Annual Report and Financial Statements for the Year Ended 31 December 2023

propertymark

COMPANY INFORMATION

DIRECTORS

The directors who served during this year were:
A C Thompson (appointed 29 June 2023)
J Paul
P J Hemsley
K A McArthur (resigned 3 October 2023)
M A Sears
M L Liyanage (resigned 1 November 2023)
N A Heathcote (resigned 29 June 2023)
N Emerson
R L Selwyn
S E Wilkinson (resigned 29 June 2023)
S M McCarron (appointed 29 June 2023)
V J Bannister (resigned 29 June 2023)
Bill Butler (appointed 29 June 2023)

REGISTERED NUMBER 00897907

REGISTERED OFFICE

Arbon House
6 Tournament Court
Edgehill Drive
Warwick
Warwickshire
CV34 6LG

INDEPENDENT AUDITOR

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

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NON-EXECUTIVE CHAIR'S FOREWORD

Since my appointment as Chair of the Propertymark Board in June 2023, I have spoken with members from across the profession. I see constant examples of a shared commitment to improve the experience of consumers and drive-up professional standards throughout the property sector and I pay tribute to my predecessor Nicky Heathcote, for the progress the organisation has made in developing and delivering a unifying strategy.

As the leading professional body, Propertymark is matching the sector's appetite for change stride for stride and membership has increased in response. Where you need greater credibility with your clients, Propertymark has enlisted TV expert Phil Spencer as a high-profile ambassador. There has been significant legislative activity across the UK and we have been active in ensuring that members' interests have been heard. We have expanded our Policy and Campaigns remit and stepped up its lobbying, being invited to give evidence and professional input in Westminster, the Senedd and Holyrood. Propertymark and Propertymark Qualifications comprise a dedicated team who deliver the agenda that is set by members, sometimes working to unite competing goals for our members' overall benefit.

There is always more to be done and we are an organisation with serious ambition on behalf of members. Throughout 2023 the drive has been to offer continued improvements for our members. We have strengthened our financial position - achieving a surplus of £387,855 for the year while holding fees at the same level and building our capacity to invest. We are investing in solutions that solve your problems and keep our members ahead of the game - be that through technology, partnerships, or people - with an offer that is focused on quality and value for money. An excellent example is the introduction and subsequent growth of our in-house Lettings Helpline that again demonstrates our commitment to deliver high quality member services wisely and for the long term, in the areas that you value most.

On joining as Chair, I was able to attend the first Propertymark One Conference at the iconic Wembley Arena. This event was an enormous achievement attracting members of all disciplines, enabling networking opportunities and bringing world class expertise to our members. I was also privileged to attend the Propertymark Qualifications Awards at the Queen Elizabeth Olympic Park and to meet with learners from all over the country receiving their certificates. I was inspired by the breadth and scope of the commitment to vocational learning across the people I met. This growing professionalism and expertise will yield progress in our shared endeavour to improve the sector, through the coming years.

I am grateful to all those elected and independent directors who served on the Board during this period. Their contribution to our many important activities is highly valued, including Karen MacArthur, Valerie Bannister and Simon Wilkinson who left the Board in

NON-EXECUTIVE CHAIR'S FOREWORD

June 2023. I also pay tribute to the many volunteers who contribute so much to our continued success and to our ever-enthusiastic staff. As a Propertymark member you expect your professional body to understand your needs. As an organisation we stand by the progress we have made and look forward to working on behalf of our members throughout 2024 and beyond.

W A Butler
Non-Executive Chair

CEO'S FOREWORD

2023 has been a year of further evolution for the organisation.

We have welcomed our new Chair Bill Butler joining Propertymark to lead the board and in addition, Allison Thompson and Stephen McCarron joined, having successfully achieved the member vote. We are also delighted to have appointed independent Non-Executive Director Nicola Wood.

Propertymark has continued to see growth both in terms of income, staffing numbers and the additional facilities to support our members through the current economic challenges.

The impact of higher interest rates and soaring inflation placed considerable strain on many of our members. A conscious decision was made to support our members through the cost of living crisis. As a result, Propertymark absorbed the increased costs due to inflation and also froze fee increases at 2022 levels for all individual members. We also absorbed Client Money Protection increases, delivering real time savings when it was most needed for individuals and companies alike. Membership retention for 2023 rose to over 90%, which is considerably higher than the average for membership organisations which sits between 83% and 85%. With additional new members joining we finished the year with 17,943 active memberships.

Propertymark was able to support its members at a time of need due to the strength of its balance sheet carefully built up over the past few years. We are aware this action will have a material impact on the performance and balance sheet for 2024 accounting year, however the organisation deems it has sufficient reserves to absorb the resulting impact.

The focus to invest and increase member services has seen the organisation develop its own internal lettings helpline in Q4 successfully handling over 3,000 enquires during that period. We can now deliver in house specialist support to our members and the visibility of queries enables us to focus support, training, and resources in the areas our members are seeking help and guidance on the most.

We also launched our "Free for 23" campaign which saw over 20 full sized regional conferences delivered for members entirely free of charge across the UK. A substantial investment, these have proved to be a phenomenal success with more members attending, learning, and engaging. The organisation has developed its own internal events team to deliver constantly which has been a major achievement and success.

On the back of this the organisation held its first full multi-disciplined national conference "Propertymark One" seeing over 1,500 industry professionals come together from all divisions to attend the inaugural conference at the iconic Wembley Arena, placing it as the largest agency conference of the year in 2023.

Propertmark's industry supplier initiative continued to thrive and members have directly benefitted from access to more industry technology and services across our regional conferences.

The consumer awareness campaign grew significantly during 2023, reaching an audience of over 1.2m consumers across our related channels. The member Facebook group has proven to be a popular resource for members and the new Property Professional magazine has received a 83% positive feedback score, with 72% actively using information from the

CEO'S FOREWORD

magazine for personal development for themselves or their team. The internal PR function has increased our industry voice in terms of both trade and national consumer press and media. The team have averaged 553 pieces of coverage per month, a 26% increase from previous year averages, with a new record of 1,120 in November 2023.

Politically we exhibited at both the Labour and Conservative party conferences which served to increase Propertymark's profile in government and political circles. Political engagement increased substantially throughout the year across all the devolved administrations as a result. We responded to 36 consultations across the sector and continued to engage with all the main political parties mindful of the election due during 2024.

Our ambassadorial contingent continues to work hard and the Presidential Teams and Regional Executives continue to thrive. The ambassadorial group benefitted from two structured training events throughout the year helping to provide all our industry representatives with the tools they need to represent members across the UK. Many also undertook an initiative to meet with their constituency MPs to further drive home our position over many areas of legislative reform.

The financial resilience of the organisation has continued to improve and 2023 also saw the organisation achieve a completely clean financial audit. From an operational standpoint I am elated to announce the organisation hit all of its operational KPI's with staff members going above and beyond in the service of members.

Despite increased competition we remain the leading provider of industry qualifications. The launch of the new Level 4 qualification and the introduction of remote invigilation sees candidates able to take examinations remotely from the comfort of their home or office at extended times during the day. This has proven to be a popular and successful migration with over 8,525 examinations completed in 2023.

The regulation and compliance function has continued to expand its auditing and regulations capacity to enable us to visit, assist and support more members within the compliance and regulatory functions. Despite being the largest Government-approved Client Money Protection scheme operator, we had a very small number of claims in 2023. While any claims are regrettable, the low number of claims is in part due to the enhanced monitoring which now takes place.

Closer working relationships with international professional bodies has been beneficial for the organisation and with closer ties being formed throughout 2023 with NAR in America, IPAV in Ireland and CEPI across Europe as the organisation continues to increase its support and influence framework.

As we move forward the organisation has a number of exciting key deliverables it is focussing on in order to benefit its membership base further during 2024 and I look forward to reporting on this in due course.

