Policy set out in this Report, or (ii) if so, not having been entered into on a date later than 27 June 2012, in accordance with the relevant legislation; and
- Other than in circumstances where the Company is entitled to terminate employment summarily, if the employment of an Executive Director is terminated with immediate effect, a payment in lieu of notice may be made which would not exceed 12 months' base salary for the current CEO and six months' base salary for the current CFO. This payment may be subject to mitigation if alternative employment is taken up during this period.

The treatment of outstanding incentive awards will be governed by the relevant plan rules as set out in the table below:

Plan	Automatic Good Leaver categories	Treatment for Good Leavers	Treatment for all other reasons for leaving
Annual bonus	• Death. • Ill-health, injury or disability. • Employing company being transferred to an entity which is not a Group member. • Transfer of undertaking. • Any other reason, except summary dismissal, as the Committee determines.	• The participant will normally retain their entitlement to the bonus to the extent that the performance targets have been met. • Bonuses will normally be subject to time pro-rating to reflect the period in employment, although the Committee has the discretion to vary this. • The Committee may determine that the bonus payment is calculated and made, at their discretion, at cessation instead of at the end of the performance period.	• All other leavers will forfeit their entitlement to an annual bonus payment.
LTIP	• Death. • Ill-health, injury or disability. • Employing company being transferred to an entity which is not a Group member. • Transfer of undertaking. • Any other reason, except gross misconduct, as the Committee determines.	• Awards will normally vest on a time-apportioned basis taking into account the achievement of the relevant performance conditions at the vesting date. • The vesting date for such awards will normally be the original vesting date, although the Committee has the flexibility to determine that awards can vest upon cessation of employment. • On death, the Committee may exercise discretion to allow awards to vest, as soon as practicable, taking into account performance achieved. • On vesting, shares will be transferred to the participant as soon as practicable. For options, participants will have up to six months from the date of vesting to exercise their awards.	• Awards will normally lapse in full (unless otherwise determined by the Committee).

In the event that a buy-out award is made on recruitment, the leaver provisions would be determined at the time of the award.

Differences in remuneration policy for Executive Directors compared with other employees
As for our Executive Directors, the remuneration for the majority of our employees is weighted towards variable pay. However, unlike our Executive Directors, whose variable pay is linked to a mixture of short-term and long-term Group-wide performance measures, the majority of our employees' remuneration is linked to individual/team performance measured over the shorter term. This is consistent with their focus on the selling and letting of properties within particular geographical areas.

During 2015, the Company introduced the Senior Management LTIP to accommodate grants of shares to employees, which are normally subject to performance conditions over a three year period. The Company continues to operate within the dilution limits approved by Shareholders on IPO of no more than 5% in 10 years for discretionary schemes and 10% for all schemes.

Executive Directors may not participate in the Senior Management LTIP, although awards granted to an individual who subsequently is appointed to the Board will continue to vest.

Consideration of employment conditions elsewhere in Foxtons
Although pay and employment conditions elsewhere in the Company are taken into account to ensure the relationship between the pay of Executive Directors and employees remains appropriate, the Committee does not consult with employees when formulating the Remuneration Policy set out in this Report.

Consideration of Shareholder views
The Committee takes an active interest in Shareholder views and these help shape the structure of the Directors' remuneration arrangements at Foxtons. The Committee also monitors published Shareholder guidelines and will incorporate further best practice features as appropriate.

Summary of Shareholder voting at the 2015 Annual General Meeting (unaudited)
The following table shows the results of the votes on the Annual Report on Remuneration at the AGM in May 2015:

Resolution	Votes for	% for	Votes against	% against	Total votes cast	Votes withheld
Approval of the Directors' Annual Report on Remuneration	216,260,639	92.36%	17,896,372	7.64%	234,157,011	31,862

At the May 2014 AGM, 91.99% of the votes cast were in favour of the policy report.

Annual Report on Remuneration

Consideration by Directors of matters relating to Directors' remuneration (unaudited)
The Remuneration Committee is responsible for reviewing and making recommendations to the Board regarding the Remuneration Policy of the Group and for reviewing compliance with the Policy. During 2015, the Remuneration Committee consisted of the following Directors: Andrew Adcock (Chairman), Ian Barlow, Annette Court and Garry Watts. The Committee met four times during the year with attendance disclosed on page 35.

In addition, the CEO and CFO attended Committee meetings to provide valuable input. No individual was present when their own remuneration was being discussed.

During 2015, the Remuneration Committee received independent advice on executive remuneration from Kepler Associates, a brand of Mercer (Kepler). Kepler was appointed in May 2014 as independent advisers to the Remuneration Committee following a formal tender process. Kepler is a signatory to the Remuneration Consultants' Code of Conduct. Other than in relation to advice on remuneration, neither Kepler nor its parent Mercer provided other services to the Company. The fees paid to Kepler for advice provided to the Remuneration Committee was £71,350. The Committee is satisfied that Kepler provides independent remuneration advice to the Committee and does not have any connections with Foxtons that may impair its independence.

The following section provides details of how our remuneration policy was implemented during the financial year ending 31 December 2015, and how the Committee intends to implement the Policy in 2016.

We are committed to maintaining an open and transparent dialogue with our Shareholders and hope that the level of disclosure we have provided this year will ensure that decisions made on remuneration are fully explained, thereby helping us to build a positive relationship with our Shareholders.

Single figure of total remuneration (audited)

The tables below set out the total remuneration for the Directors for 2015 and 2014.

	2015					
£'000	Salary and fees	Benefits[1]	Bonus[2]	LTIP	Pension[3]	Total
Current Executive						
Nic Budden	**461**	**29**	**297**	**–**	**69**	**856**
Gerard Nieslony	**282**	**10**	**181**	**–**	**42**	**515**
Non-Executive						
Garry Watts	**179**	**–**	**–**	**–**	**–**	**179**
Ian Barlow	**62**	**–**	**–**	**–**	**–**	**62**
Annette Court	**62**	**–**	**–**	**–**	**–**	**62**
Andrew Adcock	**62**	**–**	**–**	**–**	**–**	**62**
Michael Brown	**62**	**–**	**–**	**–**	**–**	**62**
Total	**1,170**	**39**	**478**	**–**	**111**	**1,798**

	2014					
£'000	Salary and fees	Benefits[1]	Bonus[2]	LTIP	Pension[3]	Total
Current Executive						
Nic Budden[4]	225	12	56	–	34	327
Gerard Nieslony	275	10	69	–	41	395
Former Executive						
Michael Brown[5]	216	9	–	–	32	257
Non-Executive						
Garry Watts	175	–	–	–	–	175
Ian Barlow	60	–	–	–	–	60
Annette Court	60	–	–	–	–	60
Andrew Adcock	60	–	–	–	–	60
Stefano Quadrio Curzio	–	–	–	–	–	–
Michael Brown[5]	30	–	–	–	–	30
Total	**1,101**	**31**	**125**	**–**	**107**	**1,364**

Notes to the table

1 The benefits paid in respect of 2015 and 2014 related to a car allowance for Gerard Nieslony and the provision of a car for Michael Brown (during his tenure as CEO in 2014) and Nic Budden.

2 In 2015, the CEO and CFO were awarded bonuses of 51.5% of maximum, equivalent to 64.4% of salary. In 2014, the CEO and CFO were awarded bonuses of 20% of maximum, equivalent to 25% of salary. Further details of the performance criteria, achievement and resulting awards for the 2015 bonus can be found on page 50.

3 "Pension" includes payments in lieu of pension. For 2015, the Executive Directors received contributions of 15% of salary.

4 Remuneration covers only the period since his appointment as a Director. Nic Budden was appointed CEO on 1 July 2014 on a salary of £450,000 p.a. He was previously the COO on a salary of £375,000 p.a. His salary, benefits and pension are pro-rated to reflect the period from 1 July 2014 to 31 December 2014.

5 Michael Brown stepped down as CEO on 30 June 2014 and was appointed a Non-Executive Director from 1 July 2014. As a result, he has been included in the single figure of total remuneration table twice: as an Executive Director to 30 June 2014, and as a Non-Executive Director from 1 July 2014.

Base salary for 2015
As explained in last year's Annual Report on Remuneration, Nic Budden and Gerard Nieslony's base salaries were increased by 2.5% to £461,250 and £281,875 respectively at the start of January 2015, following a review of their salaries.

Annual bonus outcomes for 2015 (unaudited)
For the 2015 financial year, the maximum bonus opportunity for Nic Budden and Gerard Nieslony was 125% of salary. Bonuses were based 80% on Foxtons Adjusted EBITDA and 20% on non-financial performance, which for 2015 was the opening of new branches on time and on budget. The table below provides the financial performance targets set and actual performance during the year.

			Performance targets			
Measure	Weighting	Threshold	On-target	Maximum	Actual performance	Payout (% of maximum)
Adjusted EBITDA[1]	80%	£44.7m	£47.0m	£49.4m	£46.0m	39.4%
Opening of new branches[2]	20%	–	–	7	7	100.0%
Total	100%	–	–	–	–	51.5%

1 For 2015 bonuses, 25% of this element pays out at threshold, 50% at target and full payout at maximum.

2 Single target for 2015.

Based on the above, and taking into account performance more broadly, the CEO and CFO were awarded bonuses of 51.5% of maximum, equivalent to 64.4% of salary. Annual bonuses will be paid in cash.

Scheme interests awarded in 2015 (audited)
On 16 March 2015, the Executive Directors were granted awards under the LTIP. Details are summarised in the table below.

Executive	Basis of award	Face value[1]	Number of shares awarded	Threshold vesting	Performance period
Nic Budden	150% of salary	£691,875	359,883	25%	1 January 2015 to 31 December 2017
Gerard Nieslony	150% of salary	£422,813	219,929		

1 Calculated using the share price of 192.25p which is the average share price over the three trading days immediately preceding the date of grant.

Awards were granted in the form of nil-cost options, which will, subject to the rules of the LTIP, vest following the Committee's determination of the extent to which the performance conditions have been satisfied.

As described in last year's Annual Report on Remuneration, 2015 LTIP awards may vest based 70% on three year EPS growth and 30% on three year relative Total Shareholder Return (TSR). The TSR comparator group is the FTSE 250 (excluding financial services and oil & gas companies). We believe EPS is an important measure of the Group's financial performance and helps reinforce sustainable long-term growth. TSR is aligned to Shareholder value creation and is transparent. Details of the performance conditions are set out below:

	Basic EPS growth over the three year performance period (70% of the award)	Relative TSR performance against the comparator group over the three year performance period (30% of the award)
Threshold (25% vesting)	15%	Median
Stretch (100% vesting)	48%	Upper quartile

There will be straight-line vesting between these performance points.

