Financial Statements
Core Estates Limited

For the Year Ended 31 March 2016

Registered number: 2923850

Company Information

Directors	A E Chesterman (appointed 28 April 2016) M D Goddard
Registered number	2923850
Registered office	5 Somerville Court Banbury Business Park Adderbury Banbury Oxfordshire OX17 3NS
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1020 Eskdale Road Winnersh Reading Berkshire RG41 5TS
Bankers	The Royal Bank of Scotland plc 135 Bishopsgate London EC2M 3UR
Solicitors	Shoosmiths Russell House 1550 Parkway Whiteley Fareham Hampshire PO15 7AG

Core Estates Limited
Registered number:2923850

Contents

Directors' Report
For the Year Ended 31 March 2016

The directors present their report and the financial statements for the year ended 31 March 2016.

Results and dividends

The profit for the year, after taxation, amounted to £348,000 (2015 - £475,000).

Directors

The directors who served during the year were:

M D Goddard
G Scott (resigned 28 April 2016)

Directors' responsibilities statement

The directors are responsible for preparing the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The 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.

Post balance sheet events

On 18 April 2016, Zoopla Property Group plc conditionally agreed to acquire the entire share capital of Property Software Holdings Limited (together with its subsidiaries) for total consideration of £75m on a cash-free, debt-free basis. The acquisition completed on 28 April 2016.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' Report
For the Year Ended 31 March 2016

Auditors

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

M D Goddard
Director

Date: 9/8/16

Grant Thornton

Independent Auditor's Report to the Members of Core Estates Limited

We have audited the financial statements of Core Estates Limited for the year ended 31 March 2016, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland".

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.

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

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Grant Thornton

Independent Auditor's Report to the Members of Core Estates 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.
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare the strategic report and in preparing the directors report.

Grant Thornton UK LLP

James Rogers (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Reading
Date: 11 August 2016.

Statement of Comprehensive Income
For the Year Ended 31 March 2016

	Note	2016 £000	2015 £000
Turnover	3	**798**	961
Administrative expenses		**(449)**	(490)
Operating profit	4	**349**	471
Tax on profit	6	**(1)**	4
Profit for the year		**348**	475
Total comprehensive income for the year		**348**	475

There were no recognised gains and losses for 2016 or 2015 other than those included in the profit and loss account.

The notes on pages 8 to 18 form part of these financial statements.

Balance Sheet
As at 31 March 2016

	Note		2016 £000		2015 £000
Current assets					
Debtors: amounts falling due within one year	8	3,478		3,168	
Cash at bank and in hand		54		68	
		3,532		3,236	
Creditors: amounts falling due within one year	9	(561)		(613)	
Net current assets			2,971		2,623
Total assets less current liabilities			2,971		2,623
Net assets			2,971		2,623
Capital and reserves					
Profit and loss account	13		2,971		2,623
			2,971		2,623

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M D Goddard
Director

Date: 9 / 8 / 16

The notes on pages 8 to 18 form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 31 March 2016

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 April 2015	-	2,623	2,623
Comprehensive income for the year			
Profit for the year	-	348	348
At 31 March 2016	-	2,971	2,971

Statement of Changes in Equity
For the Year Ended 31 March 2015

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 April 2014	-	2,148	2,148
Comprehensive income for the year			
Profit for the year	-	475	475
At 31 March 2015	-	2,623	2,623

The notes on pages 8 to 18 form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 31 March 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102, requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

There were no material differences reported after adopting FRS 102.

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Property Software Holdings Limited as at 31 March 2016 and these financial statements may be obtained from Companies House.

1.3 Revenue

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes (VAT), with the VAT liability being recognised at the date of invoice.

Turnover includes revenue earned from the sale of (i) Software as a Service and (ii) Desktop licences and support and (iii) other goods and services.

(i) Software as a Service (SaaS)
Turnover from the sale of SaaS is in two components: (i) installation and training and (ii) subscriptions. Installation and training revenue is recognised when the installation has occurred. Subscription revenue is recognised over the period of the subscription.

(ii) Desktop software licence, installation and support
Turnover from the sale of desktop licences and related installation and training revenue is recognised when the installation has occurred. Support revenue is recognised over the period of the support contract.

(iii) Other revenues are recognised either over the period of the subscription or in the month in which the service is provided.

Notes to the Financial Statements

For the Year Ended 31 March 2016

1. Accounting policies (continued)

1.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 3-10 years
Computer equipment	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

1.5 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

1.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Notes to the Financial Statements
For the Year Ended 31 March 2016

1. Accounting policies (continued)

1.8 Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Trade and other receivables are designated as loans and receivables. They are recognised at amortised cost, which is net of any allowance for impairment in relation to irrecoverable amounts. This is deemed to be a reasonable approximation of their fair value. The provision is reviewed regularly in conjunction with a detailed analysis of historical payment profiles and past default experience. When a trade receivable is deemed uncollectable, it is written off against the allowance account.

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

Trade and other payables are not interest bearing and are designated as other financial liabilities. They are recognised at their carrying amount, which is deemed to be a reasonable approximation of their fair value.

Borrowings are measured at amortised cost, net of arrangement fees. Arrangement fees are released through the Profit and Loss account under the effective interest method, along with interest charged, over the life of the instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The Company's Ordinary Shares are classified as equity instruments and are recognised at the proceeds received, net of any direct issue costs.

Financial instruments are not used for speculative purposes.

1.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Notes to the Financial Statements

For the Year Ended 31 March 2016

1. Accounting policies (continued)

1.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

1.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Impairment of software development intangible assets. Determining whether software development intangible assets are impaired requires an estimation of the recoverable value, which represents the higher of fair value and value in use. Management has not identified any indicators of impairment to the software development intangible assets.

