

UK Association of Letting Agents Ltd Annual Report & Accounts 2014



UKALA AGM 2014

To be held on

Tuesday 21st October 2014

in

The Conference Room

5th Floor,

22-26 Albert Embankment, Vauxhall, London SE1 7TJ

(8 minutes' walk from Vauxhall Rail & Underground Stations, or
15 minutes from Waterloo Station) Car-parking is difficult.

3pm Registration
3:15pm Annual General Meeting [full agenda appears below]
3.45pm Meeting closes.

To ATTEND the AGM please email bookings@ukala.org.uk or call: **020 7840 8920**.

There is no charge for attendance.

If you have any questions or proposals, please write them clearly on a slip of paper, with your name on it, and pass to the Company Secretary on arrival at the Registration Desk or submit in advance to patrick.jacobs@ukala.org.uk.

VOTE PLEASE!

If you cannot attend, please vote by completing a Proxy Form (enclosed) or vote on line : see back page.

UK Association of Letting Agents Ltd

Notice is hereby given of the Annual General Meeting to be held on
Tuesday 21st October 2014 at 3.15pm
at **5th Floor, 22-26 Albert Embankment, London SE1 7TJ**

AGENDA

- Item 1** To consider and approve the Minutes of last year's AGM
- Item 2** To consider and adopt the Company's Annual Report and Accounts for the period ended 31 March 2014.
- Item 3** To re-appoint Lescott Courts Ltd as reporting accountants of the Company until the next Annual General meeting at a fee to be agreed with the Board of Directors.
- Item 4** To re-elect DAVID JOHN SALUSBURY as a Director.
- Item 5** To re-elect RICHARD JOHN PRICE as a Director.
- Item 6** To re-elect PAUL JONATHON TOZER as a Director
- Item 7** To re-elect TIMOTHY CLARK as a Director.
- Item 8** Any other Business (please notify the under-signed with any issues you intend to raise by 1.30pm on 21st October 2014)

By order of the Board, dated 8th September 2014.

Patrick Jacobs
Company Secretary

Registered Office: Unit 11, Mildmay House, Foundry Lane, Burnham-on-Crouch. CM0 8BL

Admin Office : 22-26 Albert Embankment, London SE1 7TJ

UK Association of Letting Agents Annual Report 2014

Chairman's Message:

Dear Members

The last year has not been without its challenges. Like many young companies, the benefits and joys of rapid expansion are accompanied by significant growing pains. However, I am delighted to report that UKALA's development has been both rapid and heartening.

Membership has swelled by 50 per cent since last year and a significant reduction in trading deficit has been made in line with targets set by the UKALA board.

This progress is thanks in no-small part to the input of our members and feedback from the wider agent community, which has helped our committed staff to shape the service they offer and make the process of becoming a member of UKALA more user-friendly. Alive to the frustrations felt by some hampered by administrative barriers to membership, we have introduced new tools to assist application and will shortly deliver on our promise to introduce easily accessible online renewal processes to help you stay with us longer.

All of which will help to consolidate UKALA's position as a stable, maturing industry leader.

Of course an Association like UKALA does not exist to balance its books. It is crucial that our focus remains on supporting and promoting the interests of our members. To this end we have made a number of improvements to our membership package:

- All members now have access to professional independent redress services, courtesy of Ombudsmen Services: Property - ensuing effortless compliance with new government regulations applicable from October 2014.
- UKALA Accreditation is now recognized by the Greater London Authority, allowing use of the Mayor's 'London Rental Standard' at no extra cost.
- Members no-longer need submit an accountant's declaration if they take advantage of UKALA's 'financial health-check' facility (fees apply).

There are trials ahead for letting agents. We have already seen the impact that devolved regulation can have on small businesses courtesy of the Scottish Government's decision to enforce the ban on premiums. Meanwhile their counterparts in Wales are fast progressing plans to require formal licensing of all firms operating within their borders. UKALA is committed to ensuring that its' members face no additional compliance costs and remains confident that membership of the Association will meet any minimum standards imposed.

In Westminster, UKALA continues to work with the UK Government on advertising standards and proposals before Parliament to require transparency of agency fees. However, the main spot on the horizon remains the uncertainty that surrounds the 2015 General Election. After five years of coalition there can be little doubt that a change of administration is likely, but no such certainty exists about the political inclination of the next government. Or to what extent the negotiations following the Scottish referendum result will have on the powers of any London based Cabinet.

The alternatives for housing, small business and specifically letting agents are real. Although we know little substance concerning the policies of the three main parties ahead of next May. We know that housing policy and the way in which each party courts the SME sector will play a role in deciding the

politics of the next five year, increasing the importance of proper representation.