Nathan Emerson
CEO, Propertymark

AGENDA FOR THE PROPERTYMARK ANNUAL GENERAL MEETING, 11AM 28 JUNE 2024

11am 28 June 2024 Delta Marriott, Warwick, CV34 6RE

1. Welcome from the Chair	W A Butler, Chair Propertymark
2. CEO Opening Remarks	Nathan Emerson MARLA MNAEA MNAEA Comm, CEO Propertymark
3. Minutes of the Annual General Meeting 29 June 2023	W A Butler, Chair Propertymark
4. Election results Simon Thomson, Election Monitor MiVoice • NAEA Propertymark Member Elected Board Director • ARLA Propertymark Member Elected Board Directors • ARLA Propertymark Vice President • NAEA Propertymark Vice President	Simon Thomson, Election Monitor MiVoice
5. Presidential Speeches	Angharad Trueman FARLA, President ARLA Propertymark Toby Leek MNAEA, President NAEA Propertymark
6. Resolution procedures	W A Butler, Chair Propertymark
7. Ordinary resolutions	Sarah Bunting, Head of Finance Propertymark
8. Special resolutions	W A Butler, Chair Propertymark
9. Any other business	W A Butler, Chair Propertymark
AGM closes	

MINUTES OF THE FIFTEENTH ANNUAL GENERAL MEETING, 29 JUNE 2023

Minutes of a Propertymark Annual General Meeting, held Thursday 29 June 2023 at 11:00 at the Delta Marriott Warwick Hotel

PRESENTERS

Nicky Heathcote, (NH) – Chair of the Propertymark Board
Nathan Emerson (NE) – Chief Executive Officer
Sarah Bunting (SB) – Head of Finance
Karen McArthur (KMc) – Non-Executive Director
Michael Holden (MH) – NAEA Propertymark President
Greg Tsuman (GT) – ARLA Propertymark President
Ben Thomas (BT) – Mi-Voice

ATTENDEES

MEMBERS, DIRECTORS AND PROXIES

Alexandra Tan
Allison Thompson
Angela Davey
Angharad Trueman
David Powell
David Votta
Clive Buckland
Greg Tsuman
Jason Lee
Mary-Lou Press
Megan Eighteen
Michael Holden
Mish Liyanage
Natalie Barton
Nathan Emerson
Peter Speak
Simon Wilkinson
Stephen McCarron
Tim Green
Valerie Bannister
William Holden
Marcus Arundell – Proxy Form

NON-MEMBERS

(including staff, visitors)
Ben Thomas, Mi-Voice
Emma Alaball
Jacqui Coburn
Jo Hilton
Jonathan Milligan
Karen McArthur
Mandy Tsang-Wetherald
Michael Smith
Nicky Heathcote
Rachel Hartley
Sarah Bunting
Susanne Shepherd
Sue Roberts-Smith
Shelley Read-Brown
Timothy Douglas

1. WELCOME

The Chair welcomed members to Propertymark's 2023 Annual General Meeting and provided details on the format of the meeting, advising members they would hear from;

- Nathan Emerson, CEO with an operational performance update for 2022.
- Ben Thomas, Director Mi-Voice to announce the results of the elections.
- Sarah Bunting, Head of Finance to take them through the Annual Accounts 2022.
- Karen McArthur, Non-Executive Director and Chair of the Nominations and Remuneration Committee to announce the appointment of Propertymark's new Non-Executive Chair.
- Introduction from incoming Presidents, Michael Holden and Greg Tsuman.

As a quorum was present the Chair declared the meeting open. The Notice dated 7 June 2023 to convene the AGM was taken as read, there were no objections raised from the floor.

2. CHIEF EXECUTIVE OFFICER'S OPENING REMARKS

2022 was a year of implementation, building on the foundations of last year.

During the year much focus was placed on aligning the sales and lettings Regional Executive Network and this resulted in over eighty volunteers now being included in this growing network. These are important roles that assist our members in their local area.

There has been a successful start with the far-reaching consumer campaign to educate and inform the consumer on the benefits of using a Propertymark Protected agent in partnership with Phil Spencer and his consumer engagement platform Move IQ. So far the initiative has achieved over 1.4 million consumer interactions.

Propertymark Qualifications recognised exceptional learners across eight categories along with formal presentations to more than a hundred learners at its biggest ever awards ceremony at the prestigious British Museum and during the same year Propertymark held a very successful and well attended NAEA National Conference.

Keeping to the Business Strategy commitment to champion all its divisions however big or small, Propertymark launched the first ever NAVA and Commercial Market Reports which will provide valuable insight and learning from the Auction and Commercial sector within the industry and will complement the existing sales and lettings reports.

Propertymark introduced a new members Facebook group and forum and this is growing rapidly in numbers and increasing member engagement. There has been an extensive increase in Propertymark's share of industry voice in terms of both trade and national press and media. The PR and Press Team have averaged 513 pieces of coverage per month, a 264% increase from previous year averages, with a peak for the year of 964 in October 2022. Industry sentiment towards Propertymark is extremely positive. Propertymark are proud that it won the In-house Team of the Year Award at the Property Press Awards 2022.

During the period Propertymark have had significant success in raising its profile and changing Government's thinking.

The key areas of focus have been:

i. Economic Crime
ii. Energy Efficiency
iii. Reforming the Private Rented Sector
iv. Reforming the Home Buying and Selling Process
v. Regulating Property Agents

Propertymark's Policy and Campaigns team have built strong relationships, based on credibility and evidence-based arguments, with departments across the UK Government and administrations in Scotland, Wales and Northern Ireland.

Towards the end of 2022, Propertymark made preparations with the Scottish Association of Landlords, to lodge a Judicial Review against the Scottish Government's Cost of Living legislation which prevented landlords from raising rents and regaining possession. This unprecedented course of action, which is ongoing, came about as a result of unparalleled legislative restrictions on landlords.

Over the period, Propertymark have delivered a new Level 4 multidiscipline qualification which has been well received by learners. A remote invigilation system and new CRM system was also delivered in February 2023 which now means learners have access to a seamless digital journey.

Propertymark have remained the leading industry provider of qualifications, with the organisation registering 4,000 new candidates throughout 2022 and a further 200 apprentices registered for the Junior Estate Agent Standard end point assessment scheme during the year.

At the 2022 Annual General Meeting Propertymark adopted changes to its Corporate Governance Framework and Articles of Association which also led to a review and modernisation of its Conduct and Membership Rules. The routes to membership were simplified and aligned across all its divisions, which included evolving Propertymark Inventories membership into an accreditation.

Following a review of its Compliance function, the team has undergone expansion and is now working under an even more robust audit framework, new risk model and data analysis processes. A new service for members, 'Calm About Compliance' was also launched in quarter 4 2022.

The Disciplinary Panel has been refreshed and Propertymark have established a new Fitness Panel to consider declarations in connection with 'Fit and Proper' person declarations. The introduction of a new Regulatory Board will follow in 2023.

Propertymark has engaged more openly with industry suppliers which has increased the number of relationships it has within the sector. The additional income has also led to Propertymark being able to provide members with free access to regional conferences throughout 2023.

The work highlighted could not have been delivered without the dedicated team of people who have not been immune to the current economic challenges and as such Propertymark awarded all its staff with a cost of living payment to support them through these hard economic times.

Great gains have been made for the organisation yet there is still much to do, and NE is looking forward to working with the new Chair to take the organisation to the next level in the future.

3. MINUTES OF THE 2022 ANNUAL GENERAL MEETING

The minutes of the 2022 Annual General Meeting held on 17 June 2022 were circulated to members in advance of the meeting and no comments or questions relating to the minutes had been received or were raised at the meeting. The Chair declared the minutes a true and accurate record of that meeting.