Statement of Directors' shareholding and share interests (audited)
We strongly believe that Directors should have sizeable shareholdings in Foxtons to ensure that they are as closely aligned as possible with the Shareholder experience. As such, Executive Directors are required to hold Foxtons shares equal to two times their gross basic salary. The shareholdings of the Executive Directors remained unchanged versus prior year. The tables below show the Directors' share ownership as at 31 December 2015:

	Shares held			
	Owned outright	Unvested shares subject to performance	Shareholding guideline (% of basic salary)	Actual share ownership (% of basic salary)*
Nic Budden	1,304,660	751,187	200%	532%
Gerard Nieslony	666,512	399,277	200%	445%

* The shareholding as a percentage of basic salary has been calculated based on the share price on 31 December 2015 of 188p.

The table below shows the Non-Executive Directors' shareholdings as at 31 December 2015:

	Shares held as at 31 December 2015
Garry Watts	**43,477**
Ian Barlow	**86,955**
Annette Court	**32,608**
Andrew Adcock	**43,477**
Michael Brown (former CEO)	**22,730,022**

No changes in Directors' interests have occurred between 31 December 2015 and 7 March 2016.

Payments to past Directors and payments for loss of office (audited)

There were no payments to former Directors during the year.

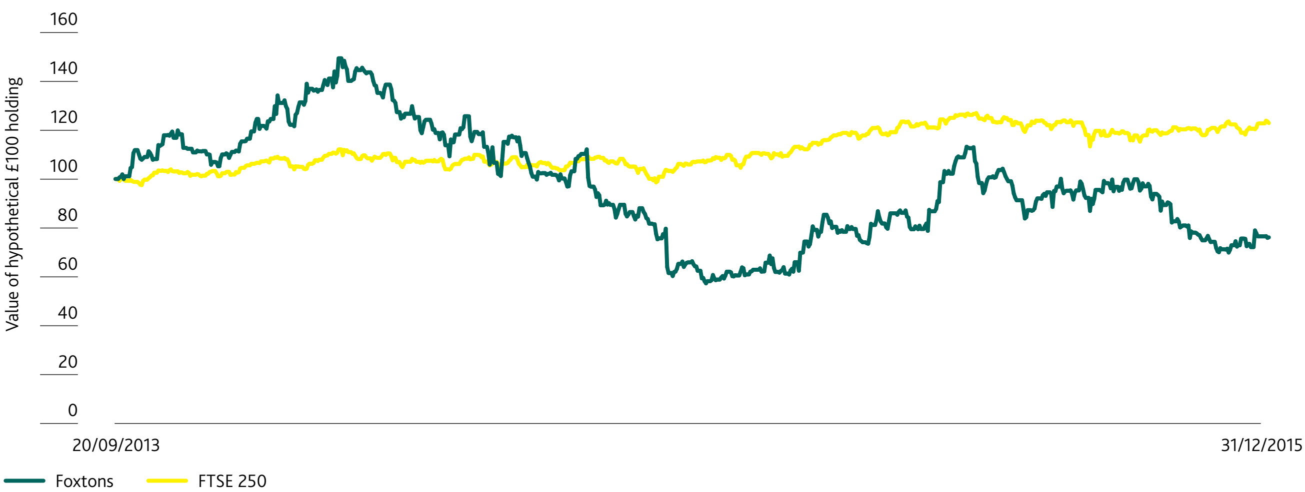
Performance graph and table (unaudited)

The chart below illustrates Foxtons TSR performance against the FTSE 250 since listing in September 2013. The FTSE 250 has been chosen as Foxtons was a constituent of this index during the majority of the period shown, and remains close in size to companies ranked towards the bottom of the FTSE 250. Note that this does not represent either the comparator group or the time period against which performance is assessed under the LTIP.

The table below shows the total remuneration paid to the CEO between 2013 and 2015:

	2013 £'000	2014 £'000	**2015 £'000**
Nic Budden (from 1 July 2014)			
Single figure of remuneration	n/a	327	**856**
Annual bonus payout (% of maximum)	n/a	20%	**51.5%**
LTIP vesting (% of maximum)	n/a	n/a	**n/a**
Michael Brown (to 30 June 2014)			
Single figure of remuneration	624	257	**n/a**
Annual bonus payout (% of maximum)	n/a	n/a	**n/a**
LTIP vesting (% of maximum)	n/a	n/a	**n/a**

Total Shareholder return



Percentage change in remuneration of Director undertaking the role of Chief Executive Officer (unaudited)

The table below illustrates the percentage change in salary, benefits and annual bonus for the CEO as against all other employees who do not participate in Foxtons commission arrangements and whose remuneration structures are thus comparable to the Executive Directors.

	% change in basic salary (2015/2014)	% change in benefits (2015/2014)	% change in annual bonus (2015/2014)
CEO[1]	2.5%	20.8%	165.2%
All other employees (at Head office[2])	9.4%	7.0%	n/a

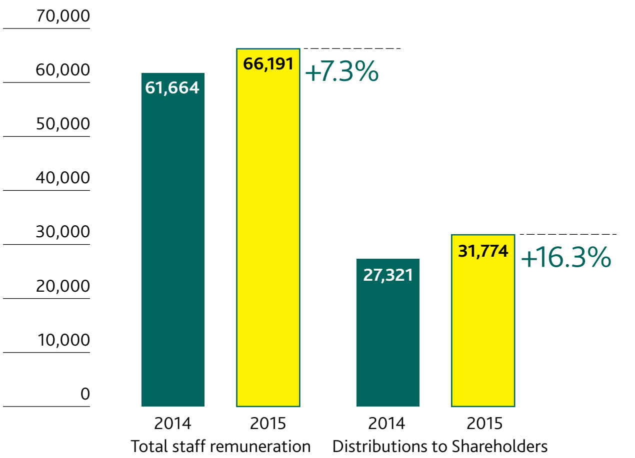
1 The 2014 figures for the CEO have been pro-rated up from the six months that the current CEO was in the role in 2014.

2 Excludes branch-based staff where pay is largely commission based.

Relative importance of spend on pay (unaudited)

The charts below illustrate the year-on-year change in total remuneration for all employees and total Shareholder distributions.

Relative importance of spend on pay (£'000)



Implementation for 2016 (unaudited)

Base salary

Following a review by the Committee, Executive Director salaries are as follows:

	Base salary at	
	1 January 2015	1 January 2016
Nic Budden	£461,250	£550,000
Gerard Nieslony	£281,875	£288,922

As described earlier, the Committee increased the CEO's salary from £461,250 to £550,000 (+circa19%), effective I January 2016 for the reasons set out in the Chairman's introductory statement.

Benefits

For 2016, Executive Directors continue to be provided with a company car (or cash equivalent) and will be provided with life assurance and private medical insurance.

Annual bonus

As described earlier in the Report, 2016 bonuses are up to 150% of salary for the CEO and 125% of salary for the CFO. Bonuses are based 60% on Foxtons annual Adjusted EBITDA, 20% on organic growth (successful opening of new branches on time and on budget) and 20% on personal/strategic objectives.

Adjusted EBITDA continues to be an important measure of annual performance. We continue to strive to achieve high levels of profitability through our focus on higher-volume, higher-value markets combined with the real competitive advantage that our business model provides.

The successful opening of new branches on time and within budget is a key lever to the achievement of our ambitious growth plans, and is an important component of our annual bonus plan with a 20% weighting. We have a proven track record of expansion and the successful opening of new branches continues to create significant opportunities for the Group. The remaining 20% will be based on the achievement of personal/strategic objectives to help reinforce achievement of annual business priorities.

Shareholders will recognise that we operate in a very competitive market and so we will not be disclosing prospective bonus performance targets for reasons of commercial sensitivity. We will, however, provide a full retrospective rationale each year of why bonuses were paid to ensure that Shareholders can clearly identify the close link between pay and performance at the Group.

LTIP
The LTIP framework is unchanged for 2016. It is anticipated that awards will be up to 150% of salary and will be based 70% on Earnings Per Share (EPS) performance and 30% on relative TSR measured over a three year performance period. We believe EPS is an important measure of the Group's financial performance which helps reinforce sustainable long-term growth. TSR is aligned to Shareholder value creation and is transparent. Relative TSR performance will continue to be assessed against the FTSE 250 (excluding financial services and oil & gas companies).

The Committee reviewed the 2016-18 LTIP cycle to ensure that the targets remain stretching and achievable. The Committee intends to set 2016 LTIP targets as follows:

	Basic EPS[1] growth over the three-year performance period (70% of the award)	Relative TSR performance against the comparator group over the three year performance period (30% of the award)
Threshold (25% vesting)	15%	Median
Maximum (100% vesting)	45%	Upper quartile

1 Growth will be measured from EPS adjusted to exclude the deferred tax credit relating to the impact of reduced corporation tax rates on the intangible brand asset.

There will be straight-line vesting between these performance points.

Pension
For 2016 pension contributions are unchanged. Contributions of 15% of salary will be made to the Executive Directors' personal pension schemes. Alternatively, a cash allowance equal to this value may be paid.

Non-Executive Director fees
For 2016, the fees for the Chairman and Non-Executive Directors were increased as follows:

Chairman of Company	+2.5%
Basic fee for other Non-Executive Directors	+2.5%

Andrew Adcock

Andrew Adcock
Chairman of the Remuneration Committee

7 March 2016

Directors' report

Corporate structure
Foxtons Group plc is a public company limited by shares, incorporated in England and Wales and its shares are traded on the Premium segment of the main market of the London Stock Exchange.

The Company has no branches outside the UK.

The Board
The Directors who served during the year are shown on pages 30 to 31.

Powers of Directors
The general powers of the Directors are set out in Article 108 of the Company's Articles of Association (the "Articles") which are available on the Company's website www.foxtonsgroup.co.uk. Article 108 provides that the business of the Company shall be managed by the Board, which may exercise all the powers of the Company, subject to any limitations imposed by applicable legislation or the Articles. The general powers of the Directors are also limited by any directions given by special resolution of the Shareholders of the Company which are applicable on the date that any power is exercised.

Appointment and replacement of Directors
The rules about the appointment and replacement of Directors are contained in the Articles. They provide that the Directors may be appointed by ordinary resolution of the Shareholders or by the Board. Directors appointed by the Board may only hold office until the next AGM of the Company and then shall be eligible for election. The Company must have not less than two, nor more than 12 Directors.

The Company may remove a Director by special resolution or by ordinary resolution where special notice has been given and the necessary statutory procedures are complied with.

Amendment to the Company's Articles
The Company may alter its Articles by special resolution passed at a general meeting of the Company.

Directors' indemnity
The Company has granted a third party indemnity to each of its Directors against any liability that attaches to them in defending proceedings brought against them, to the extent permitted by English law. In addition, Directors and Officers of the Company and its subsidiaries are covered by Directors' and Officers' liability insurance.

Compensation for loss of office
The Company does not have arrangements with any Director that would provide compensation for loss of office or employment resulting from a takeover, except that provisions of the Company's share plans may cause options and awards granted under such plans to vest on a takeover. Further information is provided in the Directors' Remuneration Report on pages 41 to 53.

