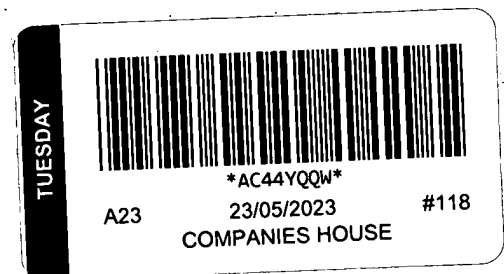


Registered number: 00897907

PROPERTYMARK LTD
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



PROPERTYMARK LTD
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	V J Bannister N Emerson N A Heathcote P J Hemsley K A McArthur J Paul R L Selwyn S E Wilkinson M L Liyanage M A Sears
Registered number	00897907
Registered office	Arbon House 6 Tournament Court Edgehill Drive Warwick Warwickshire CV34 6LG
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

PROPERTYMARK LTD
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PROPERTYMARK LTD
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The directors present their Strategic Report of the company and the group for the year ended 31 December 2022.

Principal activity

Propertymark is the leading professional body for property agents, with over 17,000 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 programs and enforce mandatory Continuing Professional Development.

Propertymark provides a continuous source of guidance, advice and research through a comprehensive program 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.

The gathering of in-depth research and industry insight enables Propertymark to advocate and lobby on behalf of our members across the UK nations, making us one of the leading voices within the property sector and a go to organisation for Government on policy issues. This involves liaising closely with those Government departments that have responsibilities for the Housing sector or where their remit touch on member business, including the Department for Levelling Up Housing and Communities (DLUHC), HM Treasury and HM Revenue and Customs.

Direct communication is also maintained with the National Trading Standards Estate and Letting Agents Team (NSLEAT) which has an overall compliance responsibility within the sector. In addition there is further active participation in industry groups and working parties. This demonstrates that 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.

PROPERTYMARK LTD
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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Operational review

Having come through the Coronavirus (COVID-19) pandemic, the 2022 operating year returned to normal trading conditions.

Our Business Strategy is now well on the way to delivery and focused around our four strategic pillars. 2022 was very much a year of implementing the outcomes of the reviews undertaken in 2021.

Valued Membership Service:

During the year much focus was placed on aligning the sales and lettings Regional Executive Network and saw recruitment into the additional positions that had been created, seeing our volunteer network grow to a healthy 80 plus people. These are important roles that assist our members in their local area.

We held our first full multi discipline Regional Executive Training days incorporating the divisional Advisory Panel meetings. These are valuable days for the Regional Executives to come together to receive training and also share their knowledge and expertise with their peers across all divisions.

We held a highly successful NAEA Propertymark Conference which was hosted by TV personality and industry expert Phil Spencer with whom Propertymark has entered into a substantial partnership which will see members directly promoted to the consumer through his consumer engagement platform Move IQ. This spearheads the first stage of a multiyear, wide reaching consumer campaign, to educate and inform the consumer on the benefits of using a Propertymark Protected agent. This has seen over 1million consumer interactions to date.

In 2023 we will aspire to provide members with free access to full sized regional conferences and for the organisation to undertake its first ever multi discipline national conference.

Propertymark Qualifications recognised over 100 learners over an expanded number of award categories with formal presentations at an awards ceremony at the prestigious British Museum. This was the largest celebration of Qualifications ever held within Propertymark and sets the stage for further expansion in the coming years.

Within our Business Strategy we have been clear that we will champion all divisions however big or small and as part of that commitment we have launched the first NAVA and Commercial Market Reports which will provide valuable insight and learning from the Auction and Commercial sector of the industry to complement the existing sales and lettings reports.

Work has continued on the Membership Proposition Review and the exploration of a new Company/Corporate membership which will enable businesses to register as Propertymark members in their own right. The implementation requires IT improvements and structural changes therefore implementation will take place during 2023.

A new members Facebook group and forum has been introduced and is growing rapidly in numbers and increasing member engagement.

Putting members truly at the heart of everything we do continues to have a positive impact on membership numbers.

Being the Recognised Industry Voice:

Propertymark continues to be the leading professional body for property agents and the collective voice of its members. To optimise our position of influence, we have invested heavily in expanding our Policy Team to become one of the largest of its kind in the sector.