For UKALA 2013/14 was a year of listening, testing and planning. I hope you will agree that with each passing year our association grows in strength, value and credibility. From my vantage point as chairman, I believe that 2014/15 will be a year of opportunity. I see the vast opportunities presented by economic recovery, for letting agents to seize the moment and grow their businesses with the assistance and support of UKALA. I also see the opportunity for UKALA to provide the voice letting agents need at a time of change.

Planning the future of an organization so inter-connected with the confidence, concerns, needs and prosperity of its members is never easy. Mirroring your businesses it is often difficult to predict what effect political, economic, technical or even social factors will play in the delivery of a service, which meets its customers' needs.

However, I have no difficulty whatsoever in reporting that UKALA is stronger today than 12 months ago and I am confident it will continue to grow and deliver on its commitments. Provided it continues to attract and retain the calibre of members I see joining its ranks day by day.

David Salusbury – Chairman

**UK Association of Letting Agents Ltd
(Registered in England, number 3401834)**

**Minutes of the
Annual General Meeting held at
22-26 Albert Embankment, London SE1 7TJ
On Thursday 14th November 2013 at 1.30pm**

Directors present : Tim Clark, Richard Price, David Salusbury & Paul Tozer.

There being more than 10 members personally present or represented by proxies, the meeting was confirmed as quorate.

The Notice calling the meeting –which was circulated to Members during early October 2013 –was taken as read.

AGENDA

- Item 1 The Minutes of the 29th November 2012 AGM were approved.
- Item 2 The Company's Annual Report and Accounts for the period ended 31 March 2013 were considered and adopted.
- Item 3 Lescott Courts Ltd was re-appointed as reporting accountants of the Company until the next Annual General meeting at a fee to be agreed with the Board of Directors.
- Item 4 Any other Business : there had been none notified, nor was any raised.
- Item 5 David Salusbury, Chairman, made a presentation to Caroline Kenny, former UKALA Executive, to thank her for her tremendous input over the previous 2 years. He also gave an address reviewing the company's performance over the last year and aspirations for the future. After questions, the meeting closed at 2pm.

.....
David J Salusbury
Chairman

.....
Patrick Jacobs
Company Secretary

Dated... 17 December 2013
Registered Office: Unit 11, Mildmay House, Foundry Lane, Burnham-on-Crouch. CM0 8BL

**UK ASSOCIATION OF LETTING AGENTS LIMITED - COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2014**

DIRECTORS: T J Clark R J Price D J Salusbury P J Tozer

SECRETARY: P A Jacobs
REGISTERED OFFICE: Unit 11 Mildmay House, Foundry Lane, Burnham on Crouch, Essex CM0 8BL
REGISTERED NUMBER: 03401834 (England and Wales)

ACCOUNTANT: Lescott Noble Courts Limited Chartered Certified Accountants
Unit 11 Mildmay House, Foundry Lane, Burnham on Crouch, Essex CM0 8BL

BANKERS: Co-op Bank PLC, Southway, Skelmersdale WN8 6WT

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report with the financial statements of the company for the year ended 31 March 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of services to UK letting agents who are members of the association.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2012 to the date of this report.

T J Clark R J Price D J Salusbury P J Tozer

Other changes in directors holding office are as follows: P C Berwick (resigned 17 September 2013)

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

P J Tozer - Director
3 September 2014

UK ASSOCIATION OF LETTING AGENTS LIMITED

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2014 £	2013 £
TURNOVER		144,905	92,991
Cost of sales		<u>69,164</u>	<u>170,999</u>
GROSS SURPLUS/(DEFICIT)		75,741	(78,008)
Administrative expenses		<u>180,167</u>	<u>117,093</u>
OPERATING DEFICIT	2	(104,426)	(195,101)
Interest receivable and similar income		<u>25</u>	-
DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(104,401)	(195,101)
Tax on deficit on ordinary activities	3	-	-
DEFICIT FOR THE FINANCIAL YEAR		<u>(104,401)</u> =====	<u>(195,101)</u> =====

UK ASSOCIATION OF LETTING AGENTS LIMITED

BALANCE SHEET 31 MARCH 2014

	Notes	2014 £	2013 £
CURRENT ASSETS			
Debtors	4	8,091	13,381
Cash at bank and in hand		<u>35,106</u>	<u>8,752</u>
		43,197	22,133
CREDITORS			
Amounts falling due within one year	5	<u>329,419</u>	<u>203,954</u>
NET CURRENT LIABILITIES		<u>(286,222)</u>	<u>(181,821)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		(286,222)	(181,821)
CREDITORS			
Amounts falling due after more than one year	6	<u>42,743</u>	<u>42,743</u>
NET LIABILITIES		(328,965)	(224,564)
		=====	=====
RESERVES			
Income and expenditure account	7	<u>(328,965)</u>	<u>(224,564)</u>
		(328,965)	(224,564)
		=====	=====

