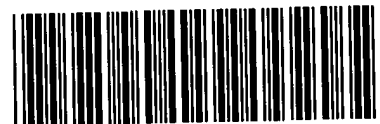


Company Registration No. 01864469 (England and Wales)

YOUR-MOVE.CO.UK LIMITED
STRATEGIC REPORT, DIRECTORS' REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

TUESDAY



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COMPANIES HOUSE

YOUR-MOVE.CO.UK LIMITED

COMPANY INFORMATION

Directors

D J Newnes
J McAuley
L Charles-Jones
P Hardy
W G Fowlis
S A Cooke
S Cox
J A Cooke (Appointed 14 April 2014)

Secretary

S Bedi Fitzgerald

Company number

01864469

Registered office

Newcastle House
Albany Court
Newcastle Business Park
Newcastle-upon-Tyne
England
NE4 7YB

Auditors

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

Bankers

Barclays Bank PLC
York Area Group
1,2 & 3 Parliament Street
York
YO1 8XD

YOUR-MOVE.CO.UK LIMITED

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YOUR-MOVE.CO.UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present the strategic report and financial statements for the year ended 31 December 2013.

Review of the business

The company made an operating profit of £4,912,000 against an operating profit in 2012 of £2,416,000.

The company's key financial and other performance indicators during the year were as follows:-

	2013	2012	Change %
Turnover (£000)	77,599	70,257	10%
Operating profit (£000)	4,912	2,416	103%
Margin (%)	6.33%	3.44%	
Number of exchange units	14,658	14,161	4%
Average commission fee (£)	2,225	2,102	1%
Number of owned branches	213	221	4%
Number of franchised branches	78	76	3%

Turnover increased by 10% during the year, this was driven by an improving market, gains in average sales fee and continued growth in financial services.


Principal risks and uncertainties

The Principal risks and uncertainties facing the Company are as follows:-

- The volume of house sales and the Company's turnover and profitability could be adversely affected by the following external factors: the housing market; customer behaviour; competition from other estate agents and changes in legislation.
- The Company's results could also be affected by the following internal factors: failure to recruit or retain key staff; failure of information systems; failure to comply with relevant legislation or failure of the franchise model or a number of the franchisees.

Future developments

The business will continue to develop counter cyclical income streams and to assess opportunities along the value chain which will strengthen the ability of the estate agency business to trade successfully through market downturns. Lettings have grown substantially over the last year and there is continued focus on this growth area. The business continues to manage closely the costs and the fee charged for property sales.



.....
P Hardy

Director

..... 26/9/14

YOUR-MOVE.CO.UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and financial statements for the year ended 31 December 2013.

Principal activities

The principal activity of the company continued is the provision of estate agency services and related activities. The directors consider that this will continue unchanged for the foreseeable future.

Going concern

The Company is expected to generate positive cash flows on its own account for the foreseeable future. The Company participates in the group's centralised treasury management and so shares banking arrangements with its fellow subsidiaries.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have no reason to believe that a material uncertainty exists that may cast significant doubt over the ability of the group to continue as a going concern or its ability to continue with current banking arrangements.

Results and dividends

The results for the year are set out on page 7.

The profit for the year, after taxation, amounted to £4,492,000 (2012 Profit £1,944,000).

No Dividend was paid during the year and the directors do not recommend the payment of a final dividend (2012: £nil)

Directors

The following directors have held office since 1 January 2013:

S D Embley	(Resigned 30 April 2014)
D J Newnes	
J McAuley	
L Charles-Jones	
P Hardy	
W G Fowles	
S A Cooke	
S Cox	
H L Woodhouse	(Appointed 1 January 2013 and resigned 31 March 2014)
J A Cooke	(Appointed 14 April 2014)

Political donations

There were no political donations made during the year (2012: £Nil).