4. BOARD DIRECTOR AND VICE PRESIDENT ELECTION RESULTS

The elections had been independently administered by Mi-Voice and Ben Thomas (BT) Director of Mi-Voice was invited to declare the results as follows:

NAEA Propertymark Elected Director position: BT advised that there were two candidates:
Simon Wilkinson and Stephen McCarron.
The successful candidate is **Stephen McCarron**.

ARLA Propertymark Elected Director position: BT advised that there were four candidates:
Allison Thompson, Angela Davey, Nick Neill and Rachel Hanniquet-Brooking.
The successful candidate is **Allison Thompson**.

Vice President ARLA Propertymark: BT advised that there were two candidates:
Megan Eighteen and Phil Jones.
The successful candidate is **Megan Eighteen**.

Vice President NAEA Propertymark: BT advised that there were two candidates:
Alexandra Tan and Mary-Lou Press.
The successful candidate is **Mary-Lou Press**.

BT advised that all candidates received good support. The voting turnout this year was 7.1%, this is double on the previous year and one of the highest on record reflective of the calibre of candidates standing and member engagement. BT thanked the candidates for standing.

The Chair congratulated the new appointees welcoming them to the Propertymark Board and Presidential Teams.

The Chair thanked Valerie Bannister (VB) who after serving two terms is retiring as an ARLA Propertymark Member Elected Director from the Propertymark Board. VB has provided valuable input over the last eight years and appreciation was given for her contribution during her time on the Board.

The Chair thanked Simon Wilkinson, who has come to the end of his term as a NAEA Propertymark Member Elected Director on the Propertymark Board, for his efforts and contribution over the last four years.

The Chair invited Karen McArthur (KMc) to announce the appointment of Propertymark's new Non-Executive Chair.

KMc paid tribute to Propertymark's outgoing Chair, Nicky Heathcote. She has served a total of five years on the Board, stepping into the Chair role 3 years ago and has led the transformation of Propertymark, with notable highlights including:

- Bringing in house the Press and PR team which has been instrumental in turning around the reputation of Propertymark with the media as well as reducing cost.
- Launching new qualifications and refreshing the Propertymark Qualifications Board.
- The creation of a new Regulatory Board
- Wide ranging changes to governance structure affecting the appointment of new independent Board members, Presidential Team and Advisory Panels to give them greater purpose.

KMc stated that good governance forms the foundations on which an organisation can flourish and focus on its members and the Chair was thanked for taking on the role during a time of turbulence and steering Propertymark to a calmer and more stable present, a great legacy to leave behind.

KMc announced William, (known as Bill) Butler as the new Chair of Propertymark who will take on the role on 1 July 2023.

The role attracted a wide range of good quality candidates during the open recruitment process, there was a robust and multi-stage process involving Directors from the Board including the CEO, John Paul and Michael Sears, they were thanked for their time and diligence during the process. KMc advised that the panel were unanimous in recommending Bill to the Propertymark Board which the Board endorsed.

Bill is an accountant by profession and has had an executive career with regulated agencies, he was CEO at the Security Industry Authority working with the Government to establish them as a statutory regulator and at the Gambling Commission where he helped to create and oversee its formation. Bill has Chair and NED experience with other membership or regulated bodies including most recently at The Law Society where he oversaw the transformation in their finances and created a £40M, five year member modernisation plan.

Bill brings extensive experience engaging with government agencies, a deep understanding of membership organisations and knowledge of building and delivering regulated bodies. Bill will be taking on a non-executive Chair role, as agreed at last year's AGM, which means that he will not be as visible in the business as the outgoing Chair, this is a recognition of the stable platform which NH helped to create and allows Bill to focus on strategy, external relationships and greater member benefits.

KMc concluded that Bill's commitment and passion for the role shone through and the Board are confident that he is the right person to lead Propertymark through the next stage of its journey and commended him to the meeting.

5. PRESIDENTIAL SPEECHES

The Chair invited Michael Holden (MH), President, NAEA Propertymark to the stage:

MICHAEL HOLDEN (MH), NAEA PROPERTYMARK PRESIDENT:

MH stated that it was an honour to become the NAEA Propertymark President, an ambassadorial role following several years of being involved with Propertymark and the various divisions: ARLA, NAEA, NAVA and NAEA Commercial and he stands with a proud history working in the industry dating back to when he was just a youngster.

Citing his dad's influence on his involvement with NAEA Propertymark when he learned that his dad was a committee member for the local board back in the early 1970's when he ran an Estate Agency and Auctioneers business. MH sadly lost his Dad earlier this year but believes his Dad would have been proud of him addressing everyone today.

MH career started in the mid 1980's when as a student he set up a small accommodation agency in Cardiff with one of his best friends, it was called the South Wales Accommodation Agency creating many happy memories and in particular adopting the Welsh national dragon as their motif.

After arriving back in the Northwest, MH joined forces with his brother and they helped form Collier and Graham, a one stop shop Solicitors, Property centre and Estate Agency which was a novel offering at the time. From this MH moved to Countrywide which had just acquired Bridgfords and began work dealing with commercial agency, development and management. MH see lots of opportunities for our NAEA Commercial members.

The next phase involved time with a major local authority selling and disposing of land and he was privileged to work in the Highlands of Scotland on all manner of real estate projects including, sales, management and economic development.

Returning home, MH worked with a couple of local estate agencies, a large college as a director of estates and facilities and taught at the local University. It was around 8 years ago that Michael Holden Surveyors and Valuers was created with offices in Lancashire, South Lakes and the Dales.

MH has some recent experience with governance being a former member of the RICS World Governing Council during a period of "turbulence". As a long standing NAEA Propertymark member and more recently part of the NAEA Propertymark Presidential team, MH feels he has a good understanding of Propertymark as an organisation, the commitment from the CEO, his team and the Board who are determined to enthuse, represent and support all its members.

MH main themes for his year as President are:

i. Support and enthuse members, listen to them.
ii. Support and enthuse our volunteers, listen to them.
iii. Promote excellence in what we do.
iv. Raise standards continually to support members.
v. Work collaboratively with others and informing government.

MH thanked everyone for their support and assistance: the outgoing President, friend and colleague Stephen McCarron (SMc) his predecessor Liana Loporto-Brown, fellow Presidential teams of all Propertymark divisions, the Board, CEO and his team as he looks forward to the year ahead.

GREG TSUMAN (GT) SPEECH, ARLA PROPERTYMARK PRESIDENT:

GT thanked the members for their votes as he now embarks on his final term as ARLA Propertymark President and is looking forward to the year ahead working with his colleague MH. GT paid thanks to David Votta (DV) and SMc the outgoing Presidents for their tireless commitment to spreading and promoting Propertymark to both members and non-members, and for DV's support while serving on the Presidential Team. He welcomed Angharad Trueman and Toby Leek to their President-Elect year, stating that he would be relying on their support and expertise during his year as President.

GT has been a Propertymark member, for most of his working life and sees membership as a badge of honour, a universally recognised qualification within the property industry. For landlords and tenants, the membership gives confidence that they are dealing with an agent who is committed to higher standards of professionalism and ethical behaviour than the law requires.

As a student member, GT attended his first regional meeting in North London, so standing here today addressing everyone as ARLA Propertymark President has filled him with both pride and honour as he never imagined he would be in this position back then. GT is delighted that Propertymark, stands on the most solid of foundations and the four strategic pillars that make the organisation what it is today. He intends to continue on the path his predecessors have paved before him and do his best to support the organisation in its relentless growth and one that members continue to be proud to be a part of; one that consumers recognise above all others. Propertymark are a valued membership service; the recognised industry voice and standard, and the future of our industry.

GT began his career in property over two decades ago and it was by chance as he never planned to work in lettings. Had it not been for the .com crash twenty years ago, he probably would not be where he is today.