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2014.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2014 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 3 September 2014 and were signed on its behalf by:

.....
P J Tozer - Director

The notes form part of these financial statements



UK ASSOCIATION OF LETTING AGENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Company limited by guarantee

The company is limited by guarantee. In the event of a liquidation the members undertake to contribute an amount not exceeding £1.

Going concern

The UK Association of Letting Agents Ltd is insolvent again at the 31st March 2014 and the directors are of the opinion that the company will still be able to trade out of this position.

The company is reliant upon the continued financial support from the National Landlords Association Ltd (NLA). At the balance sheet date there was an interest-free, unsecured, loan and accruals of £302,344 owed to the NLA, this loan is due to be paid within 2 to 5 years.

If the UK Association of Letting Agents Ltd is not in a financial position to repay this loan at any time due to the solvency of the company, the loan will be waived. Furthermore the NLA Board wishes for the loan balance to be excluded from any insolvency calculations of the UK Association of Letting Agents, so as not to cause an unnecessary liquidation or insolvency. If this loan is excluded from the solvency calculation the company would be solvent at the year end.

2. OPERATING DEFICIT

The operating deficit is stated after charging:

	2014	2013
	£	£
Directors' remuneration and other benefits etc	4,900	10,589
	=====	=====

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2014 nor for the year ended 31 March 2013.

The company is a mutual trading association and the trading profit or loss is not therefore subject to corporation tax.

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade debtors	1,165	4,502
Other debtors	<u>6,926</u>	<u>8,879</u>
	8,091	13,381
	=====	=====

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade creditors	260,639	137,183
Social security and other taxes	677	575

VAT	3,055	1,677
Other creditors	56,800	-
Accruals and deferred income	<u>8,248</u>	<u>64,519</u>
	329,419	203,954
	=====	=====

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

	2014	2013
	£	£
Other creditors	42,743	42,743
	=====	=====

National Landlords Association Ltd (NLA). At the balance sheet date there was an interest-free, unsecured, loan of £42,743 owed to the NLA, of this loan £27,743 is due to be paid within 2 to 5 years.

7. RESERVES

	Income and expenditure account £
At 1 April 2013	(224,564)
Deficit for the year	<u>(104,401)</u>
At 31 March 2014	(328,965)
	=====

There were 477 members at the 31st March 2014.

8. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

D J Salusbury, R J Price and P A Jacobs are directors of the National Landlords Association Ltd (NLA). At the balance sheet date there was an interest-free, unsecured, loan of £302,344 owed to the NLA, this loan is due to be paid within 5 years.

THE UK ASSOCIATION OF LETTING AGENTS LIMITED

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014**

	2014		2013	
	£	£	£	£
Sales		144,905		92,991
Cost of sales				
Membership benefits		<u>69,164</u>		<u>170,999</u>
GROSS SURPLUS/(DEFICIT)		75,741		(78,008)
Other income				
Deposit account interest		<u>25</u>		<u>-</u>
		75,766		(78,008)
Expenditure				
Directors' salaries	4,900		6,118	
Directors' fees	-		4,471	
Directors' social security	-		282	

Wages	75,045	8,792
Social security	1,520	339
Insurance	1,558	1,558
Telephone	1,238	1,394
Printing and advertising	51,666	80,405
Travelling and subsistence	628	776
Postage	1,955	3,634
Sundry expenses	748	2,019
Staff training	835	2,035
Accountancy	1,680	1,365
Professional Fees	38,268	3,692
Entertainment	—	54
	<u>180,041</u>	<u>116,934</u>
	(104,275)	(194,942)
Finance costs		
Bank charges	<u>126</u>	<u>159</u>
NET DEFICIT	(104,401)	(195,101)

This page does not form part of the statutory financial statements

Company Secretary's Notes to the Accounts

- 1 The Full Accounts together with Accountants' Notes can be accessed from the Members' area of our website www.ukala.org.uk or upon request by sending a large (C4) SAE -£1.17 stamp affixed – to Company Secretary, UKALA, 22-26 Albert Embankment, LONDON SE1 7TJ
- 2 Membership concluded the year at **477** (2013=271, 2012 =349, 2011=485). To some extent the decline in prior years reflected our then inability to provide Client Money Protection Insurance – now remedied!
- 3 It is pleasing to note that Income, mainly from membership subscriptions, is 56% higher than in the previous year. Membership has again strengthened since year-end.
- 4 Expenditure was c£40,000 lower than in the previous year – mainly due to reduced post, printing & advertising costs which were necessarily more in the previous year in connection with developing the new marketing materials upon which the foundations for future growth depended. Regrettably we again recorded a loss for the year – of £104,401 (£91,000 better than last year) – which reduced Reserves to (£328,965).
- 5 Several Directors again deferred fees for 2014.
- 6 UKALA is reliant on continued administrative & financial support from National Landlords Association.