Employee involvement

Employees are informed regularly about aspects of the business and its progress, which the Company considers are relevant to them. The Company operates a personnel policy, which ensures that employees are consulted and involved in decisions, which affect them and their jobs. The Company endeavours to encourage employees to maintain a sense of identity with its aims and objectives.

YOUR-MOVE.CO.UK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

Disabled persons

Applications for employment by disabled persons are always fully and fairly considered, taking into account the aptitudes and abilities of the applicant concerned. Where employees become disabled the Company endeavours to continue to employ them and to arrange appropriate training, provided there are duties which they can perform, bearing in mind the handicap or disability. It is the policy of the Company that training, career development and promotion of disabled employees should, as far as possible, be identical to that of other employees.

Financial instruments

Liquidity risk

The Treasury Department in the ultimate parent company managed the liquidity risk in the group, in which they monitor the cash flow position of the company to prevent shortage of funds to meet liabilities when they fall due.

Credit risk

There are no significant concentrations of credit risk within the company. The company is exposed to a credit risk in respect to revenue transactions (i.e. turnover from customers). It is the Company policy to obtain appropriate details of new customers before entering into contracts. The majority of the customers use the Company's services as part of a house sale transaction and consequently the debt is paid from the proceeds realised from the sale of the house by the vendor's solicitors before the balance of funds is transferred to the vendor.

Auditors

On 10 July 2001, the members of the Company passed special resolutions to dispense with the holding of annual general meetings, the laying of directors' reports, financial statements and auditors' reports before the members in general meeting and the obligation to appoint auditors annually.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

YOUR-MOVE.CO.UK LIMITED

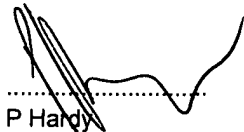
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



P Hardy

Director

26/9/14

YOUR-MOVE.CO.UK LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF YOUR-MOVE.CO.UK LIMITED

We have audited the financial statements of your-move.co.uk limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report, Directors' Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

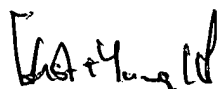
YOUR-MOVE.CO.UK LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF YOUR-MOVE.CO.UK LIMITED

Matters on which we are required to report by exception

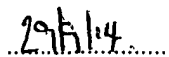
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Alistair Denton (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP

Statutory Auditor



1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

YOUR-MOVE.CO.UK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £000	2012 £000
Turnover	2	77,599	70,257
Administrative expenses		(72,866)	(68,687)
Other operating income		179	846
Operating profit		4,912	2,416
Exceptional items		-	(270)
Profit on ordinary activities before interest	3	4,912	2,146
Other interest receivable and similar income	4	522	579
Profit on ordinary activities before taxation		5,434	2,725
Tax on profit on ordinary activities	5	(942)	(781)
Profit for the year	19	4,492	1,944

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account in the current and preceeding period.

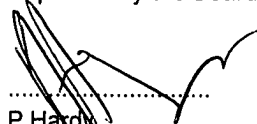
YOUR-MOVE.CO.UK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	2013 £000	2012 £000
Fixed assets			
Intangible assets	7	810	482
Tangible assets	6	4,689	3,081
		<u>5,499</u>	<u>3,563</u>
Current assets			
Debtors	10	34,965	31,572
		<u>34,965</u>	<u>31,572</u>
Creditors: amounts falling due within one year	8	(23,243)	(22,439)
Net current assets		<u>11,722</u>	<u>9,133</u>
Total assets less current liabilities		<u>17,221</u>	<u>12,696</u>
Provisions for liabilities	12	(54)	(229)
		<u>17,167</u>	<u>12,467</u>
Capital and reserves			
Called up share capital	18	7,476	7,476
Other reserves	19	192,546	192,422
Profit and loss account	19	(182,855)	(187,431)
Shareholders' funds	11	<u>17,167</u>	<u>12,467</u>

Approved by the Board and authorised for issue on 26/9/14


P Hardy
Director

Company Registration No. 01864469

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

The Company is expected to generate positive cash flows on its own account for the foreseeable future. The Company participates in the group's centralised treasury management and so shares banking arrangements with its fellow subsidiaries.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have no reason to believe that a material uncertainty exists that may cast significant doubt over the ability of the group to continue as a going concern or its ability to continue with current banking arrangements.

