



Annual Report and Accounts 2016/2017

propertymark

CONTENTS

INTRODUCTION

Chairman's Foreword	6
Agenda for the Tenth Annual General Meeting, 16th June 2017	8-9

NFOPP AGM REPORT FRIDAY 17TH JUNE 2016

Minutes of the Ninth Annual General Meeting	12-19
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CONSOLIDATED FINANCIAL STATEMENTS

Company Information for the Year Ended 31 December 2016	22
Group Strategic Report for the Year Ended 31 December 2016	23
Report of the Directors for the Year Ended 31 December 2016	24-25
Report of the Independent Auditors to the Members of NFOPP	26-27
Consolidated Income Statement for the Year Ended 31 December 2016	28-29
Consolidated Balance Sheet 31 December 2016	30
Company Balance Sheet 31 December 2016	31
Consolidated Statement of Changes in Equity for the Year Ended 31 December 2016	32
Company Statement of Changes in Equity for the Year Ended 31 December 2016	33
Consolidated Cash Flow Statement for the Year Ended 31 December 2016	34
Notes to the Consolidated Cash Flow Statement for the Year Ended 31 December 2016	35
Notes to the Consolidated Financial Statements for the Year Ended 31 December 2016	36-47
Consolidated Detailed Income and Expenditure Account for the Year Ended 31 December 2016	48-49



INTRODUCTION

CHAIRMAN'S FOREWORD

Following the completion of my term of office as Property Ombudsman in November 2015, I was delighted to be invited to join what was NFOPP as Executive Chairman in September 2016. I can now use my knowledge and experience of the property sector gained over many years to help drive the strategic direction and ethos of the new 'brand' Propertymark and enhance the value of membership.

I joined you at what is probably the most challenging time the industry has experienced. The year under report has been one of change and continuing development of the organisation whilst maintaining involvement and influence in government consultations and emerging legislation which impacts on Propertymark members' businesses.

By far the most significant development for the organisation itself has been that change of public face to Propertymark. With huge support from members it is already a well-recognised title slipping into common usage even in Parliament. It benefits members through a single and united voice whilst projecting to the consumer a readily identifiable brand that, for them, means protection.

The year under report saw an overall increase in membership of 6% over the previous year with membership numbers exceeding 16,500 with the largest proportion of that increase being in new ARLA Propertymark members. It is expected that growth will continue with legislative developments placing more pressure on agents and Propertymark being seen as providing protection of member interests and strength

to their voices through lobbying on their behalf. We celebrated success in March 2017 when we finally convinced Government of the need for mandatory Client Money Protection, a massive step forward in protecting consumers and 'levelling the playing field' for agents. Propertymark also continued to provide detailed advice on implications for business of marketplace and legislative changes and hosts a programme of events, regional and national conferences to promote consistency of approach and the raising of standards.

This year members have been asked to vote on changes to the Articles of Association reducing the size of the main Propertymark Board. Members will continue to have a voice and the Board will concentrate on strategic direction and policy while being able to react to change more readily. In common with accepted good corporate governance practice the Board will now see representation from two individuals independent of the property sector in its constituency.

Looking forward in more strategic terms, Propertymark will be closely defining its direction and priorities, recognising that whilst regulation of the property sector has not been a priority for recent governments, several significant and disparate pieces of legislation have been enacted which all affect how agents transact their business. Propertymark has a huge role to play in maintaining good relations and communication with Parliament, government departments and in establishing itself as the primary place for a realistic regulatory regime to be placed.

The Main Propertymark Board, the Presidential Teams, the ARLA and NAEA Boards, the Chief Executives and all those at Arbon House are committed to working with members to raise standards in the industry for the benefit of the consumer; ensuring members receive guidance, support and benefit from being part of Propertymark.