Recognition of deferred tax assets. The recognition of deferred tax assets is based on forecasts of future taxable profit. The measurement of future taxable profit for the purposes of determining whether or not to recognise deferred tax assets depends on many factors, including the company's ability to generate such profits and the implementation of effective tax planning strategies. The occurrence or non-occurrence of such events in the future may lead to significant changes in the measurement of deferred tax assets.

3. Analysis of turnover

The whole of the turnover is attributable to the principal activities of the company.

All turnover arose within the United Kingdom.

4. Operating profit

The operating profit is stated after charging:

	2016	2015
	£000	£000
Depreciation of tangible fixed assets	-	1
Fees payable to the Company's auditor and its associates for the audit of the company's annual financial statements	**7**	7

Notes to the Financial Statements
For the Year Ended 31 March 2016

5. Employees

Staff costs were as follows:

	2016 £000	2015 £000
Wages and salaries	**203**	198
Social security costs	**22**	23
Cost of defined contribution scheme	**10**	6
	235	227

During the year, no director received any emoluments (2015 - £NIL)

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Administrative	**4**	4

6. Taxation

	2016 £000	2015 £000
Corporation tax		
Current tax on profits for the year	**-**	(6)
Adjustments in respect of previous periods	**(1)**	-
	(1)	(6)
Total current tax	**(1)**	(6)
Deferred tax		
Origination and reversal of timing differences	**1**	2
Effect of tax rate change on opening balance	**1**	-
Total deferred tax	**2**	2
Taxation on profit/(loss) on ordinary activities	**1**	(4)

Notes to the Financial Statements
For the Year Ended 31 March 2016

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 21%). The differences are explained below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	**349**	471
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	**70**	99
Effects of:		
Capital allowances in excess of depreciation (movement in deferred tax provision)	**-**	(2)
Additional deduction for research & development expenditure	**(12)**	(3)
Adjustments to tax charge in respect of prior periods	**(1)**	(16)
Group relief surrendered/(claimed)	**(56)**	(82)
Total tax charge for the year	**1**	(4)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Notes to the Financial Statements
For the Year Ended 31 March 2016

7. Tangible fixed assets

	Plant and machinery £000	Computer equipment £000	Total £000
Cost or valuation			
At 1 April 2015	**190**	**20**	**210**
At 31 March 2016	**190**	**20**	**210**
Depreciation			
At 1 April 2015	**190**	**20**	**210**
At 31 March 2016	**190**	**20**	**210**
At 31 March 2016	**-**	**-**	**-**
At 31 March 2015	-	-	-

8. Debtors

	2016 £000	2015 £000
Trade debtors	**178**	252
Amounts owed by group undertakings	**3,277**	2,901
Other debtors	**2**	-
Prepayments and accrued income	**14**	5
Deferred taxation	**7**	10
	3,478	3,168

Notes to the Financial Statements

For the Year Ended 31 March 2016

9. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Trade creditors	**6**	1
Amounts owed to group undertakings	**173**	143
Corporation tax	**-**	11
Taxation and social security	**38**	55
Accruals and deferred income	**344**	403
	561	613

10. Financial instruments

	2016 £000	2015 £000
Financial assets		
Financial assets measured at fair value through profit or loss	**54**	68
Financial assets measured at amortised cost	**3,457**	3,152
	3,511	3,220
Financial liabilities		
Financial liabilities measured at amortised cost	**(180)**	(145)
	(180)	(145)

11. Deferred taxation

	Deferred tax £000
At 1 April 2015	**10**
Charged to the profit or loss	**(3)**
At 31 March 2016	**7**

Notes to the Financial Statements
For the Year Ended 31 March 2016

The deferred tax asset is made up as follows:

	2016	2015
	£000	£000
Accelerated capital allowances	**7**	10
	7	10

12. Share capital

	2016	2015
	£	£
Authorised, allotted, called up and fully paid		
165 Ordinary shares of £1 each	**165**	165
18 Ordinary C shares of £1 each	**18**	18
15 Ordinary D shares of £1 each	**15**	15
	198	198

13. Reserves

Profit and loss account - includes all current and prior period retained profits and losses.

14. Contingent liabilities

At the balance sheet date, borrowings in the ultimate parent company were secured by a floating charge over the company's assets.

15. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £10,000 (2015 - £6,000).

Notes to the Financial Statements
For the Year Ended 31 March 2016

16. Commitments under operating leases

At 31 March 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016	2015
	£000	£000
Less than 1 year	**7**	22
Between 1 and 2 years	**-**	7
Total	**7**	29

17. Related party transactions

The directors agreed Property Software Holdings Limited was the ultimate controlling party at the balance sheet date by virtue of its 100% interest in the equity share capital of the company. Transactions with fellow subsidiary members of Property Software Holdings Limited are not required to be disclosed under FRS 102 as these transaction are fully eliminated on consolidation.

18. Post balance sheet events

On 18 April 2016, Zoopla Property Group plc conditionally agreed to acquire the entire share capital of Property Software Holdings Limited (together with its subsidiaries) for total consideration of £75m on a cash-free, debt-free basis. The acquisition completed on 28 April 2016.

19. Ultimate and immediate parent undertaking and controlling party

At the balance sheet date, the company's immediate parent company was Property Software Limited, which is incorporated in Great Britain and registered in England and Wales. Property Software Limited is owned 100% by Property Software Holdings Limited, which is the ultimate controlling party.

The ultimate parent undertaking of the company is now considered by the directors to be Zoopla Property Group plc.

A copy of Property Software Holdings Limited's consolidated accounts may be obtained by applying direct to its registered office at 5 Somerville Court, Banbury Business Park, Adderbury, Banbury, Oxfordshire, OX17 3NS.