Statement of cash flows

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the Company's ordinary activities, stated net of value added tax. The turnover and pre-tax profit is attributable to the continuing activity of estate agency and related activities, the majority of which arises in the United Kingdom.

1.4 Goodwill

Positive goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life up to a presumed maximum of 20 years. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Negative goodwill relates to the excess of the fair value of the fixed assets acquired over their purchase price at the date of acquisition. The excess negative goodwill is written back to the profit and loss account in line with the estimated remaining useful life of the fixed assets acquired.

1.5 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

(Continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Over the shorter of the lease term or ten years
Plant and machinery	Over three years
Fixtures, fittings & equipment	Over three to Seven Years

1.7 Leasing

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases and rentals payable are charged in the profit and loss account on a straight line basis over the lease term.

1.8 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from the exchange fees in the estate agency business is recognised by reference to the legal exchange date of the housing transaction.

Financial services income

Revenue from mortgage procurement fees is recognised by reference to the completion date of the mortgage on the housing transaction. Revenue from the policy sales is recognised by reference to the date that the policy is accepted by the insurer.

Interest income

Revenue is recognised as interest accrues (using the effective interest method - that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Rental income

Rental income including the effect of lease incentives from sub-let properties is recognised on a straight line basis over the lease term.

1.9 Pensions

The Company operates a defined contribution pension scheme for employees. The assets of the scheme are invested and managed independently of the finances of the Company. The pension cost charge represents contributions payable in the year.

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

(Continued)

1.10 Deferred taxation

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

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1.11 Share-based payments

The equity share option programme allows employees to acquire shares of the ultimate holding company. The fair value of the option granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vests. No expense is recognised for awards that do not ultimately vest, except for equity settled transactions where vesting is conditional upon a market or non vesting condition, which is treated as vesting irrespective of whether or not the market or non market vested condition, is satisfied, provided that all other performance and/or service conditions are satisfied.

1.12 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of LSL Property Services plc, a company incorporated in England, and is included in the consolidated accounts of that company.

1.13 Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

(Continued)

1.14 Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to the situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3	Profit on ordinary activities before interest	2013 £000	2012 £000
	Profit on ordinary activities before interest is stated after charging/(crediting):		
	Amortisation of intangible assets	47	17
	Depreciation of tangible assets	1,439	1,287
	Operating lease rentals		
	- Plant and machinery	886	468
	- Land & Buildings	4,953	5,256
	Fees payable to the company's auditor for the audit of the company's annual accounts	22	22
		<u> </u>	<u> </u>
	Exceptional items:		
	Costs relating to branch restructures, including redundancies	-	195
	Onerous lease provision relating to branch closures	-	75
		<u> </u>	<u> </u>
		-	270
		<u> </u>	<u> </u>

4	Other interest receivable and similar income	2013 £000	2012 £000
	Bank interest	522	579
		<u> </u>	<u> </u>
		522	579
		<u> </u>	<u> </u>

Interest income of £522,000 (2012: £579,000) relates to interest generated on lettings deposit monies held on deposit.