The in house PR and Press Team is now truly embedded and we have seen an extensive increase in our share of industry voice in terms of both trade and national press and media. The team have averaged 513 pieces of

PROPERTYMARK LTD
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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

coverage per month, a 264% increase from previous years averages, with a peak of 964 in October. We are proud that they were also shortlisted for the In-House Team of the Year Award for PR Week, a globally recognised prestigious award and won the In-house team of the Year Award at the Property Press Awards recognised alongside other winners from The Times, The Telegraph and The Financial Times.

The new Policy and Comms Forums structure utilising Regional Executives to provide insight and directly feed into our responses to the pressing issues our members face is now embedded. These forums continue to ensure we remain relevant and truly understand the impacts and consequences that government policy decisions can have on agents.

During the period we have also had significant success in raising the profile and changing Government's thinking in a number of key areas including:

- Propertymark lobbying helped secure additional UK Government funding for local authority enforcement in the private rented sector, UK Government standards for the short term lettings industry and the introduction of the Register of Overseas Entities where we ran a virtual workshop with members and Companies House on implementation of the Register.
- Engagement with government departments across the UK including hosting a webinar with the Home Office explaining the changes to Right to Rent, DLUHC's pre-consultation workshops on introducing a decent homes standard for the private rented sector, shaping the material information for property listings rules and meetings with the Chair of the Scrutiny Panel and the Deputy Chief Minister in Jersey regarding the regulation of estate agents.
- Research was published on 'A shrinking private rented sector' working with BBC, which was quoted in the UK Parliament and Scottish Parliament, 'The impact of short-term/holiday lets on UK housing' and 'Cost of Living (Tenant Protection) (Scotland): Letting Agent Insight', which formed the basis of our legal challenge and Judicial Review against the Scottish Government.
- Propertymark gave oral evidence to Scottish Parliament's Local Government, Housing and Planning Committee as well as to the Welsh Parliament's Climate Change, Environment, and Infrastructure Committee and the Welsh Parliament's Local Government and Housing Committee.
- Political engagement with all major political parties, meeting politicians and speaking at the New Statesman and Lloyds Banking Group & Nationwide Building Society fringe at Labour Party Conference.
- Held three roundtable events with Propertymark members and Scottish Government officials to discuss the Draft Rented Sector Strategy and inform our response to the consultation – the Housing Minister and Labour Housing Spokesperson attended.
- Responded to 26 government and parliamentary consultations.
- Produced 16 pieces of separate guidance for members.
- 12 separate briefings were sent to politicians ahead of key Parliamentary debates.
- Propertymark was mentioned 18 times in Parliament.

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 leverage our influence to represent members and the sectors interests with numerous areas of success.

Propertymark along with Scottish Association of Landlords launched a judicial review of the PRS housing policy in Scotland which is the first such action undertaken by the organisation.

PROPERTYMARK LTD
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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Recognised Industry Standards:

As a professional body, it is of the greatest importance that Propertymark continues to set and maintains the highest possible standards for its members and that we continue to invest in providing high quality qualifications provision.

Over the period, we have delivered the new Level 4 multidiscipline qualification which has been well received by learners. A remote invigilation system and new CRM system were delivered however their launch was delayed due to the need for additional API patches between the relevant software systems having to be custom built. We are pleased to say all of the new qualifications systems finally went live in February 2023 which now means learners have access to a seamless digital journey.

We have remained the leading industry provider of qualifications, with the organisation registering 4000 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 we adopted changes to our Corporate Governance Framework and Articles of Association which also led to a review and modernisation of our Conduct and Membership Rules. We simplified and aligned routes to membership across all of our divisions which included evolving Propertymark Inventories membership into an accreditation.

Following the review of our 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. The additional resource has also led to us being able to provide a new service for members, 'Calm About Compliance' which was launched in Q4 2022.

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. 2023 will see the establishment of 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.

Future Proofing Propertymark:

Propertymark has engaged more openly with industry suppliers which has increased the number of relationships we have within the sector. The increased income generated through these additional partnerships is planned to provide members with free access to regional conference throughout 2023.

Overall employee numbers have expanded considerably throughout the year and currently stands at 79 which has enabled us to enhance the service we provide to our members.

It stands to reason that Propertymark's people are not immune to the current economic challenges and as such Propertymark awarded all staff with a cost of living payment to support them through these hard economic times.

Key performance indicators

Following considerable expansion and further ongoing investment taking place during the financial year, the group results show a positive surplus of £298K to be utilised towards further enhancing member benefits.