Christopher J Hamer
Executive Chairman

AGENDA FOR THE TENTH ANNUAL GENERAL MEETING, 16 JUNE 2017

1. Welcome and apologies.
2. Opening remarks by the Chairman.
3. To approve the Minutes of the Ninth Annual General Meeting of the National Federation of Property Professionals held at The Charing Cross Hotel, London on Friday 17 June 2016 at 11.30am.
4. To receive and, if approved, adopt the accounts for the year ended 31 December 2016.
5. Appointment of auditors for the ensuing year.
6. Special resolution:
 - (A) That the existing Articles 33, 34 and 35 shall be deleted and replaced with new Articles 33, 34 and 35 as set out below.
 - 33.1 An Executive Chairman shall be appointed by the Board for a term of up to three years (renewable for one or more further periods of up to three years) on such terms as the Board shall decide.
 - 33.2 With effect from the conclusion of the Annual General Meeting in 2018, the Board of the Federation shall comprise:
 - 33.2.1 the Executive Chairman;
 - 33.2.2 Three Members of the Estate Agents' Division and three Members of the Residential Lettings' Division appointed in accordance with Article 33.3; and
 - 33.2.3 Two others who shall not be Members who shall each be appointed by the Board for a term of up to four years (renewable for one or more further periods of up to four years) on such terms as the Board shall decide.
 - 33.3 The Directors referred to in Article 33.2.2 shall:
 - 33.3.1 be elected from within their number by the Estate Agents' Division and the Residential Lettings' Division respectively in such manner as shall be prescribed by the Board from time to time.
 - 33.3.2 hold office for a term of four years at the expiry of which such Director shall retire but shall (unless he has already served two consecutive terms) be available for re-election for one further term of four years.
 - 33.4 With effect from the conclusion of the Annual General Meeting in 2018, the President of the Estate Agents' Division and the President of the Residential Lettings' Division shall be entitled to attend meetings of the Board but shall not be entitled to vote nor to speak unless invited to do so by the chairman of the meeting.
 - 33.5 With effect from the adoption of this Article 33.5, the Board shall have the power to co-opt one or two more Directors to the Board on such terms (including as to voting) and for such period as the Board shall from time to time decide.
 34. With effect from the conclusion of the Annual General Meeting in 2017, the Board shall comprise:
 - 34.1 the Executive Chairman;
 - 34.2 the President and President Elect of the Estate Agents' Division and the President and President Elect of the Residential Lettings' Division; and
 - 34.3 all other Directors holding such office at the start of such Annual General Meeting other than the two due to retire by rotation in 2017.
 35. At the conclusion of the Annual General Meetings in each of 2018, 2019 and 2020 two Residential Lettings' Division, being the then longest serving elected Directors from each such Division, shall retire by rotation but shall be eligible for re-election.
 - (B) That clause 4 of the Memorandum of Association of the Company be amended by adding the words "or the Directors appointed under Article 33.2.3" before the words "or the Executive Chairman" in the eleventh line of the second paragraph.
 - (C) That the words "in respect of a Director elected under Article 33.2.2," shall be added at the beginning of each of Articles 37.1 and 38.7.1.
 - (D) That the words "elected under Article 33.2.2" shall be added after the words "The Directors" at the beginning of Article 40.
 - (E) That the second sentence of Article 47 shall be amended to read "Four Directors (one of whom shall be a Director appointed under Article 33.2.3) shall be a quorum."
 - (F) That the wording of Article 49 be deleted and replaced with "The Executive Chairman shall act as Chairman of all meetings of the Board but if the Executive Chairman is not present within fifteen minutes of the time appointed for the holding of the meeting the Directors then present shall appoint an acting Chairman to preside over the meeting."
7. Declaration by a representative of Mi-Voice, Ben Thomas, on the election of the Presidential Teams for the ensuing year.
8. The President of NAEA Propertymark, Katie Griffin.
9. The President of ARLA Propertymark, Sally Lawson.
10. Any other business: questions under this item should be sent to sarahreid@propertymark.co.uk 7 days prior to the meeting. This helps us to ensure that we have all of the relevant details to hand. Thank you.



NFOPP AGM REPORT
FRIDAY 17TH JUNE 2016

MINUTES OF THE NINTH ANNUAL GENERAL MEETING, 17 JUNE 2016

The Ninth Annual General Meeting of the National Federation of Property Professionals was held at the Charing Cross Hotel in London on the 17th June 2016 at 11.30am, following the NAEA and ARLA Board Meetings.

MEMBERS PRESENT	COLLEGE OF FELLOWS ATTENDEES	ARLA REGIONAL REPRESENTATIVE ATTENDEES
Andrew Whelan	Des Rowson	Charlotte Malone
Clive Bucklams	Ian Potter	Corelia Maskell – Moseley
Ellie Noakes	James Neale	David Waterhouse
Fiona Mongey	Richard Copus	Dawn Bennett
Kanyin Joloasho	Peter Light	Dawn Clarke
Kate Flynn	Tim Hyatt	Martin Adshead
Patrick Bullick		Robert Ulph
Toby Leek		
Trudi Netherwood		

DIVISIONAL BOARD MEMBERS IN ATTENDANCE

David Coleman – Chairman	Martyn Baum
Aidan Reed	Matthew Gray
Brian Moran	Nik Madan
Claire Lloyd	Peter Savage
Colin Shairp	Peter Speak
David Mackie	Phil Keddie
Ian Harris	Phillip Chadwick
Jan Hytch	Richard Selwyn
Jonathan Hudson	Ross Jezzard
Kate Boyes	Sally Lawson
Katie Griffin	Shelagh Marett
Lauren Scott	Simon Gerrard
Mark Bentley	Tony Jones
	Valerie Bannister