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

5	Taxation	2013	2012
		£000	£000
	Current year tax		
	Amounts payable for group relief	1,183	739
	Adjustment for prior years	(280)	34
	Total current tax	903	773
	Deferred tax		
	Origination and reversal of timing differences	39	8
		942	781
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	5,434	2,725
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.25% (2012 - 24.50%)	1,263	668
	Effects of:		
	Non deductible expenses	-	6
	Depreciation in excess of capital allowances	30	30
	Non deductible goodwill amortisation	10	4
	Adjustments to previous periods	(280)	34
	Share based payments	19	51
	Movements on provisions	-	(20)
	Transfer Pricing	(139)	-
		(360)	105
	Current tax charge for the year	903	773

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

6 Tangible fixed assets

	Leasehold improvements £000	Plant and machinery £000	Fixtures, fittings & equipment £000	Total £000
Cost				
At 1 January 2013	3,391	5,784	6,246	15,421
Additions	-	2,197	850	3,047
At 31 December 2013	3,391	7,981	7,096	18,468
Depreciation				
At 1 January 2013	3,360	4,649	4,331	12,340
Charge for the year	10	660	769	1,439
At 31 December 2013	3,370	5,309	5,100	13,779
Net book value				
At 31 December 2013	21	2,672	1,996	4,689
At 31 December 2012	31	1,135	1,915	3,081

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

7 Intangible fixed assets

	Goodwill	Negative Goodwill	Total
	£000	£000	£000
Cost			
At 1 January 2013	580	(176)	404
Additions	375	-	375
	<u>955</u>	<u>(176)</u>	<u>779</u>
At 31 December 2013	955	(176)	779
Amortisation			
At 1 January 2013	82	(160)	(78)
Charge for the year	63	(16)	47
	<u>145</u>	<u>(176)</u>	<u>(31)</u>
At 31 December 2013	145	(176)	(31)
Net book value			
At 31 December 2013	810	-	810
	<u>810</u>	<u>-</u>	<u>810</u>
At 31 December 2012	498	(16)	482
	<u>498</u>	<u>(16)</u>	<u>482</u>

Negative Goodwill

On 15th January 2010 the ultimate parent company (LSL Property Services plc) (LSL) completed the acquisition of 100% of the share capital of New Daffodil Ltd (NDL) (formerly Halifax Estate Agents Ltd). Subsequent to acquisition, the business of NDL was reorganised within the Group and the business of NDL together with certain assets were transferred to LSL for a total consideration of £1 (one pound).

LSL then transferred some of the fixed assets with a fair value of £176,000 to the company for a consideration of £1 (one pound), and this resulted in the creation of the negative goodwill shown above. The negative goodwill is being amortised to match the usage of the assets acquired.

Positive Goodwill

The historic goodwill relates to the acquisition of Thornton Hill branches in 2007 which is being amortised over a period of 20 years.

In September 2011, the company entered into an asset purchase agreement with LetExpress for a consideration of £121,995. The fair value of the acquired assets was £nil and the resulting goodwill is being amortised over a period of 10 years.

In December 2011, the company acquired the entire share capital of NSK Management Ltd (trading as Destinations London) for a consideration of £285,000. After the purchase, the trade of NSK Management Ltd was transferred into the company and the investment was reclassified as goodwill. The provisional fair value of the assets was £nil and the resulting goodwill is being amortised over a period of 10 years. Upon final completion of the acquisition the goodwill was adjusted by £10,000 during 2012 to £275,000.

In October 2013, the company acquired the entire share capital of Breeze for a consideration of £375,000. The provisional fair value of the assets was nil and the resulting goodwill being amortised over a period of 10 years.

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

8	Creditors: amounts falling due within one year	2013 £000	2012 £000
	Bank loans and overdrafts	11	1,032
	Trade creditors	1,400	942
	Amounts owed to parent and fellow subsidiary undertakings	13,281	12,152
	Taxes and social security costs	2,159	1,702
	Other creditors	2,132	1,338
	Accruals and deferred income	4,260	5,273
		<u>23,243</u>	<u>22,439</u>

9 Pension and other post-retirement benefit commitments

Defined contribution

The Company operates defined contribution pension schemes for all its directors and certain employees. The assets of the schemes are held separately from those of the Company in independently administered funds.

The Company's contributions for 'old' members of the existing defined contribution section (those members who have always been in this scheme) throughout 2006, were 5% of pensionable salaries where members contribute and the cost of the death-in-service benefits.