Dividends
An interim and special dividend totalling 4.77p per share was paid on 25 September 2015, reflecting the continued strong cash generation of the Group. The Board recommends a final dividend of 3.34p per share and a special dividend of 2.89p per share, totalling 6.23p per share. Shareholders will be asked to approve the dividend at the AGM on 18 May 2016, for payment on 26 May 2016 to Shareholders whose names are on the register on 29 April 2016.

Total ordinary and special dividends paid and proposed for the year amount to 11.0p per share or a total return to Shareholders of £30.8m in total.

Post balance sheet events
See share buy-back programme on page 56.

Future developments in the business of the Company
Details of the Group's business activities and the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 1 to 27 and form part of this report by reference.

Corporate governance
A report on corporate governance and the Company's compliance with the Code is set out on pages 32 to 53 and forms part of this report by reference.

Greenhouse gas emissions
Information on the Group's greenhouse gas emissions is set out in the Corporate Social Responsibility statement on pages 26 to 27 and forms part of this Report by reference.

Research and development
The Group does not undertake any material activities in the field of research and development.

Political donations
No political donations were made in 2015 (2014: nil).

Employee involvement and policy regarding disabled persons
The Group provides employees with information on the Group's performance and on matters concerning them on a regular basis. Considerable value is placed on the involvement of employees, which is reflected in the principles of Foxtons Corporate Practice and its related guidance, which require regular, open, fair and respectful communication, zero tolerance for human rights violations, fair remuneration and, above all, a safe working environment.

Foxtons operates an equal opportunities policy that aims to treat individuals fairly and not to discriminate on the basis of sex, race, ethnic origin, disability or any other basis. The Company's policy and procedures are designed to provide for full and fair consideration and selection of disabled applicants, to ensure they are properly trained to perform safely and effectively and to provide career opportunities that allow them to fulfil their potential. Where an employee becomes disabled in the course of their employment the Company will actively seek to retain them wherever possible by making adjustments to their work content and environment or by retraining them to undertake new roles.

Directors' interests
The beneficial interests of the Directors of the Company and their connected persons in the issued ordinary shares of the Company at 31 December 2015 are provided on page 50, within the Directors' Remuneration Report. Details of any changes in those interests between 31 December 2015 and 7 March 2016 are also shown on page 51.

Rights and obligations attaching to shares
Holders of ordinary shares are entitled to receive dividends (when declared) and a copy of the Company's Annual Report, attend and speak at general meetings of the Company, appoint proxies and exercise voting rights. At any general meeting, on a show of hands, every Shareholder present shall have one vote and, on a poll, every Shareholder present in person or by proxy shall have one vote for every share of which they are the holder. Subject to certain thresholds being met, holders of ordinary shares may requisition the Board to convene a general meeting or propose resolutions at AGMs. On liquidation, holders of ordinary shares may share in the assets of the Company.

None of the ordinary shares carry any special rights with regard to control of the Company and there are no restrictions on voting rights. Major Shareholders have the same voting rights per share as all other Shareholders. The Company is not aware of any arrangements under which financial rights are held by a person other than the holder of the shares.

The Foxtons Group Employee Benefit Trust is an Employee Benefit Trust which holds ordinary shares in the Company in trust for employees within the Group. The Trustee of the Trust has the power to exercise the rights and powers incidental to, and to act in relation to, the ordinary shares subject to the Trust in such manner as the Trustee in its absolute discretion thinks fit. The Trustee of the Employee Benefit Trust has waived its rights to dividends on ordinary shares held by the Trust as these have not yet vested unconditionally in employees.

Share capital
Further details of the Company's issued share capital can be found in note 21 to the financial statements on page 82.

Restrictions on transfers of securities
Other than the compliance with the Company's Share Dealing Code, whereby the Directors, designated employees and their connected persons require approval to deal in the Company's shares, there are no restrictions on the transfer, or limitations on the holding of ordinary shares.

The Company is not aware of any agreements between Shareholders that may result in restrictions on the transfer of securities or voting rights.

Authority to allot shares
The Company was granted a general authority by its Shareholders at the 2015 Annual General Meeting to allot shares up to 33.33% of the Company's issued share capital as at 2 April 2015. The Company also received authority to allot shares for cash on a non pre-emptive basis up to 5% of the Company's issued share capital as at 2 April 2015. As at the date of this Report, no shares have been issued under these authorities. These authorities will expire at the conclusion of the 2016 AGM. Resolutions will be proposed at the 2016 AGM to renew these authorities.

Major interests in shares
Information on major interests in shares provided to the Company under the Disclosure and Transparency Rules ("DTR") of the UK Listing Authority is published via a Regulatory Information Service and on the Company's website www.foxtonsgroup.co.uk.

As at 31 December 2015, the Company was aware of the following interests representing 3% or more of the issued ordinary share capital of the Company. This information was correct at the date of notification. It should be noted that these holdings may have changed since notified to the Company. However, notification of any change is not required until the next applicable threshold is crossed. The percentage shown is based on the voting rights as at 31 December 2015.

Major interests in shares

Institution	Ordinary shares	% of capital	Nature of holding
Caledonia (Private) Investments Pty Ltd	35,835,379	12.72	Direct
Select Equity Group, LP	28,831,387	10.24	Indirect
Capital Research and Management Company	23,285,590	8.27	Indirect
Michael Brown	22,730,022	8.07	Direct
BlackRock, Inc	19,538,681	6.93	Indirect – 4.95% SL* – 1.39% CFD* – 0.59%
Cantillon Capital Management LLC	14,204,682	5.04	Indirect
FIL Limited	13,685,815	4.86	Indirect

As at 7 March 2016 the Company had received notification of the following new interests/changes to interests since 31 December 2015, pursuant to DTR 5:

Institution	Ordinary shares	% of capital	Nature of holding
Cantillon Capital Management LLC	13,888,497	4.99	Indirect
BlackRock, Inc	18,928,782	6.83	Indirect – 5.06% SL* – 1.10% CFD* – 0.67%
Templeton Investment Counsel LLC	14,415,106	5.18	Indirect

* SL – Securities Lending CFD – Contracts for difference.

Authority for the Company to purchase its own shares
The Company was granted authority by its Shareholders at the 2015 AGM to purchase up to 28,217,646 of its ordinary shares, being 10% of the issued share capital as at 2 April 2015. This authority will expire at the conclusion of the 2016 AGM. A resolution will be proposed at the 2016 AGM that the Company be authorised to purchase up to approximately 10% of its ordinary shares at the Directors' discretion. If the resolution is passed, the new authority will replace the existing authority and will lapse at the conclusion of the 2017 AGM.

Share buy-back programme
On 16 December 2015, the Company announced its intention to commence a share purchase programme, utilising its general authority to make on-market purchases of shares pursuant to the policy of returning surplus cash to Shareholders. Of the 10% authority given by Shareholders at the 2015 AGM (28,217,646 ordinary shares), a total of 510,283 ordinary shares of £0.01 each were purchased for cancellation during the year with a nominal value of £5,103, being 0.18% of the issued ordinary share capital at 31 December 2015. The total consideration for these repurchases was £924,273.

Following the year end, the Company has repurchased a further 6,561,794 ordinary shares for cancellation (as at 7 March 2016), with a nominal value of £65,618 and being 2.33% of the issued ordinary share capital at 31 December 2015. The total consideration for these repurchases was £11,075,726. At 7 March 2016, there were 275,104,391 ordinary shares of £0.01 each in issue. Each ordinary share carries one vote, therefore, the total votes in issue were 275,104,391.

Significant agreements
The Company is not a party to any significant agreements that would take effect, alter or terminate on a change of control of the Company.

Financial risk management
The Group's financial risk management objectives and policies, including its use of financial instruments, are set out in note 26 to the Group's consolidated financial statements on pages 85 to 87.

Information presented in other sections
Certain information is required to be included in the Annual Financial Report by Listing Rule 9.8.4. The following table provides references to where this information can be found in this Annual Report. If a requirement is not shown, it is not applicable to the Company.

Section	Listing Rule requirement	Location	Page
4	Details of long-term incentive schemes	Directors' Remuneration Report	43
12 and 13	Shareholder waivers of dividends and future dividends	Directors' Report	55

Going concern
The financial position of the Group, its cash flows and liquidity position are set out in the Financial Statements section. Furthermore, note 26, page 85 to the consolidated financial statements includes the Group's objectives and policies for managing its capital, its financial risk management objectives, details of its financial instruments and its exposure to credit and liquidity risk.

The Directors believe the Group is in a strong financial position due to its profitable operations and strong cash generation and that the Group has adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The Directors have made this assessment after consideration of the Company's budgeted cash flows and related assumptions and in accordance with the Guidance on Risk Management, Internal Control and Related Financial and Business Reporting published by the UK Financial Reporting Council in September 2014.

Statement on disclosure to auditor
Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

(a) So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

(b) The Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming AGM.

AGM
The Company's AGM will take place on 18 May 2016 at the Company's registered office at Building One, Chiswick Park, 566 Chiswick High Road, London, W4 5BE. The Notice of Meeting which sets out the resolutions to be proposed at the forthcoming AGM accompanies this Annual Report and can also be found on the Company's website at www.foxtonsgroup.co.uk.

The AGM is the Company's principal forum for communication with Shareholders. The Chairman of the Board and the Chairmen of the Committees, together with the other Directors, will be available to answer Shareholders' questions at the meeting.

On behalf of the Board

Nic Budden
Chief Executive Officer

Gerard Nieslony
Chief Financial Officer

7 March 2016

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 are required to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation and have elected to prepare the parent company financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. Under Company law the Directors must not approve the accounts 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 the parent company 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 Financial Reporting Standard 101 Reduced Disclosure Framework has 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.