NON MEMBERS/STAFF IN ATTENDANCE

Mark Hayward, Managing Director – NAEA
David Cox, Managing Director – ARLA
Rob Clutton – Director of Finance
Brian Schubert – Head of Marketing Communications
Olivia Smith – Events Officer
Sarah Davies – Events Manager
Sarah Reid – ARLA Executive Officer
Sophia Edie – ARLA Events Officer
Stephanie Williams – NAEA Executive Officer
Ben Thomas – Mi-Voice
Furhad Warquad – National Association of Realtors Regional Vice President

1. APOLOGIES

Andrew Morris, Chris Hall, Chris Packer, David McMaster, David Newman, Dilip Rajani, Frances Burkinshaw, Ivan Frose, John Oakley, Keith Baker, Lindsay Ostervig, Liz Milsom, Melfyn Williams, Michael Jones, Neville Pedersen, Paul Reynolds, Peter Bolton King, Peter Lee, Phillip Cook, Robert Jordan, Sandy Dawson, Sonia Miller, Simon Gerrard, Susan Hughes-Thomas.

2. CHAIRMAN OPENING REMARKS

David Coleman gave a brief overview of NFOPP and how it had become the go to organisation. The extensive work around the Buy to Let Sector and Client Money Protection has reflected in membership numbers significantly increasing. Driven by the Managing Directors' passion and with the extensive support of the Presidential Teams, they have travelled the country to events throughout the year to execute vital training to our members. David Coleman gave particular thanks to Mark Hayward, NAEA Managing Director, David Cox, ARLA Managing Director and to the Presidential Teams for their hard work and dedication in conveying our messages out to members.

3. APPROVAL OF MINUTES - EIGHTH ANNUAL MEETING OF THE NATIONAL FEDERATION OF PROPERTY PROFESSIONALS HELD ON 19 JUNE 2015 AT THE CHARING CROSS HOTEL

It was unanimously agreed that the minutes were an accurate record of the meeting. Proposed by Phil Chadwick and seconded by Martyn Baum.

4. ANNUAL GENERAL MEETING OF NFOPP ACCOUNTS

Rob Clutton, Director of Finance, presented the Federations' Accounts for the year ending 31st December 2015. These were approved by the meeting and it was also agreed that Stiles & Company be appointed as company auditors for the ensuing year. Proposed by Peter Savage and seconded by Ian Potter.



David Cox
Managing Director
ARLA

5. REPORT TO THE AGM BY ARLA MANAGING DIRECTOR DAVID COX

David Cox (DJC) gave an overview of ARLA activity throughout the year.

Membership had shown a significant increase and this would further increase over the next twelve months. The ARLA website had been greatly improved and extra resource to the Marketing Team had helped with a social media presence. Regional Meetings and Conferences has also been improved and saw the launch of Landlord Expos. DJC stated that ARLA Conference 2016 was larger than anticipated and the biggest ever.

Externally, DJC spoke of his extensive work around Client Money Protection and consultations around banning orders and black listing. DJC advised that the Housing and Planning Act 2016 had passed Parliament. He had participated in an Affordability and Security Working Group, chaired by the Housing Minister. ARLA was also working with the High Court Enforcement Officers Association to campaign for easier repossession routes for landlords.

David gave thanks to Peter Savage for his support, hard work and contributions throughout his Presidency over the last year. He welcomed Nik Madan to his Presidency and was looking forward to working with him for the year ahead.

6. REPORT TO THE AGM BY NAEA MANAGING DIRECTOR MARK HAYWARD

Mark Hayward (HMH) provided an update on the activities around the NAEA to the AGM.

HMH spoke about membership statistics and stated that NFoPP is the organisation with gravitas, which will attract members.

HMH had held meetings with various stakeholders, delivered Anti-Money Laundering courses to associations and held discussions with Keller Williams around membership. HMH had also attended a meeting in October with the Welsh Government regarding Land Transfer Tax. He was also invited to become the NAEA Representative for the Noise Management Board at Gatwick Airport.

HMH conveyed his appreciation and gratitude to Aidan Reed for his immense work in relation to the Trailblazers scheme.

HMH further stated that he had received "huge support" from Martyn Baum throughout the terms of his Presidency and conveyed his gratitude to Martyn. Finally, HMH welcomed David Mackie to his term of Presidency and stated that he "looked forward to the journey they both had ahead with the NAEA".



Mark Hayward
Managing Director
NAEA



7. REPORT ON THE ELECTION OF THE PRESIDENTIAL TEAMS AND NFOPP BOARD

Ben Thomas from Mi-Voice, who had organised the on-line elections, attended the AGM to present the results. He offered one observation in that the turnout for the elections was very low in comparison to other membership associations, with the NAEA polling 3.2% and ARLA 5.3%. Ben would have expected a turnout of approximately 15%. He would be discussing this with the Company Secretary, Mark Hayward, to see how this could be improved.