The Company's contributions for 'new' members of the defined contribution stakeholder scheme (those members who were part of the Aviva scheme until the Company left the Aviva group in 2004) were 10% of pensionable salaries until the end of July 2007 where members contribute and the cost of the death-in-service benefits. From August 2007 the Company's contributions for these 'new' members of the defined contribution stakeholder scheme reverted to 5% of pensionable salaries where members contribute, and the cost of the death-in-service benefits.

Total contributions to both the defined contribution scheme and the defined contribution stakeholder scheme were £476,000 (2012 - £437,000).

There was an outstanding amount of £355,061 in respect of pensions as at 31 December 2013 (2012 - £89,137).

	2013 £000	2012 £000
Contributions payable by the company for the year	<u>476</u>	<u>437</u>

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

10 Debtors	2013 £000	2012 £000
Trade debtors	2,895	2,438
Amounts owed by parent and fellow subsidiary undertakings	24,858	22,249
Corporation tax	958	204
Group relief receivable	2,636	3,539
Prepayments and accrued income	2,923	2,408
Deferred tax asset (see note 12)	695	734
	<u>34,965</u>	<u>31,572</u>
11 Reconciliation of movements in shareholders' funds	2013 £000	2012 £000
Profit for the financial year	4,492	1,944
Share based payment transactions	208	208
Net addition to shareholders' funds	<u>4,700</u>	<u>2,152</u>
Opening shareholders' funds	12,467	10,315
Closing shareholders' funds	<u>17,167</u>	<u>12,467</u>

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

12 Provisions for liabilities

	Onerous Leases £000
Balance at 1 January 2013	229
Amounts Utilised	(110)
Released during the year	(65)
	<u>54</u>
Balance at 31 December 2013	<u>54</u>

The provision for lease obligations relates to obligations under leases on vacant properties. The provision is expected to be fully utilised by March 2016. The final outcome depends upon the ability of the group to sublet or assign the lease over the related properties.

The deferred tax asset (included in debtors, note 10) is made up as follows:

	2013 £000	
Balance at 1 January 2013	(734)	
Profit and loss account	39	
	<u>(695)</u>	
Balance at 31 December 2013	<u>(695)</u>	

	2013 £000	2012 £000
Decelerated capital allowances	(580)	(682)
Pension costs	(17)	(10)
Short term timing differences	(98)	(42)
	<u>(695)</u>	<u>(734)</u>

A deferred tax asset has been recognised on the basis that the company is anticipated to make suitable taxable profits in the foreseeable future against which it can be utilised.

Potential deferred tax

	2013 £000	2013 £000	2012 £000	2012 £000
	Potential Asset	Recognised	Potential Asset	Recognised
Decelerated capital allowances	580	580	682	682
Pension costs	17	17	10	10
Short term timing differences	98	98	42	42
Losses	1,049	-	1,206	-
	<u>1,744</u>	<u>695</u>	<u>1,940</u>	<u>734</u>

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

12 Provisions for liabilities

(Continued)

Factors affecting the future tax charge

In March 2013, the UK government announced proposals to reduce the main rate of corporation tax to 20% from 1 April 2015. As of 31 December 2013 reductions to the main rate of corporation tax to 20% had been enacted. Accordingly this is the rate at which deferred tax has been provided.

13 Contingent liabilities

The Company is party to a bank overdraft and revolving credit facility totalling £100m (2012: £75m) which are secured by a debenture dated 20 June 2013 over the Company's assets together with the assets of a number of the Company's fellow subsidiaries and the Company's parent company. As at 31 December 2013 the amount drawn under these facilities was £26.5m (2012: £26.0m)

14 Financial commitments

At 31 December 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014:

	Land and buildings		Other	
	2013	2012	2013	2012
	£000	£000	£000	£000
Operating leases which expire:				
Within one year	708	267	14	101
Between two and five years	2,703	1,902	604	101
In over five years	205	1,651	-	-
	<u>3,616</u>	<u>3,820</u>	<u>618</u>	<u>202</u>

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

15 Share-based payment transactions

During the year ended 31 December 2013, the company had share-based payment arrangements, which are described below.