In preparing the Group financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for Shareholders to assess the Company's performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 7 March 2016 and is signed on its behalf by:

Nic Budden
Chief Executive Officer

Gerard Nieslony
Chief Financial Officer

7 March 2016

Financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2015

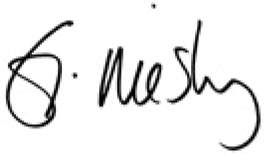
Continuing operations	Notes	2015 £'000	2014 £'000
Revenue			
Sales		**72,197**	69,833
Lettings		**68,946**	67,387
Mortgage broking		**8,251**	6,260
Other		**394**	428
Total revenue		**149,788**	143,908
Administrative expenses		**(108,867)**	(101,889)
Operating profit		**40,921**	42,019
Finance income	9	**150**	129
Finance costs		**(22)**	–
Profit before tax		**41,049**	42,148
Tax	10	**(6,460)**	(8,706)
Profit and total comprehensive income for the year	6	**34,589**	33,442
Earnings per share			
Basic and diluted (pence per share)	12	**12.3**	11.9

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2015

	Notes	2015 £'000	2014 £'000
Non-current assets			
Goodwill	13	**19,168**	19,168
Other intangible assets	13	**99,501**	99,000
Property, plant and equipment	14	**27,016**	24,067
Deferred tax assets	17	**294**	876
		145,979	143,111
Current assets			
Trade and other receivables	16	**12,147**	10,767
Prepayments		**6,106**	6,336
Cash and cash equivalents	24	**25,619**	22,533
		43,872	39,636
Total assets		**189,851**	182,747
Current liabilities			
Trade and other payables	18	**(10,926)**	(8,009)
Current tax liabilities		**(3,672)**	(4,157)
Provisions	20	**(195)**	(129)
Deferred revenue and lettings refund liability	19	**(4,653)**	(4,362)
		(19,446)	(16,657)
Net current assets		**24,426**	22,979
Non-current liabilities			
Deferred tax liabilities	17	**(17,820)**	(19,800)
		(17,820)	(19,800)
Total liabilities		**(37,266)**	(36,457)
Net assets		**152,585**	146,290
Equity			
Share capital	21	**2,817**	2,822
Other capital reserve		**2,582**	2,582
Capital redemption reserve		**5**	–
Own shares held	22	**(1,540)**	(1,540)
Share premium	23	**52,727**	52,727
Retained earnings		**95,994**	89,699
Total equity		**152,585**	146,290

The financial statements of Foxtons Group plc, registered number 07108742, were approved by the Board of Directors on 7 March 2016.

Signed on behalf of the Board of Directors



Gerard Nieslony
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Notes	Share capital £'000	Own shares held £'000	Other capital reserve £'000	Capital redemption reserve £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
Balance at 31 December 2014		**2,822**	**(1,540)**	**2,582**	**–**	**52,727**	**89,699**	**146,290**
Total comprehensive income for the year		**–**	**–**	**–**	**–**	**–**	**34,589**	**34,589**
Dividends	11	**–**	**–**	**–**	**–**	**–**	**(27,970)**	**(27,970)**
Share buy-back	21	**(5)**	**–**	**–**	**5**	**–**	**(927)**	**(927)**
Credit to equity for share-based payments	29	**–**	**–**	**–**	**–**	**–**	**603**	**603**
Balance at 31 December 2015		**2,817**	**(1,540)**	**2,582**	**5**	**52,727**	**95,994**	**152,585**

	Notes	Share capital £'000	Own shares held £'000	Other capital reserve £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2014		2,822	–	2,582	52,727	84,317	142,448
Total comprehensive income for the year		–	–	–	–	33,442	33,442
Dividends	11	–	–	–	–	(28,139)	(28,139)
Capital contribution (group relief)		–	–	–	–	(5)	(5)
Own shares acquired in the period	22	–	(1,540)	–	–	–	(1,540)
Credit to equity for share-based payments	29	–	–	–	–	84	84
Balance at 31 December 2014		2,822	(1,540)	2,582	52,727	89,699	146,290

	Note	2015 £'000	2014 £'000
Net cash from operating activities	24	**39,704**	35,547
Investing activities			
Interest received		**150**	129
Proceeds on disposal of property, plant and equipment		**233**	324
Purchases of property, plant and equipment		**(7,564)**	(7,140)
Purchases of intangibles		**(518)**	–
Net cash used in investing activities		**(7,699)**	(6,687)
Financing activities			
Dividends paid	11	**(27,970)**	(28,139)
Purchase of own shares	22	**–**	(1,540)
Interest paid		**(22)**	–
Share buy-back		**(927)**	–
Net cash used in financing activities		**(28,919)**	(29,679)
Net increase/(decrease) in cash and cash equivalents		**3,086**	(819)
Cash and cash equivalents at beginning of year		**22,533**	23,352
Cash and cash equivalents at end of year		**25,619**	22,533

1. General information

Foxtons Group plc (the "Company") is a company incorporated in the United Kingdom under the Companies Act. The address of the Company's registered office is Building One, Chiswick Park, 566 Chiswick High Road, London W4 5BE. The principal activity of the Company and its subsidiaries (collectively, the "Group") is the provision of services to the residential property market in the UK.

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

2. Adoption of new and revised standards

The Group has adopted the following standards and interpretations during the current year, which had no significant effect on the Group's results:

IAS 19 (amended)	*Employee Benefits*
Annual Improvements to IFRSs	*(2010 – 2012) Cycle*
Annual Improvements to IFRSs	*(2011 – 2013) Cycle*

At the date of authorisation of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 9	*Financial Instruments*
IFRS 14	*Regulator Deferral Accounts*
IFRS 15	*Revenue from Contracts with Customers*
IFRS 16	*Leases*
IAS 19 (amended)	*Employee Benefits*
Annual Improvements to IFRSs	*(2012 – 2014) Cycle*

The Directors of the Company (the "Directors") expect that the adoption of the standards listed above will not have a material impact on the financial statements of the Group in future periods, with the exception of:

- IFRS 9 – will impact both the measurement and disclosures of financial instruments
- IFRS 15 – may impact Group revenue and additional disclosure will be required
- IFRS 16 – is expected to impact the Group consolidated statement of comprehensive income and consolidated statement of financial position

Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

3. Significant accounting policies

Compliance with International Financial Reporting Standards
The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and therefore the Group financial statements comply with Article 4 of the EU IAS Regulation. IFRS includes the standards and interpretations approved by the International Accounting Standards Board ("IASB") including International Accounting Standards ("IAS") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The accounting policies set out below have been applied in preparing the financial statements for the years ended 31 December 2014 and 2015, with the exception of note 2.

Basis of preparation
These financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

3. Significant accounting policies (continued)

Basis of consolidation

The financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company has the power over the investee; is exposed, or has rights, to variable return from its involvement with the investee; and has the ability to use its power to affect its returns.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, having considered the Group forecasts and projections, taking account of reasonably possible changes in trading performance and the current economic uncertainty. Accordingly, they have adopted the going concern basis in preparing the financial statements. Further detail is contained in the Directors' Report on page 56.

Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over the net of the acquisition-date fair value of the identifiable assets acquired and the liabilities assumed.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Other intangible assets

Intangible assets other than goodwill that are acquired by the Group, representing the acquired Foxtons brand name and purchased contracts, are stated at cost less accumulated impairment losses. The brand name is considered to have an indefinite economic life because of the institutional nature of the brand name, its proven ability to maintain market leadership and profitable operations over long periods of time, and the Group's commitment to develop and enhance its value. The carrying value of the brand is subject to an annual impairment review, and adjusted to its recoverable amount if required. Purchased contracts are amortised on a straight-line basis over their estimated useful economic lives of five years.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts (if any) and VAT. Revenue is generated from the Group's operations which are wholly based in the UK.

Rendering of services

Commission earned on sales of residential property is recognised on exchange of contract.

In connection with lettings, the Group offers the following services:

(1) Securing the letting for the landlord including rent collection; and

(2) Managing the letting on behalf of the landlord.

Commissions earned on the above services are recognised as follows:

(1) Commissions on securing the letting are recognised immediately subject to the following:

  (a) a percentage of contracts have break clauses and may require a refund if the tenant breaks early for which the Group recognise an estimated lettings refund liability (see note 19) based upon the historical experience of commission repayments over the last 12 months; and

  (b) a deferral of revenue in recognition that the Group is contracted to provide a rent collection service for the estimated duration of the outstanding tenancies and the related revenue associated with the service is recognised on a straight-line basis over that period.

(2) The management fee is billed and recognised monthly at a fixed percentage of the monthly rental.

Commission earned on financial services is recognised when insurance policies go on risk and when mortgage contracts complete. Income from other services is recognised in the period or periods when the services are provided. Commission is recognised at fair value which takes account of expected future cancellations.

3. Significant accounting policies (continued)

Interest income
The Group deposits its cash with reputable financial institutions. Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. The Group earns interest income on own funds which is shown as finance income. It also earns interest on client funds which is included within Lettings revenue. See note 28.

Operating leases
Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Exceptional items
As permitted by IAS 1: Presentation and Disclosure, certain items are presented separately in the consolidated statement of comprehensive income as exceptional where, in the judgement of the Directors, they need to be disclosed separately by virtue of their nature, size or incidence in order to obtain a clear and consistent presentation of the Group's underlying business performance. No exceptional items were present in the year ended 31 December 2015 or 2014.

Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's current tax liability is calculated at the statutory rate for the period which in the year ended 31 December 2015 is a blended rate of 20.25% (2014: 21.5%).

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and amended to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is recognised so as to write off the cost of assets (other than land and assets under construction) less their residual values over their useful lives, using the straight-line method, on the following bases:

Leasehold improvements	Over the term of the lease
Fixtures, fittings and equipment	Between 20% and 25% straight-line
Motor vehicles	25% straight-line

3. Significant accounting policies (continued)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of comprehensive income.

Capitalisation of expenditure on new branches totalled £5,537k (2014: £5,042k) and is reflected in leasehold improvements £3,852k (2014: £4,341k) and fixtures, fittings and equipment £1,685k (2014: £701k). Depreciation is charged on assets once the office set up is complete.

Impairment of tangible and intangible assets excluding goodwill
At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of comprehensive income.

Financial instruments
Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets
All financial assets are recognised and derecognised on a trade date where the purchase or sale of the financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned and are initially measured at fair value plus transaction costs.

All financial assets, other than cash and cash equivalents, are classified as loans and receivables.

Loans and receivables
Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the consolidated statement of comprehensive income.

Financial liabilities and equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

3. Significant accounting policies (continued)

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Other financial liabilities
Other financial liabilities are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Effective interest method
The effective interest method is used in calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire.

Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Valuation of share options
Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 29.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, 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 to be relevant. Actual results may differ from these estimates.

Critical judgements in applying the Group's accounting policies
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.

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

4. Critical accounting judgements and key sources of estimation uncertainty (continued)

Revenue recognition – Estimate of lettings refund liability
For those contracts with break clauses, there is judgement involved in determining the appropriate refund liability to be recognised in relation to the potentially refundable portion of the commission. Since the Group uses standard terms for its letting contracts, and its lettings business is focused in one geographical area (London), management considers its lettings portfolio to be a homogenous population and estimates the amount of the commission that will be refunded based upon historical data for all lettings contracts, which is considered reliable evidence supporting this judgement. The Group maintains robust data which demonstrates that patterns of rental behaviour do not change significantly period by period, and thus the Group believes that historical data is a relatively accurate proxy for future trends and circumstances.

Useful economic life of the brand
The Company completed the acquisition of 100% of the equity of Foxtons Intermediate Holdings on 30 March 2010. The Directors identified one material intangible asset: the Foxtons brand, which was deemed to have an indefinite life as there is no foreseeable limit to the period over which the asset is expected to generate cash inflows.

Client funds
Client monies and the associated liabilities are not shown on the consolidated balance sheet because the Company treats the monies as belonging to clients and not as its own funds. Client monies are held by the Company in specifically designated client accounts and, on that basis, the Company expects that, in the event of the Company becoming insolvent, such monies would be ring-fenced and not be available to the Company's creditors as a whole. They are not available for offset against any other account held with the bank. Treatment of client monies are subject to Association of Residential Lettings Agency Rules.