Having been made redundant from a market research position as a result of the economic downturn, GT sought to shield himself from the same risk in the future. Researching the type of sectors that would be resilient during any economic crisis, property came out on top. Taking the initiative, he printed off some CVs and hand delivered them to agencies in north London, his residence at the time. Through perseverance after initially being turned away due to not being able to drive, GT went on to start as a trainee negotiator with Martyn Gerrard Estate Agents and eventually was promoted to Director of Lettings and an equity shareholder in the company, a lesson not to let obstacles stand in your way.

Martyn Gerrard have been recognised as one of the leading independent agents in the country, with awards ranging from the Sunday Times to the Negotiator, and the Best Agency Guide. GT has been asked to give evidence to the London Mayor's office on Energy Efficiency standards, contribute to the focus groups at the Home Office, and was among the first to raise his concerns over how tax changes would impact the private rented sector, causing demand and rents to climb higher and higher.

The property landscape keeps changing and he believes what the sector is going through currently, can only be described as a once in a generation, however, it is equally important, to recognise that the sector has navigated challenging periods in the sector before including: the introduction of Deposit Protection, EPCs, Immigration Acts, HMO Licensing, Deregulation Act, Homes (Fitness for Human Habitation) Act, Tenant Fees Act, mandatory Electrical Safety Certification and many more. GT reminded us that currently we are faced with the Renters Reform Bill going through Parliament, and understandably, many landlords and property professionals are nervous about what this will mean for the industry, but they should remain positive, and we should all strive to work towards a future of a fairer private rented sector.

GT firmly believes that agents should be regulated and licenced to operate in their particular disciplines aligning with the Government's desire to constantly improve the sector and raise standards. However, many tenants will be forced to go through tough challenges as a direct result of the tough legislative requirements implemented over the last 8 years, which GT believes has set back some of the earlier progress made. Tenants are blaming landlords, and landlords are giving up. The sad reality is, that there is no alternative to the private rented sector for the foreseeable future and to ensure good landlords are not driven out of the sector, the Government need to urgently review in particular how landlords are taxed and GT looks forward to seeing a fairer and transparent private rented sector for all.

The Chair gave her thanks to both Stephen McCarron and David Votta, the outgoing Presidents for all their work and commitment during their year as Presidents.

6. RESOLUTION PROCEDURES

The Chair provided details on the process for voting on the resolutions and advised that no questions had been received ahead of the meeting. The members in the room were advised that if they wanted to ask questions on any of the resolutions being proposed to do so by stating their name and if they were acting as a proxy.

Voting

i. Members are entitled to vote, either in person or by proxy on the resolutions being proposed
ii. Resolutions 1 and 2 are being proposed as ordinary resolutions, for each of those resolutions to be passed, more than 50% of the votes cast must be in its favour.
iii. Each resolution is to be decided on a show of hands unless a poll is validly demanded, before or on the declaration of the result, in accordance with the Company's Articles of Association.

7. ORDINARY RESOLUTIONS

The Chair invited Sarah Bunting (SB), Head of Finance to propose the Ordinary Resolutions:

Ordinary Resolution 1 - Approval of the Annual Report and Accounts

Resolution 1 set out in the Notice as an ordinary resolution relates to the approval of the Company's Annual Report and Accounts for the year ending December 2022. SB provided an overview of the financial performance of the Propertymark Group ahead of inviting questions on the Accounts and approval of the resolutions.

SB reported that as per the AGM in 2022, Propertymark had retained their auditors, Haysmacintyre and was pleased to report that Propertymark were able to fulfil their audit obligations whilst undertaking a hybrid of onsite and remote audit fieldwork.

The Propertymark Group is made up of three companies:

i. Propertymark Ltd, limited by guarantee, this means that all surpluses earnt by the organisation are reinvested for the benefit of the members.
ii. Propertymark Qualifications Ltd, 100% subsidiary of Propertymark Ltd.
iii. Money Shield Ltd, a 51% subsidiary of Propertymark Ltd. Money Shield is now fully consolidated into the Group accounts and the remaining shares are owned by The Tenancy Deposit Scheme Limited.

A full year audit was undertaken in March 2023 and SB was pleased to report that there were no accounting audit adjustments made to Propertymark's Management Accounts and no audit issues raised and all audit work completed. The accounts have been reviewed and signed off by both Haysmacintyre and the Directors. This followed a full review process where the auditors had reported all their findings to the Directors.

There were no qualifications or outstanding control points resulting from the audit and once adopted, the accounts are ready for filling at Companies House.

SB presented the consolidated statement of income which represents a trading report of the organisation through 2022.

- The current year surplus has remained at a similar level to that of the previous year.
- Turnover has increased by 5.4% primarily due to retaining strong levels of membership and Client Money Protection (CMP); an increase in qualification registrations and exam bookings; and an additional revenue stream arising from a collaboration with Manchester Open Learning for the sale of study materials generating additional commission income.
- Cost of sales has also increased by 4.6% as expected in 2022 due to the additional qualification's activity, purchase of study materials and the release of a CMP provision no longer required to cover claims.
- Administrative expenses have increased by 6.3% primarily due to an increase salary related costs from a greater headcount and a salary benchmarking exercise; increase in depreciation costs post implementation of the new ARCA CRM system; investment in developing and supporting our volunteers primarily the regional executives' network; partly offset by a cost saving from creating an inhouse PR function and moving away from the external provision.

Balance Sheet:

Referring to the Balance Sheet as of 31st December 2021 for the Group.

- Fixed Assets, Propertymark have incurred investment costs with the development of the new Propertymark Qualifications CRM and remote invigilation platform increasing the intangible asset cost; the reduction in the overall asset value due the annual depreciation charges.
- Debtors have reduced by £153K primarily due to the release of the accrued income for the 2021 ARLA conference offset by an increase in trade debtors due to renewal process changes in membership and CMP and the remainder of the movement in other debtors and prepayments.

- Cash at bank has increased at the year-end in part due to the change in the timing of invoicing of the renewals and receiving funds slightly earlier than the previous year.
- Creditors have increased at year end by £714K. This is being driven by an increase in deferred income from membership and CMP, movements in trade creditors, tax and social security costs.
- Other provisions relate to the annual CMP insurance excess provision calculated to cover CMP claims notified by the year end of £138K.
- Overall, these factors have contributed to a growth in Net Assets of £298K.

As no questions had been submitted ahead of the meeting regarding the Accounts and none were offered from the floor SB proposed the acceptance of Resolution 1 as an ordinary resolution. A show of hands in favour of the resolution was requested from the floor.

It was declared that Resolution 1 was passed by the necessary majority on a show of hands as an ordinary resolution.

Ordinary Resolution 2- approval of the auditors

Resolution 2 set out in the Notice as an ordinary resolution relates to retaining Haysmacintyre as auditor and the authorisation of the auditor's remuneration by the Audit and Risk Committee.

As no questions had been submitted ahead of the meeting and none were offered from the floor, SB proposed the acceptance of Resolution 2 as an ordinary resolution. A show of hands in favour of the resolution was requested from the floor.

It was declared that Resolution 2 was passed by the necessary majority on a show of hands as an ordinary resolution.

8. ANY OTHER BUSINESS

There were no questions from the floor and the Chair advised that no questions had been submitted ahead of the meeting and so concluded the business of the Annual General Meeting of Propertymark Ltd.

The Chair thanked everyone for attending and advised that this would be her last AGM as she was leaving the organisation at the end of the month. The Chair thanked all the people she has had the great pleasure of working with over the last five years. Having first joined the Propertymark Board as a Non-Executive Director and then asked by the Board to step into the Chair role three years ago, NH is immensely proud of what we have all achieved together during her tenure. Together, we have turned the organisation around and it is now the well-regarded professional organisation that all our members want and deserve. An organisation that truly puts its members at the heart of everything it does.

The Chair said farewell and declared the 2023 Annual General Meeting of Propertymark closed at 11:40.

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their Strategic Report of the company and the group for the year ended 31 December 2023.