Type of arrangement

Long Term Incentive Plan

The Group operates a LTIP (an equity-settled share-based remuneration scheme) for certain employees. Under the LTIP, the options vest if the individual remains an employee of the Group after a three year period, unless the individual has left under certain 'good leaver' terms in which case the options may vest earlier and providing the performance conditions are met.

LTIP 2013 vesting conditions

30% of the options vest based on the TSR of LSL as compared to the FTSE 250 index (excluding investment trusts) over the three performance period:

- If the Group is in the top 25% percentile, all of these options will vest;
- If the Group is at the median 25% will vest;
- Straight line vesting between median and top 25% percentile; and
- Below the median no options vest

70% of the options are based on the adjusted EPS performance over the three financial years starting with the financial year in which the LTIP award is granted:

- If growth >10% pa – 100% vest;
- If growth is 7% pa – 25% vest;
- Straight line vesting between 7% pa and 10% pa; and
- If growth is below 7% pa no options vest.

LTIP 2012 vesting conditions

30% of the options vest based on the TSR of LSL as compared to the FTSE 250 index (excluding investment trusts) over the three performance period:

- If the Group is in the top 25% percentile, all of these options will vest;
- If the Group is at the median 35% will vest;
- Straight line vesting between median and top 25% percentile; and
- Below the median no options vest

70% of the options are based on the adjusted EPS performance over the three financial years starting with the financial year in which the LTIP award is granted:

- If growth >12% pa – 100% vest;
- If growth is 8% pa – 25% vest;
- Straight line vesting between 8% pa and 12% pa; and
- If growth is below 8% pa no options vest.

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

(Continued)

15 Share-based payment transactions

	2013	Number	2012	Number
	Weighted average exercise price £		Weighted average exercise price £	
Outstanding at 1st January	-	26,362	-	-
Granted during the year	-	64,602	-	26,362
Lapsed during the year	-	(5,454)	-	-
Outstanding at 31st December	-	85,510	-	26,362

There were nil options exercisable at the end of the year (2012:nil). The weighted average remaining contractual life is 1.84 years (2012: 2.25 years). The weighted average fair value of options granted during the year was £3.14 (2012: £2.41).

Type of arrangement

Joint Share Ownership Plan (JSOP)

Awards under the JSOP participate in increases in the value of shares in the Company above the share price at the date of grant. Awards comprise of an interest in jointly owned shares (i.e. Ordinary Shares held in co-ownership with the Trust) and a stock appreciation right. A key feature of the JSOP is that individuals are required to purchase their interest in the jointly owned shares and have thereby put their personal capital at risk.

The vesting of JSOP awards granted in 2010 is conditional upon LSL's adjusted basic EPS performance meeting the following absolute performance targets over a period of 3 financial years starting with the financial year in which the JSOP award is granted:

Value of shares under the JSOP award at date of grant (as percentage of salary)		
<u>EPS Growth per annum *</u>	<u>Chief Executive Officer</u>	<u>Senior Executives</u>
10%	100%	100%
13%	150%	-
17%	200%	-

* with straight line vesting between points for the Chief Executive Officer's award.

The vesting of JSOP awards granted in 2011 is conditional upon both the following criteria being met:

- LSL's adjusted EPS performance over the three financial years starting with the financial year in which the JSOP award is granted being 10% p.a. or more; and
- LSL's total shareholders' return must exceed that of the FTSE 250 index (excluding investment trusts) over the three year performance period

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

(Continued)

15 Share-based payment transactions

	2013 Weighted average exercise price £	Number	2012 Weighted average exercise price £	Number
Outstanding at 1st January	3.20	129,522	3.20	129,522
Lapsed during the year	3.20	(90,186)		
Outstanding at 31st December	3.20	39,336	3.20	129,522

There were 2,679 options exercisable at the end of the year (2012: nil).