Key sources of estimation uncertainty
The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are discussed below.

Impairment of goodwill and intangible assets
Determining whether goodwill and intangible assets are impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated, and the group of CGUs to which intangible assets (i.e. the Foxtons brand) have been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. The carrying amount of goodwill and intangible assets at the balance sheet date was £118.7 million. There have been no impairments to the value of goodwill and intangible assets. See note 13 for details of the tests for impairment.

5. Business and geographical segments

Products and services from which reportable segments derive their revenues
Management has determined the operating segments based on the monthly management pack reviewed by the Directors, which is used to assess both the performance of the business and to allocate resources within the entity. Management has identified that the Directors are the chief operating decision-makers in accordance with the requirements of IFRS 8 'Operating segments'.

The operating and reportable segments of the Group are (i) Sales, (ii) Lettings and (iii) Mortgage Broking.

The Sales segment generates commission on sales of residential property. The Lettings segment earns fees from the letting and management of residential properties and income from interest earned on tenants' deposits. As these two segments operate out of the same premises and share support services, a significant proportion of costs have to be apportioned between the segments. The basis of apportionment used is headcount in each segment.

The Mortgage Broking segment receives commission from the arrangement of mortgages and related products under contracts with financial service providers and receives administration fees from clients.

Income/costs not allocated to an operating segment primarily relate to solicitors' referral fees and rental of unused office space.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Adjusted EBITDA represents the profit before tax for the period earned by each segment before allocation of finance costs, finance income, depreciation, amortisation, profit on disposal of fixed assets, share-based payments and exceptional items. This is the measure reported to the Directors for the purpose of resource allocation and assessment of segment performance.

All revenue for the Group is generated from within the UK and there is no intra-group revenue.

5. Business and geographical segments (continued)

Segment revenues and results
The following is an analysis of the Group's revenue and results by reportable segment for the year ended 31 December 2015:

	Sales £'000	Lettings £'000	Mortgage Broking £'000	Total reportable segments £'000	Other £'000	Consolidated £'000
Revenue	**72,197**	**68,946**	**8,251**	**149,394**	**394**	**149,788**
Adjusted EBITDA	**23,517**	**20,738**	**1,360**	**45,615**	**392**	**46,007**
Adjusted EBITDA margin	***32.6%***	***30.1%***	***16.5%***	***30.5%***	***99.5%***	***30.7%***
Depreciation						**(4,491)**
Amortisation						**(17)**
Profit on disposal of property, plant and equipment						**109**
Finance income						**150**
Finance cost						**(22)**
Share-based payment charge						**(687)**
Profit before tax						**41,049**

The following is an analysis of the Group's revenue and results by reportable segment for the combined year ended 31 December 2014:

	Sales £'000	Lettings £'000	Mortgage Broking £'000	Total reportable segments £'000	Other £'000	Consolidated £'000
Revenue	69,833	67,387	6,260	143,480	428	143,908
Adjusted EBITDA	23,226	21,813	736	45,775	425	46,200
Adjusted EBITDA margin	*33.3%*	*32.4%*	*11.8%*	*31.9%*	*99.5%*	*32.1%*
Depreciation						(4,125)
Profit on disposal of property, plant and equipment						39
Finance income						129
Share-based payment charge						(96)
Profit before tax						42,148

Segment assets and liabilities, including depreciation, amortisation and additions to non-current assets, are not reported to the Directors on a segmental basis and are therefore not disclosed. Goodwill and intangible assets have been allocated to reportable segments as described in note 13.

6. Profit and total comprehensive income for the period

Profit and total comprehensive income for the period has been arrived at after charging/(crediting):

	2015 £'000	2014 £'000
Operating leases	**12,162**	11,492
Depreciation of property, plant and equipment	**4,491**	4,125
Amortisation of intangible assets	**17**	–
(Gain)/loss on disposal of property, plant and equipment	**(109)**	(39)
Impairment loss on trade receivables	**334**	465
Staff costs (see note 8)	**66,191**	61,664

7. Auditor's remuneration

	2015 £'000	2014 £'000
The audit of the Company	**92**	88
The audit of the Company's subsidiaries	**92**	88
Total audit fees	**184**	176
Taxation compliance services	**68**	23
Other taxation advisory services	**31**	56
Other assurance services	**3**	3
Interim review	**21**	20
Other services	**–**	55
Total non-audit fees	**123**	157

Details of the Company's policy on the use of auditors for non-audit services, the reasons why the auditor was used rather than another supplier and how the auditor's independence and objectivity was safeguarded are set out in the Audit Committee Report on page 38. No services were provided pursuant to contingent fee arrangements.

8. Staff costs

The average monthly number of full-time equivalent employees (including Executive Directors) was:

	2015 Number	2014 Number
Sales	**832**	806
Administration	**491**	464
	1,323	1,270

Their aggregate remuneration comprised:

	2015 £'000	2014 £'000
Wages and salaries	**59,459**	55,257
Social security costs	**6,462**	6,168
Pension costs	**270**	239
	66,191	61,664

9. Finance income

	2015 £'000	2014 £'000
Interest income on bank deposits	**150**	129

10. Tax

	2015 £'000	2014 £'000
Current tax		
Current period UK corporation tax	**8,235**	8,967
Adjustments in respect of prior periods	**(377)**	(51)
Total current tax	**7,858**	8,916
Deferred tax		
Origination and reversal of temporary differences	**89**	(519)
Impact of change in tax rate	**(1,970)**	–
Adjustment in respect of prior periods	**483**	309
Total deferred tax	**(1,398)**	(210)
Tax on profit on ordinary activities	**6,460**	8,706

Corporation tax for the year ended 31 December 2015 is calculated at 20.25% (year ended 31 December 2014: 21.5%) of the estimated taxable profit for the period.

On 1 April 2014, the UK corporate tax rate was reduced from 23% to 21%. From 1 April 2015, the UK corporate tax rate fell to 20%.

There will be a reduction in the UK corporation tax rate to 19% from April 2017 and a further reduction to 18% from April 2020. The reduction in future corporation tax rates has resulted in a deferred tax credit of £1.97 million primarily relating to the intangible brand asset.

The deferred tax adjustment in respect of prior periods relates primarily to capital allowances for the prior year for both 2015 and 2014.

The charge for the period can be reconciled to profit in the consolidated statement of comprehensive income as follows:

	2015 £'000	2014 £'000
Profit before tax	**41,049**	42,148
Tax at the UK corporation tax rate (see above)	**8,312**	9,062
Tax effect of expenses that are not deductible in determining taxable profit	**161**	135
Capital allowances in excess of depreciation	**–**	10
Offset of losses brought forward	**(17)**	(308)
Other short-term timing differences	**(132)**	68
Adjustment in respect of previous periods – current tax	**(377)**	(51)
Adjustment in respect of previous periods – deferred tax	**483**	309
Impact on deferred tax of change in tax rate	**(1,970)**	–
Origination and reversal of timing differences	**–**	(519)
Tax on profit on ordinary activities	**6,460**	8,706

Group relief is claimed and surrendered between Group companies for consideration equal to the tax benefit.

11. Dividends

	2015 £'000	2014 £'000
Amounts recognised as distributions to equity holders in the period:		
Final and special dividends year ended 31 December 2014: 5.16p (2013: 5.44p) per ordinary share	**14,535**	15,351
Interim and special dividends year ended 31 December 2015: 4.77p (2014: 4.54p) per ordinary share	**13,435**	12,788
	27,970	28,139

For 2015, the Board recommends a final dividend of 3.34p per ordinary share (£9.3 million) and a special dividend of 2.89p per ordinary share (£8.1 million) to be paid in May 2016. These financial statements do not reflect these dividends payable.

12. Earnings per share

	2015 £'000	2014 £'000
Earnings for the purposes of basic and diluted earnings per share being profit for the year	**34,589**	33,442
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	**281,656,997**	281,890,167
Effect of dilutive potential ordinary shares	**512,631**	102,964
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**282,169,628**	281,993,131
Basic and diluted earnings per share (in pence per share)	**12.3**	11.9

13. Intangible assets

	Goodwill £'000	Brand £'000	Software £'000	Purchased contracts £'000	Total £'000
Cost					
At 1 January 2015	**19,168**	**99,000**	**–**	**–**	**118,168**
Additions	**–**	**–**	**13**	**505**	**518**
Disposals	**–**	**–**	**–**	**–**	**–**
Reclassification/transfer	**–**	**–**	**–**	**–**	**–**
At 31 December 2015	**19,168**	**99,000**	**13**	**505**	**118,686**

	Goodwill £'000	Brand £'000	Software £'000	Purchased contracts £'000	Total £'000
Accumulated amortisation					
At 1 January 2015	**–**	**–**	**–**	**–**	**–**
Charge for the period	**–**	**–**	**–**	**17**	**17**
Disposals	**–**	**–**	**–**	**–**	**–**
At 31 December 2015	**–**	**–**	**–**	**17**	**17**

	Goodwill £'000	Brand £'000	Software £'000	Purchased contracts £'000	Total £'000
Carrying amount					
At 31 December 2015	**19,168**	**99,000**	**13**	**488**	**118,669**
At 1 January 2015	**19,168**	**99,000**	**–**	**–**	**118,168**

13. Intangible assets (continued)

	Goodwill £'000	Brand £'000	Software £'000	Purchased contracts £'000	Total £'000
Cost					
At 1 January 2014	19,168	99,000	–	–	118,168
Additions	–	–	–	–	–
Disposals	–	–	–	–	–
Reclassification/transfer	–	–	–	–	–
At 31 December 2014	19,168	99,000	–	–	118,168

	Goodwill £'000	Brand £'000	Software £'000	Purchased contracts £'000	Total £'000
Accumulated amortisation					
At 1 January 2014	–	–	–	–	–
Charge for the period	–	–	–	–	–
Disposals	–	–	–	–	–
At 31 December 2014	–	–	–	–	–

	Goodwill £'000	Brand £'000	Software £'000	Purchased contracts £'000	Total £'000
Carrying amount					
At 31 December 2014	19,168	99,000	–	–	118,168
At 1 January 2014	19,168	99,000	–	–	118,168

Goodwill for the years ended 31 December 2014 and 2015 has been allocated to segments as follows: Sales £9,819k, Lettings £9,349k and Mortgage Broking (£nil).

The goodwill and other intangible assets recognised arose on the acquisition of Foxtons Intermediate Holdings Limited and its subsidiaries.

The recoverable amount of the above has been calculated using value in use determined from cash flow projections from formally approved budgets and forecasts covering a three year period for each cash-generating unit ("CGU"). The key assumptions in determining the cash flows are expected changes in sales and lettings volumes and direct costs to be incurred during the forecast period. These assumptions are based upon a combination of past experience of recently observable trends and expectations of future changes in the market.