The Election Results and Presentation of Presidential Jewels:

NAEA

David Mackie took over as President in place of Martyn Baum. His deputy is the new President Elect, Katie Griffin, and Mark Bentley was elected as the Divisional Vice President.

Patrick Bullick was elected to the NFoPP Board on a four year term. Mark Bentley was elected to the NFoPP Board on a two year term.

ARLA

Nik Madan took over as President in place of Peter Savage. His deputy is the new President Elect, Sally Lawson, and Claire Lloyd was elected as the Divisional Vice President.

Peter Savage was elected to the NFoPP Board on a four year term.

NAVA

Joe Trinder had been chosen as NAVA's new President, following on from Phillip Arnold.

ICBA

David Broschomb would continue as ICBA Chair for the next twelve months.

Letting Candidate Technical Award

Nik Madan presented Trudy Netherwood with this award as she had been unable to attend the NFoPP Awards ceremony earlier in the year.

8. LANSONS, PR CONSULTANTS

Lansons, PR Consultants to NFoPP gave a presentation on the results of their work over the past twelve months, which included arranging meetings with key stakeholders, appearances on national television and radio as well as significant press comments. They played a video of the achievements over the year. Lansons had also organised a series of "Town Hall" debates across the country in which influential property professionals had been invited to participate and the discussions which contributed to the NFoPP Housing Manifesto prior to the General Election. Ralph Jackson and Rimmi Shah from Lansons thanked Mark Hayward, David Cox, and all those behind the scenes at Arbon House for their support over the year.





Nik Madan
President
ARLA

9. REPORT TO THE AGM BY THE NEW ARLA PRESIDENT NIK MADAN

Nik Madan noted how delighted, excited and elated he was to be President. Nik asked the AGM that they challenge, ask and disagree at times. He said he is contactable and wants to be accessible to all where possible – please contact him with issues/concerns etc. He is looking forward to representing ARLA and was looking forward to working with Sally Lawson and Claire Lloyd.

Nik outlined the goals and aims that the ARLA Board intended to introduce, which he called the 3Cs:

- Corporate Engagement - engaging with the major players in the industry currently not in membership, to find common ground and mutual benefit
- Cradle to Grave – ARLA supporting agents through every stage of their career.
- Consumer Engagement - driving the consumer to ARLA members and firms

Nik felt that ARLA had to acknowledge and push out what it was achieving. He wanted to be the ambassador for ARLA to bring home the message of the numerous benefits to be obtained from membership and how these could enhance members’ standing and increase their businesses.

Nik wished David Mackie, his NAEA counterpart the best of luck for his Presidential year ahead.

10. REPORT TO THE AGM BY THE NEW NAEA PRESIDENT DAVID MACKIE

David felt privileged to be the President for NAEA. He gave his vow to represent its members and carry on the passion from his successor.

David gave thanks to all the staff at Arbon House. He spoke of the good work that Richard Locke and Daryl McIntosh had been carrying out to engage agents to become members; in particular the younger generation and their employees. David went on to thank Jan Hytch for the extensive work that Jan has done with Norwich College in this regard.

David said that he would be engaging with members through regional conferences and the excellent Masterclasses and increasing public awareness with the help of Lansons. He would be building on the foundations put in place for the Association through the College of Fellows and previous Presidents, ensuring that future Presidents had the opportunity to represent an organisation of increasing professional standards. He would strive to ensure that these were increased throughout the industry. David spoke of his passion for charity work and how more can be done to support the Arbon Trust.

David looked forward to working with the Presidential Team. Over the next twelve months, they would be travelling the UK, promoting membership benefits and asking for the support of members in promoting the Associations.

11. ANY OTHER BUSINESS

None.

The meeting closed at 12:20pm. All attendees then enjoyed lunch at the hotel, which gave the opportunity for networking with old and new colleagues.



David Mackie
President
NAEA



CONSOLIDATED
FINANCIAL STATEMENTS

COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2016

DIRECTORS

V J Bannister
 P Bullick
 D J Coleman
 K L Griffin
 J L Hytch
 R A Jezzard
 D Mackie
 N Madan
 P E Savage
 L Scott
 S A Lawson
 W M C Bentley

SECRETARY

R Clutton

REGISTERED OFFICE

Arbon House
 6 Tournament Court
 Edgehill Drive
 Warwick
 CV34 6LG

REGISTERED NUMBER

00897907 (England and Wales)

AUDITORS

Stiles & Company
 Chartered Certified Accountants
 2 Lake End Court
 Taplow
 Maidenhead
 Berkshire
 SL6 0JQ



GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their strategic report of the company and the group for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the group is the promotion and unity of understanding amongst estate agents and letting agents. Its core objective is to raise standards in the industry.