PRINCIPAL ACTIVITY

Propertymark is the leading professional body for property agents, with nearly 18,000 memberships, our practicing agents help people to buy, sell and rent their homes every day.

Launched in February 2017, Propertymark combined five different associations (ARLA, NAEA, NAVA, ICBA and APIP) under a single brand. This brought together professional agents from across the sector including lettings, sales, auctioneers, valuers, commercial and inventories.

Our core objectives are to uphold recognised industry standards, provide valued membership benefits and be the leading industry voice.

Propertymark sets high professional standards for its members through adherence to a Code of Conduct and Rules, including maintaining client money accounts and obligatory Client Money Protection cover where relevant. Members must also afford consumers access for resolution of disputes through one of the Approved Redress Schemes.

The drive to improve standards is also achieved through the provision of Propertymark Qualifications which offers a range of formal Ofqual-recognised accreditations at different levels. We also deliver industry-leading training programmes and enforce mandatory Continuing Professional Development.

Propertymark provides a continuous source of guidance, advice and research through a comprehensive programme of workshops, conferences and events. Our expanding series of webinars, blogs, factsheets and integrated regional networks support all the professional disciplines within our membership regardless of their size. We are a leading voice for the property sector and a go-to organisation for UK governments on policy issues. Gathering in-depth research and industry insight enables Propertymark to advocate and lobby on behalf of our members across the UK. We work with and our views are sought by, the UK government across its departments (including the Department for Levelling Up Housing and Communities (DLUHC), HM Treasury, Home Office, Department for Business Skills and Innovation and HM Revenue and Customs), the Scottish Parliament, the Welsh Senedd and the National Assembly in Northern Ireland.

We are in regular dialogue with the National Trading Standards Estate and Letting Agents Team (NTSELAT) which has overall compliance responsibility within the sector. In addition, there is active participation in industry groups and working parties. Propertymark is a credible and influential voice which drives positive change and protects members through explaining Government direction, assessing the potential impact of emerging legislation and enabling members to prepare in advance of market developments.

OPERATIONAL REVIEW

2023 was a period of building strong foundations for growth and expansion of our support to members with the staff headcount rising to 87 in recognition of this.

VALUED MEMBERSHIP SERVICE

In 2023 Propertymark held membership fees at the previous year's levels, despite rising costs in every area. This was achieved through our investment and commercial income. Client money levies were also held down at 2022 levels.

We held the first Propertymark One conference, a single conference for all members with a programme designed to appeal to all specialisms. We attracted 1,503 delegates to Wembley Arena, staging one of the biggest events in the property sector.

We delivered 19 regional conferences and 4 regional meetings free of charge to members and 2,141 member and non-member delegates attended.

Our partnership with Move iQ delivered Phil Spencer's personal brand and endorsement for Propertymark Protection. Move iQ share proactive campaign activity on behalf of members and members can display officially approved collateral on their digital spaces and in branches. In 2023 Move iQ reached 1.3m consumers with a wide variety of messages which included reference to Propertymark.

The Propertymark Qualifications Awards saw 150 learners as finalists or recipients of certificates at the highly prestigious Queen Elizabeth Stadium, London Olympic Park. This was the largest celebration of qualifications ever held within Propertymark and sets the stage for further expansion in the coming years.

The Propertymark Members Facebook group increased membership by 70%, fostering a strong sense of network and support, remaining a vibrant community packed with collaboration, high engagement and growth.

BEING THE RECOGNISED INDUSTRY VOICE

Propertymark continues to be the leading professional body for property agents and the collective voice of its members.

The CEO and Policy and Campaigns team exhibited at the Conservative and Labour Party Conferences which was highly beneficial in forming quality connections with Ministers, Shadow Ministers and their teams. Propertymark was the only property professional body with a presence in the exhibition hall, representing the sector. The team gathered pledges of support for our campaign for mandatory regulation, supported by hundreds of conversations with MPs, councillors and activists.

During 2023, the team gave oral evidence to Parliamentary Committees five times, including the Public Bill Committee on the Renters (Reform) Bill in Westminster. We held 18 different meetings with politicians including Housing Minister Rachel Maclean MP, Housing Minister Jacob Young MP, Minister for Climate Change Julie James MS, Housing Minister Paul McLennan MSP and Minister for Tenant's Rights Patrick Harvie MSP. On 15 occasions through the year topic briefings were circulated to politicians ahead of key debates and 37 formal responses were made to government consultations and parliamentary committee inquiries.

17 separate pieces of guidance were created to support members and we published two position papers on ***Impact of tax changes on the private rented sector and Reducing economic crime in the property sector*** to drive debate and influence change.

Policy team members and key senior people within Propertymark sit on a variety of influential cross sector and government working groups and forums, where we use our influence to represent members and the sector's interests with many successes.

Policy and Comms Forums continue to help to ensure we remain relevant to our members and ensure legislators understand the impacts and consequences that government policy decisions can have on the sector and consumer experience, confidence and transactions.

Across the year we appeared 1,582 times within trade related media and 4,812 times in consumer media (of which 1,154 media hits were at national level). For the first six months of the year our average monthly achievement was 545 media hits each month compared to an average of 671 media hits each month for the last six months of the year. Within this period, new records were set for overall coverage within a single month and twice for new levels of trade media coverage within a month.

RECOGNISED INDUSTRY STANDARDS

Propertymark worked throughout the year to ensure Regulation of Property Agents stayed on the agenda for Department for Levelling Up, Housing and Communities ministers and officials and that they understood the level of demand from all stakeholders including professionals and consumers. Lobbying has continued to ensure this remains on the table despite high competing priorities.

As a professional body, it is vital that Propertymark continues to set and maintain the highest possible standards for its members across compliance activity and in delivering vocational qualifications.

Propertymark continues to invest in providing high quality qualifications provision through Propertymark Qualifications. We remain the leading industry provider of qualifications, with the organisation registering 4,107 new candidates during 2023, 8,535 exams were taken and 1,383 certifications were achieved. A further 148 apprentices registered for the Junior Estate Agent Standard end point assessment scheme during the year.

New systems for CRM, remote invigilation and exam scheduling were introduced to improve services and experience. We are pleased to say all of the new qualifications systems went live in February 2023 which now means learners have access to a seamless digital journey.

The first learners achieved the Level 4 Certificate in Agency Property Management almost exactly a year following its launch, an inspiring achievement for a qualification that demonstrates higher levels of knowledge and credibility.

The auditing function of the Regulation Team has grown significantly to deliver a robust Audit Framework, new risk model and data analysis processes. Calm about Compliance was introduced in December 2022 and has grown through 2023. Businesses who actively booked an audit expressed their satisfaction in high numbers.

The Disciplinary Panel has been refreshed and we have established a new Fitness Panel to consider declarations in connection with 'Fit and Proper' person declarations. Plans to establish a new Regulatory Board which will be an independent governing body with oversight of the disciplinary and compliance functions giving it true separation from our membership functions have been rescheduled to 2024.

FUTURE PROOFING PROPERTYMARK

Propertymark has engaged with more industry suppliers and increased the number of relationships we have within the sector. Increased income generated through additional partnerships has subsidised member services across all areas including extending 2023's popular #Makeitfreefor23 events programme for regional conferences into better quality in-person networking opportunities as part of #Morefor24.

Propertymark continued to work closely on projects with REACH UK, a technology scale-up programme backed by Second Century Ventures, the investment arm of the US based, National Association of Realtors.

We realised a long-held ambition by recruiting, training and launching an in-house Lettings Helpline for ARLA Propertymark members. The costs for external legal support had risen and would have resulted in significant increases in membership fees. The in-house team can also feed rich information into our planning for training, policy, compliance, communications and member services departments to improve membership benefits. The team drew on two legal practices for answers to complex enquiries. In the first three months of operation, the helpline dealt with around 3,750 calls and only a quarter were classed as complex.

Further member development projects are in progress for rollout during 2024.