Turnover, measured on a like for like basis, has increased by 5.4% (2021 13.4%) The turnover was £8,386K (2021 £7,957K) and cost of sales £2,819K (2021 £2,682K). Administrative expenses for the group was £5,276K (2021 £5,010K) Cash and bank have increased to £5,469K (2021 £4,281K) providing a strong financial sustainability for future support to our members. Net assets £4,943K (2021 £4,645K) have increased as a result of the current year surplus of £298K.

Membership numbers remained stable this year within 1.5% at 17,477 (2021:17,700).

PROPERTYMARK LTD
(A Company Limited by Guarantee)

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Principal risk and uncertainties

The economic environment continues to be impacted by the cost of living crisis, rising inflation, interest rates and the war in Ukraine.

The economic environment continues to be impacted by the cost of living crisis, rising inflation, interest rates and the war in Ukraine.

2022 continued to see a lack of available stock comparative to demand in both sales and lettings. This led to continued rising of 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.

There maintains an ongoing issue around staff retention and recruitment in the sector which has continued to force salary increases which is putting pressure on many small and medium sized business.

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 continually increase consumer awareness and enabling us to set a differentiator for our members within the market. The introduction of dedicated social media resource within Propertymark during 2022 has also 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 influence Government policy making at every level so that we can mitigate against any unintended consequences for our members from any new measures being introduced. Having expanded our Policy and Campaigns Team and embedded our new PR and Press Team we are in a very strong lobbying position. To ensure Propertymark's responses remain evidence based and we are influencing insight across the sector, we will put additional focus on getting as many members as possible to complete our monthly surveys and encouraging our members to feed into other studies such as the BBC's 'Is the private rented sector under attack? Help us defend it'.

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 new modernised and online qualifications offering will ensure Propertymark remains the first choice for the majority of learners.

Recruitment remains a difficult environment across many sectors. Maintaining and recruiting good people so that Propertymark can continue to support its members and learn and evolve is critical and remains a key risk. To ensure we have a full understanding of the concerns our people we have designed and are launching a new Employee Engagement Survey and will proactively act on the results.

Despite the considerable volume of acquisitions and mergers throughout the sector, Propertymark membership numbers have remained steady throughout 2022 and the small increase to membership fees will help us to continue investing in member benefits and offset increased operating costs as we move forward.

PROPERTYMARK LTD
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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Corporate governance

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.

The Propertymark Board consists of the Chairperson, 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. The Board meets at least once a quarter.

Following a Corporate Governance Review and a Review of the Compliance Department, Propertymark implemented a new Corporate Governance Framework for Propertymark Limited (PM) and also its subsidiary company Propertymark Qualifications Ltd (PMQ) which included:

- Adoption of new Articles of Association for PM and for PMQ.
- Amendments to the Member Code of Conduct and Rules.
- New Propertymark Board and Propertymark Qualifications Governing Body Terms of Reference (ToR) and reporting mechanisms.
- New prospectus and selection process for Non-Executive and Member Elected Directors.
- Establishing a new Fitness Panel with ToR and selection criteria. With a new Regulatory Board to follow in 2023.
- Renaming and new ToR for the divisional Advisory Panels.
- Introducing Presidential Team Terms of Engagement and Commitment Letter and new selection process and induction.

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



N A Heathcote
Director

Date: 16 May 2023

PROPERTYMARK LTD
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

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 surplus for the year, after taxation and minority interests, amounted to £281,614 (2021 - £257,917).

No dividends will be distributed for the year ended 31 December 2022 (2021: £Nil).

Directors

The directors who served during the year were:

V J Bannister
N Emerson
K L Griffin (resigned 17 June 2022)
N A Heathcote
P J Hemsley
K A McArthur
J Paul
R L Selwyn
S E Wilkinson
M L Liyanage (appointed 17 June 2022)
M A Sears (appointed 17 June 2022)

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.

PROPERTYMARK LTD
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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 and signed on its behalf.

N. Heathcote

N A Heathcote
Director

Date: 16 May 2023

PROPERTYMARK LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' 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 2022, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and 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 2022 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.

PROPERTYMARK LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROPERTYMARK LTD (CONTINUED)

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 7, 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.

PROPERTYMARK LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROPERTYMARK LTD (CONTINUED)

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.

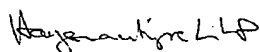
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

PROPERTYMARK LTD
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROPERTYMARK LTD (CONTINUED)

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.