THE BUSINESS MODEL

The group focuses on improving standards in the industry, whether this be through lobbying, active participation in industry groups and committees or through the provision of training and qualifications to its members and the industry at large. The members of the Associations within the organisation follow a code of conduct and participating agencies are required to belong to an Ombudsman redress scheme.

REVIEW OF BUSINESS

The business continued to develop in 2016 with increases in income from the core business areas of membership and qualifications.

The business embarked on a rebranding exercise in 2016, launched in 2017.

The group has continued to invest in its systems and infrastructure in order to improve its offering to members.

PRINCIPAL RISKS AND UNCERTAINTIES

The changing political landscape creates uncertainty as do the vulnerabilities of the UK and global economies and the volatility of the property market.

KEY PERFORMANCE INDICATORS

The group will push for sustainable membership growth, encouraging more agents to engage with the membership code of conduct and to raise standards in the industry. Membership numbers will continue to be a key performance indicator. In the year to 31st December 2016 memberships increased 6% to 16,592. ARLA memberships increased 9% and NAEA memberships 2% during the year.

On behalf of the board,

N Madan - Director

Date: 17 May 2017

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2016.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2016.

FUTURE DEVELOPMENTS

The group continues to focus on being the go to organisation, and following the consultant's recommendations the organisational structure is being revised to align the business to support its strategic direction and to ensure member value.

The organisation's online systems continue to develop with online membership renewals in place, and online membership applications came on stream in 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

V J Bannister
D J Coleman
K L Griffin
J L Hytch
R A Jezzard
D Mackie
N Madan
P E Savage
L Scott

Other changes in directors holding office are as follows:

MJ Baum resigned 17 June 2016
P Bullick - appointed 17 June 2016
C Lloyd - resigned 17 June 2016
A J Reed - resigned 17 June 2016
S A Lawson - appointed 17 June 2016
W M C Bentley - appointed 17 June 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

On behalf of the board,



N Madan - Director
Date: 17 May 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NFOPP

We have audited the financial statements of The National Federation of Property Professionals for the year ended 31 December 2016 on pages seven to twenty two. 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 Financial Reporting Standard 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on pages three and four, 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 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 Group Strategic Report and the Report of the Directors 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 group's and of the parent company's affairs as at 31 December 2016 and of the group's 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept 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; 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.

Darren Parsons (Senior Statutory Auditor)
for and on behalf of Stiles & Company
Chartered Certified Accountants
2 Lake End Court
Taplow
Maidenhead
Berkshire
SL6 0JQ

Date: 23 May 2017

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	31.12.16 Continuing £	31.12.16 Discontinued £	31.12.16 Total £
TURNOVER	3	5,992,808	-	5,992,808
Cost of sales		(4,020,044)	-	(4,020,044)
GROSS SURPLUS		1,972,764	-	1,972,764
Administrative expenses		(2,904,699)	-	(2,904,699)
		(931,935)	-	(931,935)
Other operating income	4	932,690	-	932,690
OPERATING SURPLUS	6	755	-	755
Interest receivable and similar income		38,187	-	38,187
SURPLUS BEFORE TAXATION		38,942	-	38,942
Tax on surplus	8	(32,008)	-	(32,008)
SURPLUS FOR THE FINANCIAL YEAR		<u>6,934</u>	-	<u>6,934</u>
Surplus attributable to: Owners of the parent				<u>6,934</u>

	Notes	31.12.15 Continuing £	31.12.15 Discontinued £	31.12.15 Total £
TURNOVER	3	4,865,592	83,864	4,949,456
Cost of sales		(2,966,843)	(21,472)	(2,988,315)
GROSS SURPLUS		1,898,749	62,392	1,961,141
Administrative expenses		(3,017,698)	(2,386)	(3,020,084)
		(1,118,949)	60,006	(1,058,943)
Other operating income	4	851,730	-	851,730
OPERATING (DEFICIT)/SURPLUS	6	(267,219)	60,006	(207,213)
Loss on disposal of subsidiary	7	(36,232)	-	(36,232)
		(303,451)	60,006	(243,445)
Interest receivable and similar income		39,082	9	39,091
(DEFICIT)/SURPLUS BEFORE TAXATION		(264,369)	60,015	(204,354)
Tax on (deficit)/surplus	8	(9,863)	-	(9,863)
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		<u>(274,232)</u>	<u>60,015</u>	<u>(214,217)</u>
(Deficit)/surplus attributable to: Owners of the parent				<u>(214,217)</u>

CONSOLIDATED OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	31.12.16 £	31.12.15 £
SURPLUS/(DEFICIT) FOR THE YEAR		6,934	(214,217)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>6,934</u>	<u>(214,217)</u>
Total comprehensive income attributable to: Owners of the parent		<u>6,934</u>	<u>(214,217)</u>