To evaluate the recoverable amount of each CGU or group of CGUs, a terminal value has been assumed after the third year and includes a growth rate in the cash flows of 2% (2014: 2%) into perpetuity. The discount rates used reflect the risks specific to the CGUs.

The brand asset has been tested for impairment by aggregating the value in use amounts computed in the goodwill impairment test for each CGU, being the aggregation of Sales and Lettings. This grouping of CGUs represents the lowest level at which management monitors the brand internally, and reflects the way in which the brand asset is viewed as relating to the Sales and Lettings segments as a whole, rather than being allocated to each segment on an arbitrary basis.

The calculated value in use for Sales is £352 million (2014: £201 million), for Lettings £277 million (2014: £322 million) and for the aggregation of Sales and Lettings is £629 million (2014: £523 million). The pre-tax rate used to discount cash flows from Sales is 10.30% (2014: 10.67%), from Lettings is 9.80% (2014: 10.17%) and from the aggregation of Sales and Lettings is 10.05% (2014: 10.42%).

The headroom taken from the calculation was significant, with Sales at £325 million (2014: £175 million), for Lettings £248 million (2014: £295 million) and for the aggregation of Sales and Lettings, £483 million (2014: £379 million). The calculations were flexed for reasonable changes in the underlying assumptions which did not indicate the assets should be impaired. There have been no indicators of impairment for either goodwill or the brand asset during the periods presented.

14. Property, plant and equipment

	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Cost					
At 1 January 2015	**25,583**	**10,557**	**1,533**	**1,340**	**39,013**
Additions	**22**	**561**	**908**	**6,073**	**7,564**
Disposals	**(20)**	**(3)**	**(566)**	**–**	**(589)**
Reclassification/transfer	**3,852**	**1,685**	**–**	**(5,537)**	**–**
At 31 December 2015	**29,437**	**12,800**	**1,875**	**1,876**	**45,988**

	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Accumulated depreciation					
At 1 January 2015	**7,981**	**6,400**	**565**	**–**	**14,946**
Charge for the period	**2,295**	**1,693**	**503**	**–**	**4,491**
Disposals	**(12)**	**–**	**(453)**	**–**	**(465)**
At 31 December 2015	**10,264**	**8,093**	**615**	**–**	**18,972**

	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Carrying amount					
At 31 December 2015	**19,173**	**4,707**	**1,260**	**1,876**	**27,016**
At 1 January 2015	**17,602**	**4,157**	**968**	**1,340**	**24,067**

14. Property, plant and equipment (continued)

	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Cost					
At 1 January 2014	21,214	8,931	1,862	720	32,727
Additions	28	935	515	5,662	7,140
Disposals	–	(10)	(844)	–	(854)
Reclassification/transfer	4,341	701	–	(5,042)	–
At 31 December 2014	25,583	10,557	1,533	1,340	39,013

	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Accumulated depreciation					
At 1 January 2014	5,804	4,915	671	–	11,390
Charge for the period	2,177	1,495	453	–	4,125
Disposals	–	(10)	(559)	–	(569)
At 31 December 2014	7,981	6,400	565	–	14,946

	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Carrying amount					
At 31 December 2014	17,602	4,157	968	1,340	24,067
At 1 January 2014	15,410	4,016	1,191	720	21,337

15. Subsidiaries

A list of the investments in subsidiaries is included below:

Name	Place of incorporation and operation	Principal activity	Proportion of ownership interest held in ordinary shares %	Proportion of voting power held %
Foxtons Intermediate Holdings Limited	United Kingdom	Holding company	100%	100%
Foxtons Operational Holdings Limited	United Kingdom	Holding company	100%	100%
Foxtons Limited	United Kingdom	Estate agency	100%	100%
Alexander Hall Associates Limited	United Kingdom	Mortgage broker	100%	100%
Alexander Hall Direct Limited	United Kingdom	Dormant	100%	100%

16. Trade and other receivables

	2015 £'000	2014 £'000
Trade receivables	**13,287**	12,131
Allowance for doubtful debts	**(1,722)**	(1,812)
Net trade receivables	**11,565**	10,319
Other debtors	**582**	448
	12,147	10,767

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

Trade and other receivables are all current and any fair value difference is not material. Trade receivables are considered past due once they have passed their contracted due date.

Amounts invoiced to customers on exchange of sales contract or signing of lettings contract are due immediately, albeit in the case of lettings they may be collected over time through initial rental payments received. For sales, the vast majority of our receivables are received directly from the conveyancing lawyer working on behalf of the vendor. These processes facilitate the prompt collection of receivables. Our negotiators track payment and are incentivised to collect these receivables promptly as commission is based on amounts received in cash. Should a debt become 21 days overdue this is referred to our legal department unless there is a valid reason to the contrary. Outstanding debts are also monitored by Branch Managers and Area Directors. The finance team liaises closely with the legal team and is notified should it be decided that a debt is unlikely to be recovered. The Group has recognised an allowance for doubtful debts of 100% against all receivables over 180 days because historical experience has been that receivables which are past due beyond 180 days are not recoverable. Allowances against doubtful debts recognised against trade receivables between 30 days and 180 days are based on estimated irrecoverable amounts when information comes to our attention that a receivable is irrecoverable.

The Group does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

Trade receivables disclosed above include amounts which are past due at the reporting date but against which the Group has not recognised an allowance for doubtful receivables as we are not aware of any information to suggest that there has been a significant change in credit quality and consequently the amounts are still considered recoverable.

Trade debtor days at the year end were 27 days (2014: 26 days).

16. Trade and other receivables (continued)

Movement in the allowance for doubtful debts

Foxtons Group plc	Allowance for doubtful debts £'000
At 1 January 2014	(1,749)
Amounts provided for during the period	(465)
Amounts utilised during the period	402
At 31 December 2014	(1,812)
Amounts provided for during the period	**(334)**
Amounts utilised during the period	**424**
At 31 December 2015	**(1,722)**

The concentration of credit risk is limited due to the customer base being large and unrelated.

The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

	2015			2014		
Ageing of receivables	**Gross trade receivables £'000**	**Impairment £'000**	**Net trade receivables £'000**	Gross trade receivables £'000	Impairment £'000	Net trade receivables £'000
0 – 30 days	**6,881**	**–**	**6,881**	7,445	–	7,445
31 – 60 days	**2,469**	**–**	**2,469**	1,228	–	1,228
61 – 90 days	**684**	**–**	**684**	592	–	592
91+ days	**3,253**	**(1,722)**	**1,531**	2,866	(1,812)	1,054
	13,287	**(1,722)**	**11,565**	12,131	(1,812)	10,319

The analysis of the age of financial assets which are past due at the end of the reporting period but not impaired is shown above as "net trade receivables". All of the receivables in the table above are past due but not impaired, with the exception of those included in the category 91+ days.

17. Deferred tax

Deferred tax assets and liabilities are only offset where the Group has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2015 £'000	2014 £'000
Deferred tax assets	**294**	876
Deferred tax liabilities	**(17,820)**	(19,800)
	(17,526)	(18,924)

Deferred tax liabilities relate to the intangible asset, the Foxtons brand, which has an indefinite life. This deferred tax liability will not reverse unless the Foxtons brand is impaired or sold by the Group. The deferred tax credit of £2.0 million in respect of intangible assets arose as a result of a reduction in future corporation tax rates.

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting periods.

Foxtons Group plc	Fixed assets £'000	Other temporary differences £'000	Tax losses carried forward £'000	Intangible assets £'000	Total £'000
At 1 January 2014	320	346	–	(19,800)	(19,134)
(Charge)/credit to profit or loss	(281)	44	447	–	210
At 31 December 2014	**39**	**390**	**447**	**(19,800)**	**(18,924)**
(Charge)/credit to profit or loss	**(92)**	**(262)**	**(228)**	**1,980**	**1,398**
At 31 December 2015	**(53)**	**128**	**219**	**(17,820)**	**(17,526)**

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences to the extent that it is probable that these assets will be recovered through future taxable profits.

Tax losses carried forward

A deferred tax asset totalling £0.2 million has been recognised in relation to tax losses carried forward. This relates to £nil (2014: £0.4 million) of unused tax losses in Alexander Hall Associates Limited and £1.2 million (2014: £1.9 million) of unused tax losses in Foxtons Intermediate Holdings Limited at 31 December 2015. Foxtons Intermediate Holdings Limited has £40.9 million of unused losses (2014: £41.0 million) for which a deferred tax asset has not been recognised on the basis that it is not considered probable that there will be future taxable profits available. These losses may be carried forward indefinitely.

18. Trade and other payables

	2015 £'000	2014 £'000
Trade creditors	**2,786**	1,091
Social security and other taxes	**2,615**	2,420
VAT	**1,565**	889
Accruals	**3,742**	3,399
Other creditors	**218**	210
	10,926	8,009

The Directors consider that the carrying amount of trade payables approximates their fair value. The average trade creditor days as at 31 December 2015 were 22 days (31 December 2014: 13 days).

19. Deferred revenue and lettings refund liability

	2015 £'000	2014 £'000
Deferred revenue	**425**	288
Lettings refund liability	**4,228**	4,074
	4,653	4,362

20. Provisions

Foxtons Group plc	Sales provision £'000	Other provisions £'000	Total £'000
At 1 January 2015	**104**	**25**	**129**
Increase in provision	**85**	**40**	**125**
Utilisation of provision	**(46)**	**(13)**	**(59)**
At 31 December 2015	**143**	**52**	**195**

All provisions are classified as current liabilities.

Sales provision
This relates to the repayment of commissions within Alexander Hall Associates Limited which are expected to be used within the following four years.

Other provisions
These are incurred in the ordinary course of business and primarily include the complaints provision. This provision relates to unresolved client complaints which may result in compensation.

21. Share capital

	2015 £'000	2014 £'000
Authorised, allotted, issued and fully paid:		
Ordinary shares of £0.01 each		
At 1 January	**2,822**	2,822
Share buy-back	**(5)**	–
At 31 December	**2,817**	2,822

The Company commenced a share buy-back scheme on 16 December 2015, to make on-market purchases of Foxtons ordinary shares in line with the Company's policy of returning excess cash to Shareholders. Before the buy-back, the £2,822k related to 282,176,468 of ordinary shares. After the buy-back of 510,283 shares (purchase price £924k), the balance of £2,817k at 31 December 2015 relates to 281,666,185 ordinary shares.

After year end, a further 6,561,794 shares were purchased at a cost of £11.1 million (nominal value £66k) leaving 275,104,391 ordinary shares in issue as at 7 March 2016.

22. Own shares held

	2015 £'000	2014 £'000
Balance at 1 January	**1,540**	–
Acquired in period	**–**	**1,540**
Balance at 31 December	**1,540**	**1,540**

The own shares reserve represents the cost of shares in Foxtons Group plc purchased in the market and held by the Foxtons Group plc Employee Benefit Trust to satisfy options under the Group's share options schemes (see note 29). The number of ordinary shares held by the Employee Benefit Trust at 31 December 2015 was 500,000 (2014: 500,000).