In consultation with members from a range of businesses, we have made significant progress towards the development, testing and delivery of a new Company and Corporate membership, in readiness to launch a new era of wraparound support for our members.

Regional Executives play an important role in assisting members in their region, as well as providing feedback from members to ensure the best focus for our output. More members are coming forward to express interest in joining Propertymark's ranks of Regional Executives and we continue to raise the bar for the quality of experience that executives offer. During the year, an additional 14 members were sourced, taking the overall number from 80 to 96.

Two Regional Executive Training days (incorporating the divisional Advisory Panel meetings) were held covering a range of subjects. These are valuable days for the Regional Executives to come together to receive training and share their knowledge and expertise with their peers across all divisions. Putting members truly at the heart of everything we do continues to have a positive impact on membership numbers.

KEY PERFORMANCE INDICATORS

Following considerable expansion and further ongoing investment taking place during the financial year, the group results show a positive surplus of £395K to be utilised towards further enhancing member benefits.

Turnover, measured on a like for like basis, has increased by 9.8% (2022 5.4%) The turnover was £9,208K (2022 £8,386K) and cost of sales £2,937K (2022 £2,819K). Administrative expenses for the group were £6,021K (2022 £5,276K) Cash and bank have increased to £6,146K (2022 £5,469K) providing a strong financial sustainability for future support to our members. Net assets £5,737K (2022 £4,943K) have increased as a result of the current year surplus of £395K.

Membership increased by 2.7% to 17,943 (2022:17,477).

PRINCIPAL RISK AND UNCERTAINTIES

The cost-of-living crisis, rising inflation, interest rates and the war in Ukraine continue to have an impact on the UK economic environment.

In 2023 there was a continued lack of available stock compared to demand in both sales and lettings sectors. This led to continued rises in house prices in the first half of the year although signs of softening due to the current economic crisis are now being seen. In the rental sector, landlords are still leaving the market altogether which is further exacerbating supply and continuing to push up rental prices.

In a low stock market, it is even more important that the consumer actively chooses to use the services of one of our professional members over those of others. Our joint initiative with Phil Spencer continues to promote the benefits of using a Propertymark agent continuingly increase consumer awareness and enabling us to set a differentiator for our members within the market. Dedicated social media resource within Propertymark during 2023 has enhanced our presence across online platforms where the consumer will further recognise and familiarise themselves with our brand.

Propertymark will continue to voice member concerns and seek to inform and influence Government policy making at every level so that we can identify and mitigate against any unintended consequences for our members and the consumer from any new measures being introduced.

Our members strive to maintain high standards and tell us they are keen to see Government introduce the Regulation of Property Agents (ROPA), however it remains uncertain as to when this will happen. This is problematic as the market needs to be able to prepare for its implementation and to plan for the necessary investment that will be needed, not least in qualifying its agents. To help provide that clarity for members, we will be keeping ROPA at the forefront of ministers thinking and pushing to make it a reality by joining forces with likeminded MPs and other professional bodies in the sector and leading a campaign for its introduction.

There are emerging competitors to Propertymark within the qualifications arena. We are engaging with these providers to see how we can work together to increase membership and support overall raising of standards across the industry. Our partnership with Rightmove paves the way for greater support for Propertymark Qualifications learners in the future and our new modernised and online qualifications offering will ensure Propertymark remains the first choice for the majority of learners.

Despite the considerable volume of acquisitions and mergers throughout the sector, Propertymark membership numbers have increased during 2023 and we are proud to have held membership fees down while increasing the quality of benefits at the same time that our competitors have increased prices.

CORPORATE GOVERNANCE

The Propertymark Board consists of an independent non-executive Chair, appointed in June 2023, three member elected Directors from the sales division, three member elected Directors from the lettings division, two independent Non-Executive Directors and the Group CEO. One of the member-elected Directors from the sales division resigned from membership during 2023 and the decision was taken to delay a further appointment until the scheduled elections of 2024. Board meetings are held at least once a quarter and the Board is supported by a Nominations and Remuneration Committee and an Audit and Risk Committee chaired by suitably qualified independent Non-Executive Directors.

The group currently has a Management Team made up of a Chief Executive, Head of Operations, Head of Finance, Head of Policy and Campaigns, Head of Qualifications and Head of Marketing & Communications. A Head of Commercial was appointed during this period to drive income for the business.

This report was approved by the board on 4 June 2024 and signed on its behalf.

W A Butler, Non-Executive Chair

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their report and the financial statements for the year ended 31 December 2023.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 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 for the Group's financial statements 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 Group 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 the Group and to 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.

RESULTS AND DIVIDENDS

The profit for the year, after taxation and minority interests, amounted to £387,855 (2022 - £281,614).

No dividends will be distributed for the year ended 31 December 2023 (2022: £Nil).

DIRECTORS

The directors who served during the year were:

A C Thompson (appointed 29 June 2023)
J Paul
K A McArthur (resigned 3 October 2023)
M A Sears
M L Liyanage (resigned 1 November 2023)
N A Heathcote (resigned 29 June 2023)
N Emerson
P J Hemsley
R L Selwyn
S E Wilkinson (resigned 29 June 2023)
S M McCarron (appointed 29 June 2023)
V J Bannister (resigned 29 June 2023)
Bill Butler (appointed 29 June 2023)

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The company has provided qualifying third party indemnity provisions in respect of the board of directors which were in force during the year and at the date of this report.

MATTERS COVERED IN THE GROUP STRATEGIC REPORT

The strategic review and future prospects, principal risks and uncertainties, and the financial key performance indicators are included in the Group Strategic Report.

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the 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 auditors are aware of that information.

This report was approved
by the board on 4 June 2024
and signed on its behalf.

Bill Butler

W A Butler, Non-Executive Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROPERTYMARK LTD

OPINION

We have audited the financial statements of Propertymark Ltd (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2023, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2023 and of the Group's surplus 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.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, tax legislation regarding payroll, VAT and corporation tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including the CMP provision.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

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.

Haysmacintyre LLP

Ian Daniels (Senior Statutory Auditor)
for and on behalf of
Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG
04 June 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
Turnover	4	9,208,027	8,386,351
Cost of sales		(2,936,785)	(2,819,272)
GROSS SURPLUS		6,271,242	5,567,079
Administrative expenses		(6,020,892)	(5,276,082)
OPERATING SURPLUS	5	250,350	290,997
Interest receivable and similar income	9	155,005	14,864
SURPLUS BEFORE TAXATION		405,355	305,861
Tax on surplus	10	(10,194)	(7,849)
SURPLUS FOR THE FINANCIAL YEAR		395,161	298,012
SURPLUS FOR THE YEAR ATTRIBUTABLE TO:			
Non-controlling interests		7,306	16,397
Owners of the parent Company		387,855	281,615
		395,161	298,012

There were no recognised gains and losses for 2023 or 2022 other than those included in the consolidated statement of comprehensive income.