CONSOLIDATED BALANCE SHEET 31 DECEMBER 2016

	Notes	31.12.16 £	31.12.15 £
FIXED ASSETS			
Tangible assets	10	1,867,758	1,984,018
Investments	11	-	-
		1,867,758	1,984,018
CURRENT ASSETS			
Debtors	12	658,382	1,035,932
Cash at bank and in hand		4,788,061	4,269,635
		5,446,443	5,305,567
CREDITORS			
Amounts falling due within one year	13	3,265,531	3,247,849
NET CURRENT ASSETS		2,180,912	2,057,718
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,048,670</u>	<u>4,041,736</u>
RESERVES			
Other reserves	16	60,000	60,000
Income and expenditure account	16	3,988,670	3,981,736
		<u>4,048,670</u>	<u>4,041,736</u>

The financial statements were approved by the Board of Directors on 17 May 2017 and were signed on its behalf by: N Madan - Director



COMPANY BALANCE SHEET 31 DECEMBER 2016

	Notes	31.12.16 £	31.12.15 £
FIXED ASSETS			
Tangible assets	10	1,867,757	1,984,017
Investments	11	-	-
		1,867,757	1,984,017
CURRENT ASSETS			
Debtors	12	584,317	955,749
Cash at bank and in hand		4,772,879	4,259,000
		5,357,196	5,214,749
CREDITORS			
Amounts falling due within one year	13	3,214,161	3,215,782
NET CURRENT ASSETS		2,143,035	1,998,967
TOTAL ASSETS LESS CURRENT LIABILITIES		4,010,792	3,982,984
CREDITORS			
Amounts falling due within one year	14	2,466,614	2,221,811
NET ASSETS		<u>1,544,178</u>	<u>1,761,173</u>
RESERVES			
Other reserves	16	60,000	60,000
Income and expenditure account	16	1,484,178	1,701,173
		<u>1,544,178</u>	<u>1,761,173</u>
Company's loss for the financial year		<u>(216,995)</u>	<u>(399,606)</u>

The financial statements were approved by the Board of Directors on 17 May 2017 and were signed on its behalf by: N Madan - Director



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Retained Earnings £	Other Reserves £	Total Equity £
BALANCE AT 1 JANUARY 2015	4,195,953	60,000	4,255,953
CHANGES IN EQUITY			
Total comprehensive income	(214,217)	-	(214,217)
BALANCE AT 31 DECEMBER 2015	3,981,736	60,000	4,041,736
CHANGES IN EQUITY			
Total comprehensive income	6,934	-	6,934
BALANCE AT 31 DECEMBER 2016	<u>3,988,670</u>	<u>60,000</u>	<u>4,048,670</u>

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Retained Earnings £	Other Reserves £	Total Equity £
BALANCE AT 1 JANUARY 2015	2,100,779	60,000	2,160,779
CHANGES IN EQUITY			
Total comprehensive income	(399,606)	-	(399,606)
BALANCE AT 31 DECEMBER 2015	1,701,173	60,000	1,761,173
CHANGES IN EQUITY			
Total comprehensive income	(216,995)	-	(216,995)
BALANCE AT 31 DECEMBER 2016	<u>1,484,178</u>	<u>60,000</u>	<u>1,544,178</u>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	31.12.16 £	31.12.15 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	1	509,943	215,406
Tax paid		(23,150)	(28,337)
Net cash from operating activities		486,793	187,069
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(6,554)	(43,128)
Sale of tangible fixed assets		-	638
Interest received		38,187	39,091
Dividends received		-	21,039
Net cash from investing activities		31,633	17,640
INCREASE IN CASH AND CASH EQUIVALENTS			
		518,426	204,709
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2	4,269,635	4,064,926
CASH AND CASH EQUIVALENTS AT END OF YEAR	2	<u>4,788,061</u>	<u>4,269,635</u>

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

1. RECONCILIATION OF SURPLUS/(DEFICIT) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.12.16 £	31.12.15 £
Surplus/(deficit) before taxation	38,942	(204,354)
Depreciation charges	122,813	117,316
Share of participating interest profits	-	(13,276)
Finance income	(38,187)	(39,091)
	123,568	(139,405)
Decrease/(increase) in trade and other debtors	377,550	(348,600)
Increase in trade and other creditors	8,825	703,411
CASH GENERATED FROM OPERATIONS	<u>509,943</u>	<u>215,406</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

	31.12.16 £	1.1.16 £
YEAR ENDED 31 DECEMBER 2016		
Cash and cash equivalents	<u>4,788,061</u>	<u>4,269,635</u>

	31.12.15 £	1.1.15 £
YEAR ENDED 31 DECEMBER 2015		
Cash and cash equivalents	<u>4,269,635</u>	<u>4,064,926</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. STATUTORY INFORMATION

The National Federation of Property Professionals is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the company information page.