The weighted average remaining contractual life is 0.21 years (2012: 1.0 years).

Type of arrangement

Company Stock Option Plan (CSOP)

The Group operates a CSOP (an equity-settled share-based remuneration scheme) for certain employees. Under the CSOP, the options vest if the individual remains an employee of the Group after a three year period, unless the individual has left under certain 'good leaver' terms in which case the options may vest earlier.

	2013 Weighted average exercise price £	Number	2012 Weighted average exercise price £	Number
Outstanding at 1st January	2.53	313,659	2.44	206,397
Granted during the year	-	-	2.75	107,262
Exercised during the year	2.40	(94,468)	-	-
Lapsed during the year	2.54	(49,608)	-	-
Outstanding at 31st December	2.60	169,283	2.53	313,659

There were 24,996 options exercisable at the end of the year (2012: nil). The average market value of options exercised was £3.68 (2012: nil).

The weighted average fair value of options granted during the year was £nil (2012: £1.22). The weighted average remaining contractual life is 0.67 years (2012: 1.19 years).

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

(Continued)

15 Share-based payment transactions

Type of arrangement

Save-As-You-Earn scheme

In March 2011, the Group announced a new SAYE scheme effective from April 2011. In March 2012, the Group announced a new SAYE scheme effective from April 2012 and in March 2013 a new scheme was announced from April 2013. All these schemes are open to all qualifying employees and provide for an exercise price equal to the daily average market price on the date of grant. The options will vest if the employee remains in service for the full duration of the option scheme (three years). There are no cash settlement alternatives.

	2013	Number	2012	Number
	Weighted average exercise price £		Weighted average exercise price £	
Outstanding at 1st January	2.59	331,608	2.57	248,358
Granted during the year	3.00	92,739	2.62	138,160
Exercised during the year	2.58	(3,507)	-	-
Lapsed during the year	2.59	(44,563)	2.57	(54,911)
Outstanding at 31st December	2.69	376,277	2.59	331,608

The weighted average fair value of options granted during the year was £1.68 (2012: £1.25) and the weighted average remaining contractual life was 1.41 years (2012: 2.16 years). The average market value of options exercised was £4.64 (2012: nil). There were nil options exercisable at the end of the year (2012: nil).

Equity Settled

2013

	LTIP	SAYE
Option pricing model used	Black Scholes	Black Scholes
Weighted average share price at grant date (£)	3.614	3.435
Exercise Price (£)	-	3.00
Expected life of options (years)	3 Years	3 Years
Expected volatility	80%	80%
Expected dividend growth rate	3.00%	3.00%
Risk free interest rate	1.68%	1.68%

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

(Continued)

15 Share-based payment transactions

Equity Settled (Continued)	2012		
	LTIP	CSOP	SAYE
	Black Scholes	Black Scholes	Black Scholes
Weighted average share price at grant date (£)	2.71	2.71	2.71
Exercise Price (£)	-	2.75	2.62
Expected life of options (years)	3 Years	3 Years	3 Years
Expected volatility	80%	80%	80%
Expected dividend growth rate	3.90%	3.89%	3.89%
Risk free interest rate	3.50%	3.50%	3.50%

The total cost recognised for equity settled transactions is as follows:

	2013 £'000	2012 £'000
Share-based payment charged during the year	208	208

The volatility assumption, measured at the standard deviation of expected share price returns, is based on statistical analysis of historical share price. The dividend yield assumption is based on the fact that the shares awarded are not eligible to receive dividends until the end of the vesting period.

16 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2013 Number	2012 Number
	1,943	1,765
	<u>1,943</u>	<u>1,765</u>
Employment costs	2013	2012
	£000	£000
Wages and salaries	48,005	43,475
Social security costs	4,760	4,228
Other pension costs	476	437
Costs of share option scheme	208	208
	<u>53,449</u>	<u>48,348</u>

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

17 Control

The Company's immediate parent undertaking is Lending Solutions Holdings Limited, a Company registered in England.