23. Share premium account

	Share premium £'000
Balance at 1 January 2014, 31 December 2014 and 31 December 2015	**52,727**

24. Notes to the cash flow statement

	2015 £'000	2014 £'000
Operating profit	**40,921**	42,019
Adjustments for:		
Depreciation of property, plant and equipment	**4,491**	4,125
Gain on disposal of property, plant and equipment	**(109)**	(39)
Amortisation of intangibles	**17**	–
Increase/(decrease) in provisions	**66**	(28)
Share-based payment cost	**687**	96
Operating cash flows before movements in working capital	**46,073**	46,173
(Increase)/decrease in receivables	**(1,151)**	2,398
Increase/(decrease) in payables	**3,126**	(2,700)
Cash generated by operations	**48,048**	45,871
Income taxes paid	**(8,344)**	(10,324)
Net cash from operating activities	**39,704**	35,547

Cash and cash equivalents

	2015 £'000	2014 £'000
Cash and cash equivalents	**25,619**	22,533

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts. The carrying amount of these assets is approximately equal to their fair value. Cash and cash equivalents excludes client monies. See note 28.

25. Operating lease arrangements

The Group as lessee

	2015 £'000	2014 £'000
Lease payments under operating leases recognised as an expense in the period	**12,162**	11,492

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015 £'000	2014 £'000
Within one year	**13,161**	9,856
In the second to fifth years inclusive	**33,066**	29,651
After five years	**31,987**	31,280
	78,214	70,787

Operating lease payments represent rentals payable by the Group for certain of its office properties and cars under contract hire. Leases on offices are negotiated for an average term of 15 years and rentals are fixed for an average of five years.

The Group as lessor

	2015 £'000	2014 £'000
Lease receipts under operating leases recognised in the period	**333**	317

At the balance sheet date, third parties had outstanding commitments due to the Group for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015 £'000	2014 £'000
Within one year	**331**	300
In the second to fifth years inclusive	**1,022**	1,030
After five years	**200**	419
	1,553	1,749

Operating lease payments represent rentals payable to the Group for certain recharges for rental of a proportion of its office properties.

26. Financial instruments

Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns whilst maximising the return to Shareholders.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to Shareholders, undertake share buy-backs, return capital to Shareholders, issue new shares or negotiate debt facilities.

The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

A regulated subsidiary of the Group, Alexander Hall Associates Limited, is subject to externally imposed capital requirements. The required amount is calculated as 2.5% of the subsidiary's annual revenue as defined by the Financial Conduct Authority. As at 31 December 2015, the threshold was £206k (2014: £153k), for which the entity is in compliance.

Gearing ratio
The gearing ratio at each period end is as follows:

	2015 £'000	2014 £'000
Cash and cash equivalents	**25,619**	22,533
Net funds/(debt)	**25,619**	22,533
Equity	**152,585**	146,290
Net funds to equity ratio	**(17)%**	(15)%

Equity includes all capital and reserves of the Group that are managed as capital.

Categories of financial instruments

	2015 £'000	2014 £'000
Financial assets		
Cash and bank balances	**25,619**	22,533
Loans and receivables	**12,147**	10,767
Financial liabilities		
Financial liabilities recorded at amortised cost	**(8,311)**	(5,589)

Financial risk management objectives
The Group closely monitors cash requirements to ensure sufficient funds are held for the operations of the Group.

Interest rate risk management
The Group is exposed to interest rate risk because entities in the Group earn interest on client deposits (see note 28).

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

26. Financial instruments (continued)

Interest rate sensitivity analysis
The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at balance sheet date was outstanding for the whole period.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's profit before tax and total equity for the 12 months ended 31 December 2015 would increase/decrease by £1.1 million (year ended 31 December 2014: decrease/increase by £0.8 million).

Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

Trade receivables consist of a large number of customers and are monitored on an ongoing basis.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk to any counterparty did not exceed 1% of gross monetary assets at any time during the period.

The credit risk on liquid funds is considered to be limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk as no collateral or other credit enhancements are held.

Client funds (see note 28) are held with three financial institutions with high credit ratings assigned by international credit-rating agencies. The credit risk of banks cannot be totally eliminated. However, as the funds are client monies there is the additional protection of the Financial Services Compensation Scheme (FSCS) under which the government guarantees amounts of up to £75k each. This guarantee applies to each individual client's deposit monies, not the sum total on deposit.

Liquidity risk management
Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The inclusion of information on non-derivative financial assets is necessary to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

The Group's non-derivative financial assets and liabilities consist of trade and other receivables, cash and trade and other payables. The Group's expected maturity for its non-derivative financial assets and liabilities is less than one month as trade receivables and payables are payable on exchange.

	Less than 1 month £'000
31 December 2015	
Cash and cash equivalents	**25,619**
Trade and other receivables	**12,147**
Trade and other payables	**(10,926)**
	26,840
31 December 2014	
Cash and cash equivalents	22,533
Trade and other receivables	10,767
Trade and other payables	(8,009)
	25,291

The Group does not hold any financial instruments categorised as level 1, 2 or 3 as detailed by IFRS 13.

26. Financial instruments (continued)

Management considers that the book value of financial assets and liabilities recorded at amortised cost and their fair value are approximately equal.

The book value and fair value of the Group's financial assets, liabilities and derivative financial instruments are as follows:

	2015 £'000	2014 £'000
Cash and cash equivalents	**25,619**	22,533
Trade and other receivables	**12,147**	10,767
Trade and other payables	**(10,926)**	(8,009)

27. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Remuneration of key management personnel
The remuneration of the key management personnel of the Group is set out below in aggregate for each of the categories specified in IAS 24: Related Party Disclosures. Our definition of key management personnel in the year includes the Executive and Non-Executive Directors of Foxtons Group plc and the Chief Operating Officer of Foxtons Limited.

	2015 £'000	2014 £'000
Key management personnel remuneration excluding share-based payments	**1,981**	1,648

28. Client monies

At 31 December 2015, client monies (all held by Foxtons Limited) in approved bank and building society accounts amounted to £84.8 million (31 December 2014: £82.8 million). Neither this amount nor the matching liabilities to the clients concerned is included in the consolidated balance sheet. Foxtons Limited's terms and conditions provide that interest income on these deposits accrues to the Company.

Client funds are protected by the Financial Services Compensation Scheme ("FSCS") under which the government guarantees amounts up to £75,000 each. This guarantee applies to each individual client's deposit monies, not the sum total on deposit.

29. Share-based payments

Equity-settled share option scheme
The Company has a share option scheme for employees of the Group. The awards have been made in the form of an option with a £nil option price. The vesting period is under three years. If the options remain unexercised after a period of 10 years from the date of grant the options expire. The treatment of leavers before options vest is determined by good leaver/bad leaver provisions detailed in the plan rules as set out in the table on page 47.

Employer's NI is being accrued, where applicable, at the rate of 13.8% which management expects to be the prevailing rate at the time the options are exercised. The total NI charge for the year was £83,327 (2014: £11,582).

Details of the share options outstanding during the year are as follows.

	2015		2014	
	Number of share options	**Weighted average exercise price (in £)**	Number of share options	Weighted average exercise price (in £)
Outstanding at beginning of period	**1,609,652**	**–**	–	–
Granted during the period	**1,485,392**	**£nil**	1,609,652	£nil
Forfeited during the period	**(198,207)**	**–**	–	–
Outstanding at the end of the period	**2,896,837**	**£nil**	1,609,652	£nil
Exercisable at the end of the period	**–**	**–**	–	–

The options outstanding at 31 December 2015 had a weighted average remaining contractual life of nine years (2014: 10 years). In 2015, options were granted on 16 March 2015. The aggregate of the estimated fair values of the options granted is £2.1 million (2014: £2.5 million). The inputs into the Black-Scholes and Monte Carlo models are as follows:

	2015	2014
Weighted average share price	**190p**	221p
Weighted average exercise price	**Nil**	Nil
Expected volatility	**27%**	27%
Expected life	**2.96 years**	2.44 years
Risk-free rate	**0.9%**	0.5%
Expected dividend yield	**4.8%**	5.9%

Expected volatility was determined by calculating the historical volatility of the share price of comparable listed companies over the previous three years. This is estimated based on comparable companies in line with IFRS 2 as there was insufficient historical information for Foxtons as it listed in September 2013. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The Group recognised total expenses of £603k (net of NI) in the year ended 31 December 2015 (2014: £84k) related to equity-settled share-based payment transactions.

A summary of the main features of each scheme is given below.

Long term incentive plan (LTIP)
Awards are subject to market and non-market performance conditions and vest over a three year period, with discretion available to the Remuneration Committee.

Senior management long term incentive plan (SLTIP)
Awards are subject to market and non-market performance conditions and vest over a three year period, with discretion available to the Remuneration Committee.

Restricted share incentive plan (RSIP)
Awards are subject to non-market performance conditions and vest over a three year period, with discretion available to the Remuneration Committee.

30. Operating cash conversion and net free cash flow

Operating cash conversion is defined as the ratio of Adjusted operating cash to Adjusted EBITDA. Adjusted operating cash is defined as Adjusted EBITDA less the movement in working capital and net capital spend.

	Notes	**2015 £'000**	2014 £'000
Adjusted EBITDA	5	**46,007**	46,200
(Increase)/decrease in receivables	24	**(1,151)**	2,398
Increase/(decrease) in payables	24	**3,126**	(2,700)
Increase/(decrease) in provisions	24	**66**	(28)
Purchases of property, plant and equipment		**(7,564)**	(7,140)
Purchases of intangibles		**(518)**	–
Proceeds on disposal of property, plant and equipment		**233**	324
Adjusted operating cash		**40,199**	39,054
Operating cash conversion		**87.4%**	84.5%

Net free cash flow is used as a measure of financial performance and is highlighted on page 1. It is defined as net cash from operating activities less net cash used in investing activities exclusive of exceptional items.

	Notes	**2015 £'000**	2014 £'000
Net cash from operating activities	24	**39,704**	35,547
Investing activities			
Interest received		**150**	129
Proceeds on disposal of property, plant and equipment		**233**	324
Purchases of property, plant and equipment		**(7,564)**	(7,140)
Purchases of intangibles		**(518)**	–
Net cash used in investing activities		**(7,699)**	(6,687)
Other adjusting items: purchase of own shares	22	**–**	(1,540)
Net free cash flow		**32,005**	27,320

	Notes	2015 £'000	2014 £'000
Fixed assets			
Investment in subsidiaries	33	**31,887**	31,284
		31,887	31,284
Current assets			
Debtors	34	**28,959**	30,064
Cash and cash equivalents		**17,982**	17,517
		46,941	47,581
Current liabilities			
Creditors: amounts falling due within one year	35	**(601)**	(337)
Net current assets		**46,340**	47,244
Net assets		**78,227**	78,528
Capital and reserves			
Called up share capital		**2,817**	2,822
Other capital reserve		**2,582**	2,582
Capital redemption reserve	21	**5**	–
Own shares reserve	22	**(1,540)**	(1,540)
Share premium		**52,727**	52,727
Retained earnings		**21,636**	21,937
Shareholders' funds		**78,227**	78,528

The financial statements of Foxtons Group plc, registered number 07108742, were approved by the Board of Directors on 7 March 2016.