The financial statements are presented in sterling which is the functional operational currency of the company and rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Membership fees are recognised in full at the time of receipt together with an appropriate proportion of deferred income.

Exam and tuition fees and seminar and event income are recognised when the company obtains the right to consideration.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Website development & software has been fully amortised in the current year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - 10% on cost and 2% on cost
Fixtures and fittings - 25% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 CONTINUED

3. TURNOVER

The turnover and surplus (2015 - deficit) before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	31.12.16 £	31.12.15 £
Membership fees	3,094,056	2,854,277
Education and training	1,905,880	1,307,630
Publications	148,306	170,007
Seminars and events	670,565	356,488
Membership services	172,768	256,753
Other	1,233	4,301
	<u>5,992,808</u>	<u>4,949,456</u>

An analysis of turnover by geographical market is given below:

	31.12.16 £	31.12.15 £
United Kingdom	5,992,808	4,949,456
	<u>5,992,808</u>	<u>4,949,456</u>

4. OTHER OPERATING INCOME

	31.12.16 £	31.12.15 £
Client money protection	<u>932,690</u>	<u>851,730</u>

5. EMPLOYEES AND DIRECTORS

	31.12.16 £	31.12.15 £
Wages and salaries	1,708,535	1,788,067
Social security costs	161,357	159,383
Other pension costs	48,653	57,553
	<u>1,918,545</u>	<u>2,005,003</u>

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

	31.12.16 £	31.12.15 £
Administration	<u>63</u>	<u>57</u>

The average number of employees by undertakings that are proportionately consolidated during the year was 63 (2015 - 57).

	31.12.16 £	31.12.15 £
Directors' remuneration	-	-

6. OPERATING SURPLUS/(DEFICIT)

The operating surplus (2015 - operating deficit) is stated after charging:

	31.12.16 £	31.12.15 £
Depreciation - owned assets	122,814	117,316
Auditors' remuneration	23,240	22,500
Operating lease rentals	<u>72,679</u>	<u>70,927</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 CONTINUED

7. EXCEPTIONAL ITEMS

	31.12.16 £	31.12.15 £
Loss on disposal of subsidiary	-	<u>(36,232)</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the surplus for the year was as follows:

	31.12.16 £	31.12.15 £
Current tax:		
UK corporation tax	32,008	23,150
Prior year corporation tax adj	-	(13,287)
Tax on surplus/(deficit)	<u>32,008</u>	<u>9,863</u>

8. TAXATION CONTINUED

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.16 £	31.12.15 £
Surplus/(deficit) before tax	<u>38,942</u>	<u>(204,354)</u>
Surplus/(deficit) multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	7,788	(42,914)
Effects of:		
Income not taxable for tax purposes	(343)	48,046
Depreciation add back	24,563	24,636
Chargeable losses	-	7,609
Tax losses utilised	-	(13,076)
Marginal rate relief	-	(576)
Effects of tax rate adjustment	-	(575)
Prior year tax adjustment	-	(13,287)
Total tax charge	<u>32,008</u>	<u>9,863</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 CONTINUED

9. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

10. TANGIBLE FIXED ASSETS

Group	Freehold Property £	Fixtures and Fittings £	Totals £
COST			
At 1 January 2016	2,583,238	638,314	3,221,552
Additions	-	6,554	6,554
At 31 December 2016	2,583,238	644,868	3,228,106
DEPRECIATION			
At 1 January 2016	673,083	564,451	1,237,534
Charge for year	86,935	35,879	122,814
At 31 December 2016	760,018	600,330	1,360,348
NET BOOK VALUE			
At 31 December 2016	<u>1,823,220</u>	<u>44,538</u>	<u>1,867,758</u>
At 31 December 2015	<u>1,910,155</u>	<u>73,863</u>	<u>1,984,018</u>

10. TANGIBLE FIXED ASSETS CONTINUED

Company	Freehold Property £	Fixtures and Fittings £	Totals £
COST			
At 1 January 2016	2,583,238	638,314	3,221,552
Additions	-	6,554	6,554
At 31 December 2016	2,583,238	644,868	3,228,106
DEPRECIATION			
At 1 January 2016	673,083	564,452	1,237,535
Charge for year	86,935	35,879	122,814
At 31 December 2016	760,018	600,331	1,360,349
NET BOOK VALUE			
At 31 December 2016	<u>1,823,220</u>	<u>44,537</u>	<u>1,867,757</u>
At 31 December 2015	<u>1,910,155</u>	<u>73,862</u>	<u>1,984,017</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 CONTINUED

11. FIXED ASSET INVESTMENTS

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

NFOPP Awarding Body Limited

Registered office: Arbon House, 6 Tournament Court, Edgehill Drive, Warwick, CV34 6LG

Nature of business: Education and professional exams

	%
Class of shares:	Holding
Limited by guarantee	100.00

	31.12.16 £	31.12.15 £
Aggregate capital and reserves	2,504,491	2,280,562
Profit for the year	<u>223,929</u>	<u>125,373</u>

The National Federation of Property Professionals has been the sole member of its subsidiary company NFOPP Awarding Body Limited, a company limited by guarantee, since incorporation in November 2006, and as such has no share capital.