The Company's ultimate parent undertaking and controlling party is LSL Property Services plc, a Company registered in England. Its group financial statements are available on application to the Group Company Secretary, LSL Property Services plc, Newcastle House, Albany Court, Newcastle Business Park, Newcastle upon Tyne, NE4 7YB. No other group financial statements include the results of the Company.

18 Share capital	2013 £000	2012 £000
Allotted, called up and fully paid		
7,476,000 Ordinary shares of £1 each	7,476	7,476

19 Statement of movements on reserves

	Other Profit and loss reserves (see below) £000	account £000
Balance at 1 January 2013	192,422	(187,431)
Profit for the year	-	4,492
Movement during the year	208	-
Transfer to profit and loss account reserve on issue of shares by parent company	(84)	84
Balance at 31 December 2013	192,546	(182,855)
Other reserves		
Reserves for own shares		
Balance at 1 January 2013	398	
Reserve for own shares movement	208	
Transfer to profit and loss account reserve on issue of shares by parent company	(84)	
Balance at 31 December 2013	522	
Special Reserve		
Balance at 1 January 2013 & at 31 December 2013	192,024	

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

20 Directors' remuneration

The directors of the Company were paid by the ultimate holding company, a fellow subsidiary and this company.

The directors received total remuneration for the year of £2,340,027 (2012 - £1,748,641), of which £1,018,803 (2012 - £650,431) was paid by this company including pension costs of £32,622 (2012 - £24,409). The directors do not believe that it is practicable to apportion this amount between their services as directors of the Company and the services as directors of the holding and fellow subsidiary companies.

The company operates money purchase pension schemes for the directors in office. Director's contributions are matched by the company up to a maximum of 5% of pensionable earnings.

The number of directors who were members of the money purchase pension schemes during the financial year totalled 9 (2012 - 9).

The remuneration of the highest paid director who is employed by the Company amounted to £249,656 excluding pension costs (2012 - £154,306). Company contributions to money purchase pension schemes for that director amounted to £7,000 (2012 - £7,260).

The number of directors who exercised share options during the year was 6 (2012 - 0).

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

21 Related party relationships and transactions

During the year the transactions entered into by the Company with non wholly owned fellow group subsidiaries and joint ventures of the LSL Property Services Plc group of companies are as follows:

	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
	£000	£000	£000	£000
Sales / Purchases				
Cybele Solutions Ltd				
2013	102	-	-	-
2012	128	5	-	-
TM Group (UK) Limited				
2013	581	-	-	-
2012	413	-	-	-
Loans from / to related parties				
Homefast Property Services Limited				
2013	-	-	928	-
2012	-	-	928	-
Linear Mortgage Network Limited				
2013	-	-	1820	-
2012	-	-	2000	-
LSLi Limited				
2013	-	-	608	-
2012	-	-	438	-
JNP Estate Agents Limited				
2013	-	-	2	-
2012	-	-	-	2
ICIEA Limited				
2013	-	-	379	-
2012	-	-	489	-
David Frosts Estate Agents Limited				
2013	-	-	1	-
2012	-	-	-	-
GFEA Limited				
2013	-	-	3	-
2012	-	-	-	1
Davis Tate Limited				
2013	-	-	2	-
2012	-	-	-	-

YOUR-MOVE.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2013**

21 Related party relationships and transactions

(Continued)

The ultimate parent company LSL Property Services Plc owns 33% of TM Group. Sales to TM Group consist mainly of residential conveyancing services.

There were no related party transactions with directors (2012 - £nil).

The Company has taken advantage of the exemption in FRS 8 from disclosing transactions with entities where 100% of their voting rights are controlled within the LSL Property Services plc group of companies.