Signed on behalf of the Board of Directors

Gerard Nieslony
Chief Financial Officer

	Share capital £'000	Own shares reserve £'000	Capital redemption reserve £'000	Other capital reserve £'000	Share premium £'000	Retained earnings £'000	Total Shareholders' funds £'000
Balance at 31 December 2014	**2,822**	**(1,540)**	–	**2,582**	**52,727**	**21,937**	**78,528**
Total comprehensive income for the year	–	–	–	–	–	**27,993**	**27,993**
Dividends	–	–	–	–	–	**(27,970)**	**(27,970)**
Share buy-back	**(5)**	–	**5**	–	–	**(927)**	**(927)**
Capital contribution given relating to share-based payments	–	–	–	–	–	**603**	**603**
Balance at 31 December 2015	**2,817**	**(1,540)**	**5**	**2,582**	**52,727**	**21,636**	**78,227**

	Share capital £'000	Own shares reserve £'000	Other capital reserve £'000	Share premium £'000	Retained earnings £'000	Total Shareholders' funds £'000
Balance at 1 January 2014	2,822	–	2,582	52,727	21,501	79,632
Total comprehensive income for the year	–	–	–	–	28,491	28,491
Dividends	–	–	–	–	(28,139)	(28,139)
Own shares acquired in the period	–	(1,540)	–	–	–	(1,540)
Capital contribution given relating to share-based payments	–	–	–	–	84	84
Balance at 31 December 2014	2,822	(1,540)	2,582	52,727	21,937	78,528

At 31 December 2015, retained earnings is fully distributable.

31. Significant accounting policies

The accounting policies set out below have been applied in preparing the financial statements for the years ended 31 December 2014 and 2015. The principal accounting policies and judgements adopted are the same as those set out in notes 3 and 4 to the consolidated financial statements except as noted below.

Basis of preparation
The Company's financial statements are prepared in accordance with the Companies Act 2006. The Company meets the definition of FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2015 the Company has decided to adopt FRS 101 and has undergone transition from reporting under UK GAAP to FRS 101 as issued by the Financial Reporting Council. Accordingly, the financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. This transition is not considered to have a material effect on the financial statements. The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of a cash flow statement, standards not yet effective and related party transactions.

The Company has applied FRS 101 'Reduced Disclosure Framework' 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 made to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 that are effective date of accounting periods beginning on or after 1 January 2016.

Investments in subsidiary companies
Investments in subsidiaries are recognised at cost less provisions for impairment.

Going concern
After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future having considered the Company forecasts and projections, taking account of reasonably possible changes in trading performance and the current economic uncertainty. Accordingly, they have adopted the going concern basis in preparing the financial statements.

32. Profit for the year

As permitted by Section 408 of the Companies Act 2006, the Company has elected not to present its own income statement for the financial year. The Company's profit for the year was £28.0 million (2014: £28.5 million).

The Company has no employees at 31 December 2015 (2014: none).

The auditor's remuneration for audit and other services is disclosed in note 7 to the consolidated financial statements.

33. Investment in subsidiary undertakings

Investments in subsidiary undertakings were as follows:

	£'000
At 1 January 2014	31,200
Capital contribution arising from share-based payments	84
At 31 December 2014	**31,284**
Capital contribution arising from share-based payments	**603**
At 31 December 2015	**31,887**

Investments in subsidiaries are stated at cost, less any provision for impairment.

The subsidiary undertakings, all of which are wholly owned and included in the consolidated accounts, are shown in note 15 to the consolidated financial statements.

34. Debtors

Amounts falling due within one year:	**2015 £'000**	2014 £'000
Amounts owed by subsidiary undertakings	**28,854**	29,949
Prepayments and accrued income	**105**	115
	28,959	30,064

Amounts owed by subsidiary companies are unsecured and repayable on demand.

35. Creditors: amounts falling due within one year

Amounts falling due within one year:	**2015 £'000**	2014 £'000
Accruals	**(601)**	(337)
	(601)	(337)

Opinion on financial statements of Foxtons Group plc

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2015 and of the Group's profit for the period then ended;
- the consolidated financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 Reduced Disclosure Framework; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the consolidated financial statements, Article 4 of the IAS Regulation.

The financial statements comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated cash flow statement and the related notes 1 to 30, and the parent company balance sheet, parent company statement of changes in equity and the related notes 31 to 35. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and IFRSs as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework.

Going concern and the Directors' assessment of the principal risks that would threaten the solvency or liquidity of the Group

As required by the Listing Rules, we have reviewed the Directors' statement regarding the appropriateness of the going concern basis of accounting contained within note 3 to the financial statements and the Directors' statement on the longer-term viability of the Group contained within the Strategic Report on page 25.

We have nothing material to add or draw attention to in relation to:

- the Directors' confirmation on page 36 that they have carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity;
- the disclosures on pages 22 to 25 that describe those risks and explain how they are being managed or mitigated;
- the Directors' statement in note 3 to the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them and their identification of any material uncertainties to the Group's ability to continue to do so over a period of at least 12 months from the date of approval of the financial statements;
- the Director's explanation on page 25 as to how they have assessed the prospects of the Group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We agreed with the Directors' adoption of the going concern basis of accounting and we did not identify any such material uncertainties. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Independence

We are required to comply with the Financial Reporting Council's Ethical Standards for Auditors and we confirm that we are independent of the Group and we have fulfilled our other ethical responsibilities in accordance with those standards. We also confirm we have not provided any of the prohibited non-audit services referred to in those standards.

Our assessment of risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

The Audit Committee has requested that, while not currently required under International Standards on Auditing (UK and Ireland), we include in our Report any key observations in respect of those assessed risks of material misstatement.

Risk	How the scope of our audit responded to the risk	Key observations
Impairment of goodwill and other intangible assets The Group's value of goodwill and other intangible assets as at 31 December 2015 totalled £118.7 million, of which £99 million relates to the Foxtons brand. In combination, these assets represent 78% of the Group's balance sheet net asset value. Assessment of impairment of goodwill and other intangible assets is a judgemental process, which requires a value in use consideration. Calculating the value in use requires estimates of future cash flows and associated discount rates and growth rates. Further information in this area is discussed in the significant accounting policies in note 3, critical accounting estimates and judgements in note 4 and the disclosures in note 13.	We have challenged management's key assumptions relating to the estimated future cash flows, growth rate and the discount rates applied through benchmarking against comparator businesses, our understanding of the future prospects of the business, with particular focus on assessment of forecasts against historical forecast accuracy. We have used internal valuation specialists to assess the appropriateness of the assumptions used to calculate the discount rate. We have agreed source data for the discount rates to third party analysis and assessed these assumptions against the prevailing Group cost of capital. We have considered the sensitivities performed by management and recalculated the headroom available under the sensitised positions.	The evidence we examined supported the Directors' conclusion that there are no indicators suggesting that the carrying value of the goodwill and other intangible assets is impaired. Additionally, we have found the key assumptions management has used to calculate the value in use are appropriate and the value in use supports the carrying value of the goodwill and other intangible assets.
Revenue recognition in respect of lettings commission A significant volume of lettings contracts include break clauses. The Group recognises revenue from lettings commission based on its estimate of the period of the tenant's occupation of the lease. This requires management judgement in respect of estimating the likelihood of a break clause being exercised. Management consider the Group lettings portfolio to be homogenous and therefore calculate the estimate using historical data for all letting contracts. A lettings refund liability of £4.2 million has been recognised at 31 December 2015. Further information in this area is discussed in the significant accounting policies in note 3 and critical accounting estimates and judgements in note 4.	We have tested the controls in relation to the lettings business cycle and reporting systems used. We have challenged management's judgement of the likelihood of a break clause being exercised by reference to historic average lease lengths, including reviewing a sample of lettings contracts, to assess whether the overall level of revenue recognised at the year end was within a tolerable threshold.	We are satisfied that management's assumptions and estimates applied in calculating the letting commission were appropriate and applied consistently. Our testing has not identified any instances above our clearly trivial threshold of inappropriate revenue recognition.

Last year our Report included one other risk which was not included in our Report this year, being the valuation of share options. As 2014 was the first year the Group had issued share options, this risk was presented in our audit report. In the current year the share options are accounted for on a consistent basis and are no longer considered to have had the greatest effect on our audit strategy.

The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on page 38.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Group to be £2.05 million (2014: £2.1 million), which is below 5% of profit before tax, and below 2% of equity. This has been determined with a consistent approach to that used in 2014.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £41,000 (2014: £42,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our Group audit scope covers 100% (2014: 100%) of the Group companies, all of which are UK legal entities with the full scope audit procedures performed entirely by the central audit team using a statutory materiality appropriate for each entity which was lower than Group materiality and ranged from £0.1 million to £1.9 million. At the parent entity level, we also tested the consolidation process.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and 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

Adequacy of explanations received and accounting records
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

Directors' remuneration
Under the Companies Act 2006 we are also required to report if, in our opinion, certain disclosures of Directors' remuneration have not been made or the part of the Directors' Remuneration Report to be audited is not in agreement with the accounting records and returns. We have nothing to report arising from these matters.

Corporate Governance Statement
Under the Listing Rules we are also required to review the part of the Corporate Governance Statement relating to the Company's compliance with certain provisions of the UK Corporate Governance Code. We have nothing to report arising from our review.

Our duty to read other information in the Annual Report
Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the Annual Report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the Annual Report is fair, balanced and understandable and whether the Annual Report appropriately discloses those matters that we communicated to the Audit Committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.

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). We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team and independent partner reviews.

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.

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 Group's and the parent 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.

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

7 March 2016

2015 Financial Year	
2015 financial year end	31 December 2015
Preliminary announcement	8 March 2016
Publish Annual Report and Accounts	April 2016
Ex-final dividend date	28 April 2016
Final record date	29 April 2016
AGM	18 May 2016
Final dividend payment date	26 May 2016

2016 Financial Year	
1st quarter trading update	April 2016
Interim period end	30 June 2016
Announcement of interim results	29 July 2016
Interim ex-dividend date	1 September 2016
Interim record date	2 September 2016
Interim dividend payment date	27 September 2016
3rd quarter trading update	October 2016
2016 financial year end	31 December 2016
Year end trading update	February 2017
Preliminary announcement	March 2017
Publish Annual Report and Accounts	April 2017
Ex-final dividend date	April 2017
Final record date	May 2017
AGM	May 2017
Final dividend payment date	May 2017

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