Ian Daniels (Senior Statutory Auditor)
for and on behalf of
Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG
18 May 2023

PROPERTYMARK LTD
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	8,386,351	7,957,147
Cost of sales		(2,819,273)	(2,682,239)
Gross surplus		5,567,078	5,274,908
Administrative expenses		(5,276,082)	(5,010,066)
Operating surplus	5	290,996	264,842
Interest receivable and similar income	9	14,864	4,617
Surplus before taxation		305,860	269,459
Tax on surplus	10	(7,849)	7,673
Surplus for the financial year		298,011	277,132
Surplus for the year attributable to:			
Non-controlling interests		16,397	19,215
Owners of the parent Company		281,614	257,917
		298,011	277,132

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 20 to 36 form part of these financial statements.

PROPERTYMARK LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00897907

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	11	718,039	820,194
Tangible assets	12	1,588,063	1,645,539
		<u>2,306,102</u>	<u>2,465,733</u>
Current assets			
Debtors: amounts falling due within one year	14	1,169,825	1,322,448
Cash at bank and in hand	15	5,468,937	4,281,214
		<u>6,638,762</u>	<u>5,603,662</u>
Creditors: amounts falling due within one year	16	(3,863,969)	(3,150,291)
Net current assets		<u>2,774,793</u>	<u>2,453,371</u>
Total assets less current liabilities		<u>5,080,895</u>	<u>4,919,104</u>
Provisions for liabilities			
Other provisions	17	(138,311)	(274,531)
		<u>(138,311)</u>	<u>(274,531)</u>
Net assets		<u>4,942,584</u>	<u>4,644,573</u>
Reserves			
Profit and loss account	18	4,920,907	4,639,293
Equity attributable to owners of the parent Company		<u>4,920,907</u>	<u>4,639,293</u>
Non-controlling interests		21,677	5,280
		<u>4,942,584</u>	<u>4,644,573</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 May 2023.

N. Heathcote

N A Heathcote
Director

The notes on pages 20 to 36 form part of these financial statements.

PROPERTYMARK LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00897907

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	11	619,526	792,177
Tangible assets	12	1,588,063	1,645,539
		<u>2,207,589</u>	<u>2,437,716</u>
Current assets			
Debtors: amounts falling due within one year	14	968,302	1,113,936
Cash at bank and in hand	15	3,342,732	2,024,031
		<u>4,311,034</u>	<u>3,137,967</u>
Creditors: amounts falling due within one year	16	(3,475,579)	(2,894,864)
Net current assets		<u>835,455</u>	<u>243,103</u>
Total assets less current liabilities		<u>3,043,044</u>	<u>2,680,819</u>
Provisions for liabilities			
Other provisions	17	(138,311)	(274,532)
		<u>(138,311)</u>	<u>(274,532)</u>
Net assets		<u>2,904,733</u>	<u>2,406,287</u>
Reserves			
Profit and loss account carried forward	18	2,904,733	2,406,287
		<u>2,904,733</u>	<u>2,406,287</u>

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

N. A. Heathcote
N A Heathcote
Director

Date: 16 May 2023

The notes on pages 20 to 36 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 £216,116 (2021: £357,451) during the year.

PROPERTYMARK LTD
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**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	281,614	16,397	298,011
At 31 December 2022	4,920,907	21,677	4,942,584

The notes on pages 20 to 36 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Profit and loss account	Non- controlling interests	Total equity
	£	£	£
At 1 January 2021	4,381,376	(13,936)	4,367,440
Surplus for the year	257,917	19,216	277,133
At 31 December 2021	4,639,293	5,280	4,644,573

The notes on pages 20 to 36 form part of these financial statements.

PROPERTYMARK LTD
(A Company Limited by Guarantee)

**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	216,116	216,116
At 31 December 2022	2,622,403	2,622,403

The notes on pages 20 to 36 form part of these financial statements.

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Profit and loss account	Total equity
	£	£
At 1 January 2021	2,048,836	2,048,836
Surplus for the year	357,451	357,451
At 31 December 2021	2,406,287	2,406,287

The notes on pages 20 to 36 form part of these financial statements.