In the event of winding up, every member of the company undertakes to contribute to the assets of the company such an amount as may be required not exceeding £10.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.16 £	31.12.15 £	31.12.16 £	31.12.15 £
Trade debtors	41,090	31,081	34,115	18,333
Other debtors	119,905	40,649	119,905	40,649
VAT	40,145	46,735	40,145	46,735
Prepayments and accrued income	457,242	917,467	390,152	850,032
	<u>658,382</u>	<u>1,035,932</u>	<u>584,317</u>	<u>955,749</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.16 £	31.12.15 £	31.12.16 £	31.12.15 £
Trade creditors	190,961	560,962	178,127	553,706
Tax	32,008	23,150	1,472	7,815
Social security and other taxes	-	38,755	-	38,755
Other creditors	120,268	110,421	120,268	110,421
Accruals and deferred income	2,922,294	2,514,561	2,914,294	2,505,085
	<u>3,265,531</u>	<u>3,247,849</u>	<u>3,214,161</u>	<u>3,215,782</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 CONTINUED

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Company	
	31.12.16 £	31.12.15 £
Amounts owed to group undertakings	<u>2,466,614</u>	<u>2,221,811</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Non-cancellable operating leases	
	31.12.16 £	31.12.15 £
Within one year	54,245	72,679
Between one and five years	25,269	79,514
	<u>79,514</u>	<u>152,193</u>

Company	Non-cancellable operating leases	
	31.12.16 £	31.12.15 £
Within one year	54,245	72,679
Between one and five years	25,269	79,514
	<u>79,514</u>	<u>152,193</u>

16. RESERVES

Included within Other reserves are:

General	£20,000	(2015: £20,000)
Membership	£20,000	(2015: £20,000)
Maintenance	£20,000	(2015: £20,000)

17. PENSION COMMITMENTS

The group operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund. The amount recognised as an expense in the period was £48,653 (2015: £57,553).

18. RELATED PARTY DISCLOSURES

During the year the group purchased non-directorship consulting services from Toller Consulting totalling £ 14,875 (2015: £12,070), an unincorporated entity controlled by A J Reed, Director and who resigned 17 June 2016. At the year end The National Federation of Property Professionals owed A J Reed £nil (2015: £4,794) and is included within trade creditors.

During the year, a total of key management personnel compensation of £278,046 (2015 - £275,749) was paid.

19. ULTIMATE CONTROLLING PARTY

The group is controlled by its board of directors as shown in the directors' report.

CONSOLIDATED DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2016

	31.12.16		31.12.15	
	£	£	£	£
TURNOVER				
Membership fees	3,094,056		2,854,277	
Education and training	1,905,880		1,307,630	
Publication sales	148,306		170,007	
Seminars and events	670,565		356,488	
Membership services	172,768		256,753	
Specialist committee	1,233		4,301	
		5,992,808		4,949,456
COST OF SALES				
Education and training costs	1,380,627		863,334	
Cost of publications	183,196		196,598	
Seminars and event costs	686,384		297,256	
Membership services	1,751,250		1,619,051	
Specialist committee costs	18,587		12,076	
		4,020,044		2,988,315
GROSS SURPLUS		1,972,764		1,961,141
OTHER INCOME	£	£	£	£
Client money protection	932,690		851,730	
Deposit account interest	38,187		39,091	
		970,877		890,821
		2,943,641		2,851,962

	31.12.16		31.12.15	
EXPENDITURE				
Wages and salaries	1,708,535		1,788,067	
Social security	161,357		159,383	
Pensions	48,653		57,553	
Rates and water	123,171		141,875	
Insurance	31,249		32,554	
Other administrative costs	431,062		410,631	
Post and stationery	103,206		137,415	
Computer development costs	43,080		40,314	
Irrecoverable VAT	78,660		85,897	
Auditor's remuneration	23,240		22,500	
Depreciation of tangible fixed assets				
Freehold property	86,934		86,926	
Fixtures and fittings	35,879		30,390	
		2,875,026		2,993,505
		68,615		(141,543)
FINANCE COSTS				
Bank charges		29,673		26,579
Carried forward		38,942		(168,122)
Brought forward		38,942		(168,122)
EXCEPTIONAL ITEMS				
Loss on disposal of subsidiary		-		36,232
NET SURPLUS/(DEFICIT)		<u>38,942</u>		<u>(204,354)</u>





propertymark

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