The notes on pages 42 to 60 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 £		2022 £	
FIXED ASSETS					
Intangible assets	11		641,207		718,039
Tangible assets	12		1,543,809		1,588,063
			2,185,016		2,306,102
CURRENT ASSETS					
Debtors: amounts falling due within one year	14	1,692,691		1,169,825	
Cash at bank and in hand	15	6,146,335		5,468,937	
		7,839,026		6,638,762	
Creditors: amounts falling due within one year	16	(4,198,218)		(3,863,969)	
NET CURRENT ASSETS			3,640,808		2,774,793
TOTAL ASSETS LESS CURRENT LIABILITIES			5,825,824		5,080,895
PROVISIONS FOR LIABILITIES					
Other provisions	17	(88,078)		(138,310)	
			(88,078)		(138,310)
NET ASSETS			5,737,746		4,942,584
CAPITAL AND RESERVES					
Other reserves	18		319,984		
Profit and loss account	18		5,308,763		4,920,908
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY			5,628,747		4,920,908
Non-controlling interests			108,999		21,677
			5,737,746		4,942,585

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 CONTINUED

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 June 2024

W A Butler, Non-Executive Chair

The notes on pages 42 to 60 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 £		2022 £	
FIXED ASSETS					
Intangible assets	11		506,276		619,526
Tangible assets	12		1,543,809		1,588,063
Investments	13		80		
			2,050,165		2,207,589
CURRENT ASSETS					
Debtors: amounts falling due within one year	14	1,128,140		968,302	
Cash at bank and in hand	15	4,148,617		3,342,732	
		5,276,757		4,311,034	
Creditors: amounts falling due within one year	16	(3,833,606)		(3,475,579)	
NET CURRENT ASSETS			1,443,151		835,455
TOTAL ASSETS LESS CURRENT LIABILITIES			3,493,316		3,043,044
PROVISIONS FOR LIABILITIES					
Other provisions	17	(88,078)		(138,311)	
			(88,078)		(138,311)
NET ASSETS			3,405,238		2,904,733
CAPITAL AND RESERVES					
Profit and loss account carried forward	18		3,405,238		2,904,733
			3,405,238		2,904,733

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 CONTINUED

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 June 2024

W A Butler, Non-Executive Chair

The notes on pages 42 to 60 form part of these financial statements.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The company made a surplus of £500,504 (2022: £498,446) during the year.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Other reserves £	Profit and loss account £	Non-controlling interests £	Total equity £
At 1 January 2023		4,920,908	21,677	4,942,585
Surplus for the year		387,855	7,306	395,161
Changes in ownership Interest	319,984			319,984
NCI Recognition			80,016	80,016
AT 31 DECEMBER 2023	319,984	5,308,763	108,999	5,737,746

The notes on pages 42 to 60 form part of these financial statements.

During the year the group disposed 20% of PMC resulting in recognition other reserves which relate to change in control amounting to £319,984 and recognition of NCI amounting to £80,016.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Profit and loss account £	Non-controlling interests £	Total equity £
At 1 January 2022	4,639,293	5,280	4,644,573
Surplus for the year	281,615	16,397	298,012
AT 31 DECEMBER 2022	4,920,908	21,677	4,942,585

The notes on pages 42 to 60 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Profit and loss account £	Total equity £
At 1 January 2023	2,904,734	2,904,734
Surplus for the year	500,504	500,504
AT 31 DECEMBER 2023	3,405,238	3,405,238

The notes on pages 42 to 60 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Profit and loss account £	Total equity £
At 1 January 2022	2,406,287	2,406,287
Surplus for the year	498,446	498,446
AT 31 DECEMBER 2022	2,904,733	2,904,733

The notes on pages 42 to 60 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year	395,161	298,012
ADJUSTMENTS FOR:		
Amortisation of tangible assets	206,872	182,386
Depreciation of tangible assets	65,755	78,765
Interest received	(155,005)	(14,864)
Taxation charge	10,194	7,849
(Increase)/decrease in debtors	(522,868)	190,860
Increase in creditors	331,907	670,393
(Decrease) in provisions	(50,233)	(136,220)
Corporation tax (paid)	(7,849)	(2,803)
NET CASH GENERATED FROM OPERATING ACTIVITIES	273,934	1,274,378
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangible fixed assets	(62,444)	(80,230)
Purchase of tangible fixed assets	(89,097)	(21,289)
Interest received	155,005	14,864
NET CASH FROM INVESTING ACTIVITIES	3,464	(86,655)
CASH FLOWS FROM FINANCING ACTIVITIES		
Non-controlling interests - Capital contribution	400,000	
NET CASH USED IN FINANCING ACTIVITIES	400,000	
NET INCREASE IN CASH AND CASH EQUIVALENTS	677,398	1,187,723
Cash and cash equivalents at beginning of year	5,468,937	4,281,214
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	6,146,335	5,468,937
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	6,146,335	5,468,937

The notes on pages 42 to 60 form part of these financial statements.

CONSOLIDATED ANALYSIS OF NET DEBT FOR THE YEAR ENDED 31 DECEMBER 2023

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	5,468,937	677,398	6,146,335
	5,468,937	677,398	6,146,335

The notes on pages 42 to 60 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

Propertymark Ltd is a private company limited by guarantee and incorporated in England and Wales. Its registered head office is located at Arbon House, 6 Tournament Court, Edgehill Drive, Warwick, Warwickshire, CV34 6LG.

The principal activity of the company and group are detailed in the group strategic report.

The financial statements are presented in Sterling ("£").

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK 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 group management to exercise judgement in applying the group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the group owns less than 50% of the voting power of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for the entity as a subsidiary and recognises a non-controlling interest.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before is recognised:

Membership fees are included in the Statement of Comprehensive Income, in the period to which they relate. Advanced payments in respect of membership fees are deferred and recognised over the course of the membership term.

Education and training, publications, seminars and events along with all other income (including entrance fees, conferences and events, CPD training and book sales) are recognised in the Statement of Comprehensive Income in the period in which the services or goods are provided.

Client money protection (CMP) income is in relation to fees received from customers in order to demonstrate that they are Propertymark Protected. This is accounted for in the period to which they relate.

2.4 Going concern

The Group's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic review and future prospects section of the Group Strategic report.

After reviewing the group's forecasts and projections for the period ending 30 June 2025, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Software development - 5 years

Amortisation is charged on intangible assets at the point in which it is classified as available for use.

2.6 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.

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:

Leasehold property - 2%
Fixtures and fittings - 25%

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 in profit or loss.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 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.

2.9 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.10 Financial instruments

The group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Statement of Financial Position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried

at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instruments any contract that evidences a residual interest in the assets of the group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

2.11 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.

2.12 Operating leases: the group as lessee

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

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.14 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.15 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.16 Taxation

Tax is recognised in profit or loss except that a charge 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 reporting date in the countries where the company and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 reporting date.

3. JUDGEMENTS 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 judgements and estimates have been made include:

Client Money Protection (CMP) provision:

A provision is made in respect of management's best estimate of the likely exposure in relation to client money protection. In making such an estimate management have, in particular, considered claims that have been notified up to the date of approving these financial statements and their experience of the historic delay in being informed of potential claims.

4. TURNOVER

An analysis of turnover by class of business is as follows	2023 £	2022 £
Membership fees	4,085,467	3,874,576
Education and training	2,025,625	1,937,567
Publications	6,391	55,729
Seminars and events	890,895	461,292
Client money protection income	2,125,369	1,949,692
Other	74,280	107,496
	9,208,027	8,386,352

All turnover arose within the United Kingdom.

5. OPERATING SURPLUS

The operating surplus is stated after changing:	2023 £	2022 £
Depreciation and amortisation of fixed assets	272,627	261,151
Other operating lease rentals	61,570	82,410

6. AUDITORS' REMUNERATION

During the year, the Group obtained the following services from the Company's auditors:

	2023 £	2023 £
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	26,400	25,000
Fees payable for the audit of the group's subsidiaries annual financial statements	18,900	13,350
Taxation compliance services	9,050	7,000
Tax advisory	7,250	4,460

7. EMPLOYEES

Staff costs were as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	3,120,424	2,690,611	2,829,801	2,690,611
Social security costs	315,178	280,811	285,021	280,811
Defined pension contribution scheme	128,877	107,000	115,622	107,000
	3,564,479	3,078,422	3,230,444	3,078,422

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

	Group 2023 No.	Group 2022 No.	Company 2023 No.	Company 2022 No.
Administration	85	76	85	76

During the year, a total of key management personnel compensation of £686,943 (2022: £627,701) was paid. The directors have updated those who are considered to key management personnel in the current year.

8. DIRECTORS' REMUNERATION

	2023 £	2022 £
Directors' emoluments	**349,960**	381,128
Defined pension contribution scheme	**10,281**	7,744
	360,241	388,872

The highest paid director received remuneration of £266,472 (2022: £243,484).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,281 (2022: £7,744).