PROPERTYMARK LTD
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	298,011	277,132
Adjustments for:		
Amortisation of intangible assets	182,386	104,603
Depreciation of tangible assets	78,765	91,373
Interest received	(14,864)	(4,617)
Taxation charge	7,849	(7,673)
Decrease/(increase) in debtors	190,861	(43,187)
Increase/(decrease) in creditors	670,393	(322,698)
(Decrease)/increase in provisions	(136,220)	34,968
Corporation tax (paid)/received	(2,803)	10,476
Net cash generated from operating activities	1,274,378	140,377
Cash flows from investing activities		
Purchase of intangible fixed assets	(80,230)	(205,092)
Purchase of tangible fixed assets	(21,289)	(39,094)
Interest received	14,864	4,617
Net cash from investing activities	(86,655)	(239,569)
Net increase/(decrease) in cash and cash equivalents	1,187,723	(99,192)
Cash and cash equivalents at beginning of year	4,281,214	4,380,406
Cash and cash equivalents at the end of year	5,468,937	4,281,214
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	5,468,937	4,281,214

The notes on pages 20 to 36 form part of these financial statements.

PROPERTYMARK LTD
(A Company Limited by Guarantee)

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2022

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	4,281,214	1,187,723	5,468,937
	<u>4,281,214</u>	<u>1,187,723</u>	<u>5,468,937</u>

The notes on pages 20 to 36 form part of these financial statements.

PROPERTYMARK LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

PROPERTYMARK LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

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 2024, 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
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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.

PROPERTYMARK LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

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 only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the

PROPERTYMARK LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.10 Financial instruments (continued)

case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

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.

PROPERTYMARK LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.15 Provisions for liabilities

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

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

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

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.

PROPERTYMARK LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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:

	2022 £	2021 £
Membership fees	3,874,576	3,760,715
Education and training	1,937,567	1,436,757
Publications	55,729	61,388
Seminars and events	461,292	808,678
Client money protection income	1,949,692	1,784,604
Other	107,496	105,005
	8,386,352	7,957,147

All turnover arose within the United Kingdom.

5. Operating surplus

The operating surplus is stated after charging:

	2022 £	2021 £
Depreciation and amortisation of fixed assets	261,151	195,976
Other operating lease rentals	82,410	83,762

PROPERTYMARK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Auditors' remuneration

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

	2022 £	2021 £
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	25,000	21,350
Fees payable for the audit of the group's subsidiaries annual financial statements	13,350	11,050
Tax compliance services	7,000	6,000
Tax advisory	4,460	7,975
All other services	-	1,400
	<u>25,000</u>	<u>21,350</u>

7. Employees

Staff costs were as follows:

	Group 2022 £	Group 2020 £	Company 2022 £	Company 2020 £
Wages and salaries	2,690,611	2,478,591	2,690,611	2,478,591
Social security costs	280,811	253,393	280,811	253,393
Defined pension contribution scheme	107,000	120,804	107,000	120,804
	<u>3,078,422</u>	<u>2,852,788</u>	<u>3,078,422</u>	<u>2,852,788</u>

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

	Group 2022 No.	Group 2021 No.	Company 2022 No.	Company 2021 No.
Administration	76	68	76	68

During the year, a total of key management personnel compensation of £627,701 (restated 2021: £669,203) was paid. The directors have updated those who are considered to key management personnel in the current year.

PROPERTYMARK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	381,128	354,375
Defined pension contribution scheme	7,744	5,810
	<u>388,872</u>	<u>360,185</u>

The highest paid director received remuneration of £243,484 (2021: £176,950).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £7,744 (2021: £3,544).

4 directors (2021: 4) have received remuneration in the year.

9. Interest receivable

	2022 £	2021 £
Other interest receivable	14,864	4,617
	<u>14,864</u>	<u>4,617</u>

10. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	7,849	(7,673)
	<u>7,849</u>	<u>(7,673)</u>
Total current tax	<u>7,849</u>	<u>(7,673)</u>
Deferred tax		
Total deferred tax		
	<u>7,849</u>	<u>(7,673)</u>
Taxation on profit/(loss) on ordinary activities	<u>7,849</u>	<u>(7,673)</u>

PROPERTYMARK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022 £	2021 £
Profit on ordinary activities before tax	305,860	269,459
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	58,113	51,197
Effects of:		
Tax refund		(7,673)
Fixed asset differences	13,461	20,397
Income not taxable	(144,835)	(90,571)
Deferred tax not recognised	81,110	18,977
Total tax charge for the year	7,849	(7,673)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

PROPERTYMARK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. Intangible assets