4 directors (2022: 4) have received remuneration in the year.

9. INTEREST RECEIVABLE

	2023 £	2022 £
Other interest receivable	**155,005**	14,864
	155,005	14,864

10. TAXATION

	2023 £	2022 £
CORPORATION TAX		
Current tax on surplus for the year	**10,194**	7,849
	10,194	7,849
TOTAL CURRENT TAX	**10,194**	7,849
DEFERRED TAX		
TOTAL DEFERRED TAX	**-**	-
TAXATION ON LOSS ON ORDINARY ACTIVITIES	**10,194**	7,849

10. TAXATION (CONTINUED)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2022 - the same as) the standard rate of corporation tax in the UK of 23.52% (2022 - 19%) as set out below:	2023 £	2022 £
Profit on ordinary activities before tax	431,380	305,860
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.52% (2022 - 19%)	101,461	58,113
EFFECTS OF:		
Fixed asset differences	13,971	13,461
Income not taxable	(271,076)	(144,835)
Deferred tax not recognised	165,838	81,110
TOTAL TAX CHARGE FOR THE YEAR	10,194	7,849

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. INTANGIBLE ASSETS

Group

	Software development £
COST	
At 1 January 2023	1,005,028
Additions	130,040
At 31 December 2023	1,135,068
AMORTISATION	
At 1 January 2023	286,989
Charge for the year on owned assets	206,872
At 31 December 2023	493,861
NET BOOK VALUE	
At 31 December 2023	641,207
At 31 December 2022	718,039

11. INTANGIBLE ASSETS (CONTINUED)

Company

	Software development £
COST	
At 1 January 2023	906,515
Additions	67,596
At 31 December 2023	974,111
AMORTISATION	
At 1 January 2023	286,989
Charge for the year on owned assets	180,846
At 31 December 2023	467,835
NET BOOK VALUE	
At 31 December 2023	506,276
At 31 December 2021	619,526

12. TANGIBLE FIXED ASSETS

Group

	Leasehold property £	Fixtures and fittings £	Total £
COST			
At 1 January 2023	2,583,238	237,849	2,821,087
Additions	-	21,501	21,501
At 31 December 2023	2,583,238	259,350	2,842,588
DEPRECIATION			
At 1 January 2023	1,040,695	192,329	1,233,024
Charge for the year on owned assets	42,840	22,915	65,755
At 31 December 2023	1,083,535	215,244	1,298,779
NET BOOK VALUE			
At 31 December 2023	1,499,703	44,106	1,543,809
At 31 December 2022	1,542,543	45,520	1,588,063

12. TANGIBLE FIXED ASSETS (CONTINUED)

Company

	Leasehold property £	Fixtures and fittings £	Total £
COST			
At 1 January 2023	2,583,238	237,849	2,821,087
Additions	-	21,501	21,501
At 31 December 2023	2,583,238	259,350	2,842,588
DEPRECIATION			
At 1 January 2023	1,040,695	192,329	1,233,024
Charge for the year on owned assets	42,840	22,915	65,755
At 31 December 2023	1,083,535	215,244	1,298,779
NET BOOK VALUE			
At 31 December 2023	1,499,703	44,106	1,543,809
At 31 December 2022	1,542,543	45,520	1,588,063

13. FIXED ASSET INVESTMENTS

Company

	Investments in subsidiary companies £
COST OR VALUATION	
Additions	80
At 31 December 2023	80

13. FIXED ASSET INVESTMENTS

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Propertymark Qualifications Ltd	Limited by guarantee	100%	Awarding body
Money Shield Ltd	Ordinary	51%	Client money protection
Propertymark Connect Ltd	Ordinary	80%	Referral management

Propertymark Ltd has been the sole member of its subsidiary company Propertymark Qualifications Limited, a company limited by guarantee, since incorporation in November 2006, and as such hold 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.

Joint venture

Propertymark Limited holds a 50% interest in the voting rights of The Dispute Service Limited, however is not entitled to receive financial benefit as a result of its holding and as such there is no impact on the consolidated results of Propertymark Limited.

During the year the group sold 20% of Propertymark connect to Second Century Ventures LLC on 20 July 2023. Management have concluded that this joint venture is a subsidiary for consolidation purposes and its balances have been consolidated.

14. DEBTORS

	Group 2023 £	Group 2022 £	**Company 2023 £**	Company 2022 £
Trade debtors	**713,334**	766,106	**670,806**	701,529
Amounts owed by group undertakings	**-**	-	**-**	29,940
Other debtors	**441,005**	40,522	**91,816**	40,523
Prepayments and accrued income	**538,352**	363,197	**365,518**	196,310
	1,692,691	1,169,825	**1,128,140**	968,302

Amounts owed by group undertakings are unsecured, not subject to interest and are repayable on demand.

15. CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £	**Company 2023 £**	Company 2022 £
Cash at bank and in hand	**6,146,335**	5,468,937	**4,148,617**	3,342,732
	6,146,335	5,468,937	**4,148,617**	3,342,732

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	**Company 2023 £**	Company 2022 £
Trade creditors	**255,034**	183,835	**200,642**	174,002
Amounts owed to group undertakings	**-**	-	**31,693**	-
Corporation tax	**10,194**	7,849	**-**	-
Other taxation and social security	**181,466**	116,891	**181,466**	116,891
Other creditors	**42,042**	95,316	**29,616**	63,216
Accruals and deferred income	**3,709,482**	3,460,078	**3,390,189**	3,121,470
	4,198,218	3,863,969	**3,833,606**	3,475,579

Amounts owed to group undertakings are unsecured, not subject to interest and are repayable on demand.

17. PROVISIONS

Group

	CMP provision £
At 1 January 2023	138,311
Utilised in the year	(50,233)
AT 31 DECEMBER 2023	88,078

Company

	CMP provision £	Total £
At 1 January 2023	138,311	138,311
Utilised in the year	(50,233)	(50,233)
AT 31 DECEMBER 2023	88,078	88,078

Management recognise a provision representing their best estimate of the likely exposure resulting from a review of historical indirect tax procedures and compliance. This was paid in the year ended 31 December 2023.

A provision is made by management representing their best estimate, of any potential pay-out of claims from members of the CMP scheme.

18. RESERVES

Other reserves

Other reserves relate to equity reserves recognised in the current year due to disposal of 20% in PMC by Propertymark Ltd.

Profit and loss account

The profit and loss account includes all current and prior year retained surpluses and deficits.

19. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

20. CAPITAL COMMITMENTS

At 31 December 2023 the Group and Company had capital commitments as follows:

	Group 2023 £	Group 2022 £	**Company 2023 £**	Company 2023 £
Capital expenditure	85,263	-	85,263	-
	85,263	-	85,263	-

21. PENSION COMMITMENTS

The group operates defined contributions pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the group to the fund and amounted to £128,877 (2022: £107,000). No contributions were receivable from (2022: £Nil) the fund at the balance sheet date.

21. PENSION COMMITMENTS (CONTINUED)

Commitments under operating leases

At 31 December 2023 the Group and the Company had future minimum lease payments due under non cancellable operating leases for each of the following periods:

	Group 2023 £	Group 2022 £	**Company 2023 £**	Company 2022 £
Not later than 1 year	**56,119**	25,300	**56,119**	25,300
Later than 1 year and not later than 5 years	**184,343**	1,920	**184,343**	1,920
	240,462	27,220	**240,462**	27,220

22. RELATED PARTY TRANSACTIONS

During the year, N Emerson, a director of the company, provided consultancy services amounting to £10,500 (2022: £18,000). No outstanding balances were noted as at 31 December 2023 (2022: £3,600).

There were no other related party transactions in the year.

23. CONTROLLING PARTY

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

propertymark

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