Group

	Software Development t £
Cost	
At 1 January 2022	924,798
Additions	80,230
At 31 December 2022	<u>1,005,028</u>
Amortisation	
At 1 January 2022	104,603
Charge for the year on owned assets	182,386
At 31 December 2022	<u>286,989</u>
Net book value	
At 31 December 2022	<u>718,039</u>
At 31 December 2021	<u>820,194</u>

PROPERTYMARK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. Intangible assets (continued)

Company

	Software developmen t £
Cost	
At 1 January 2022	896,780
Additions	9,735
At 31 December 2022	<u>906,515</u>
Amortisation	
At 1 January 2022	104,603
Charge for the year	182,386
At 31 December 2022	<u>286,989</u>
Net book value	
At 31 December 2022	<u>619,526</u>
At 31 December 2021	<u>792,177</u>

PROPERTYMARK LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Tangible fixed assets

Group

	Leasehold property £	Fixtures and fittings £	Total £
Cost			
At 1 January 2022	2,583,238	216,560	2,799,798
Additions	-	21,289	21,289
At 31 December 2022	2,583,238	237,849	2,821,087
Depreciation			
At 1 January 2022	997,855	156,404	1,154,259
Charge for the year on owned assets	42,840	35,925	78,765
At 31 December 2022	1,040,695	192,329	1,233,024
Net book value			
At 31 December 2022	1,542,543	45,520	1,588,063
At 31 December 2021	1,585,383	60,156	1,645,539

PROPERTYMARK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Tangible fixed assets (continued)

Company

	Leasehold property £	Fixtures and fittings £	Total £
Cost			
At 1 January 2022	2,583,238	216,560	2,799,798
Additions		21,289	21,289
At 31 December 2022	2,583,238	237,849	2,821,087
Depreciation			
At 1 January 2022	997,855	156,404	1,154,259
Charge for the year on owned assets	42,840	35,925	78,765
At 31 December 2022	1,040,695	192,329	1,233,024
Net book value			
At 31 December 2022	1,542,543	45,520	1,588,063
At 31 December 2021	1,585,383	60,156	1,645,539

PROPERTYMARK LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 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.

14. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	766,106	366,205	701,529	326,741
Amounts owed by group undertakings	-	-	29,940	-
Other debtors	40,522	51,514	40,523	51,616
Prepayments and accrued income	363,197	904,729	196,310	735,579
	1,169,825	1,322,448	968,302	1,113,936

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

15. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	5,468,937	4,281,214	3,342,732	2,024,031
	5,468,937	4,281,214	3,342,732	2,024,031

PROPERTYMARK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	183,835	133,491	174,002	129,092
Amounts owed to group undertakings				37,944
Corporation tax	7,849	2,803		
Other taxation and social security	116,891	107,804	116,891	107,804
Other creditors	95,316	88,089	63,216	69,809
Accruals and deferred income	3,460,078	2,818,104	3,121,470	2,550,215
	<u>3,863,969</u>	<u>3,150,291</u>	<u>3,475,579</u>	<u>2,894,864</u>

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

17. Provisions

Group

	Provision for indirect and other taxes £	CMP provision £	Total £
At 1 January 2022	122,865	151,666	274,531
Charged to profit or loss		100,000	100,000
Utilised in year	(122,865)	(113,355)	(236,220)
At 31 December 2022	<u>0</u>	<u>138,311</u>	<u>138,311</u>

PROPERTYMARK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. Provisions (continued)

Company

	Provision for indirect and other taxes £	CMP provision £	Total £
At 1 January 2022	122,865	151,666	274,531
Charged to profit or loss	-	100,000	100,000
Utilised in year	(122,865)	(113,355)	(236,220)
At 31 December 2022	138,311	138,311	138,311

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 2022.

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

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. 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 £107,004 (2021: £120,804). No contributions were receivable from (2021: £Nil) the fund at the balance sheet date.

PROPERTYMARK LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. Commitments under operating leases

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Not later than 1 year	25,300	82,410	25,300	82,410
Later than 1 year and not later than 5 years	1,920	17,701	1,920	17,701
	<u>27,220</u>	<u>100,111</u>	<u>27,220</u>	<u>100,111</u>

22. Related party transactions

During the year, N Emerson, a director of the company, provided consultancy services amounting to £18,000 (2021: £12,515). £3,600 was outstanding at 31 December 2022 (2021: £Nil).

R L Selwyn, a director of the company, provided consultancy services amounting to £Nil (2021: £8,125). No amounts were outstanding at 31 December 2022 (2021: £Nil).

There were no other related party transactions in the year.

23. Controlling part

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