This page does not form part of the statutory financial statements

Under The Articles of Association, all directors serve for a maximum of 3 years and are then required to stand for re-election. All the following have served one term and offer themselves for a further period.

Item 4	To re-elect DAVID SALUSBURY as a Director
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David became Chairman of UKALA in 2011. He has been a landlord in south west London for nearly thirty years. He joined the NLA (then SLA) in the mid-1990s. Soon afterwards he joined the committee. In 2003 he was invited to oversee the transition of the SLA from an unincorporated body into the limited-by-

guarantee company we know today, becoming a director of the new company and chairman from June 2003 to July 2013. He continues to serve as a director.

In 2006 he became UK Vice President of the International Union of Property Owners (UIPI), a body representing property owners from 27 European countries.

Since he became NLA Chairman he has been instrumental in promoting the aims of the NLA, which are to influence public policy for the private-rented sector, provide information and benefits for member landlords to help them make a success of their lettings businesses, and to raise standards in the private-rented sector. During this period the NLA has expanded significantly. In 2003 it had a membership of around 4,000 and an income of some £440,000. Turnover today is in excess of £3M, with a staff of some 40 full-time and more than 50 part-time employees representing the interests of landlords countrywide.

David says: 'I am proud to have been involved with the NLA during this very exciting time and believe that by forging links with UKALA we can strengthen our claim to being a leading voice for the private-rented sector. I am keen to be associated with UKALA and offer myself for re-election as a director.'

Item 5 To re-elect RICHARD PRICE as a Director

Richard Price is Executive Director of UKALA and a director of NLA.

He has around twenty years' experience as a landlord with a mixed portfolio of property across Dorset, Hampshire and Lancashire. He also has sixteen years' experience working on behalf of landlords at a local, national and international level, and eight years' experience as a letting agent for just a select few properties.

Richard is an Executive Member of the UIPI (International Union of Property Owners based in Brussels). He represents NLA & UKALA interests to; the National HMO Network (Houses in Multiple Occupation), various British Standards Committees, and with organizations such as the Health & Safety Executive and the Chief Fire Officers Association.

He is also a member of the Institute of Directors.

Item 6 To re-elect PAUL TOZER as a Director

Paul is aged 51. He has always worked in property, starting in Estate Agency in 1984. He completed a degree in evening classes to become a Graduate Valuer ISVA (Incorporated Society of Valuers & Auctioneers - since merged with RICS). In 1990 he opened his first business : his company is based in SW London and specialises in Property- & Project- Management. Paul is married with 3 children and lives in London.

Item 7 To re-elect TIMOTHY CLARK as a Director

Timothy Clark started a letting business in Norfolk about 8 years ago and is now the proprietor of a thriving small business. He has been a member of the UKALA since the early days of this business. He is a landlord and director of a company holding apartment freeholds.

In the 10 years prior to this he had worked in property development and been a director of a holiday rentals business.

Before moving into the property world he worked world-wide for Philips Electronics including being commercial business manager of a £50M technology transfer project.



Proxy Form

[This form of Proxy may be (copied and) used by any Member of UK Association of Letting Agents Ltd.
It should be returned to the

ADMIN Office **by 3.15 pm on 19th October 2014]**

Alternatively, you may complete an electronic version by visiting www.ukala.org.uk or clicking the link contained in a personalised email which we will send to you by late September.

UKALA

22-26 Albert Embankment, London SE1 7TJ

I/we.....(full name)

of

..... (address)

being a member of the above named company, HEREBY APPOINT *the Chairman of the meeting / *.....

(insert name of proxy (who must be a member of the Company) if you do NOT wish to so appoint the chairman of the meeting)

of

as my proxy to vote in my name and on my behalf at the Annual General Meeting to be held on 21st October 2014 and at any adjournment thereof. This form is to be used in respect of the resolutions mentioned below as follows:

Resolution [1] to adopt the company’s 2013 AGM Minutes *For /*Against

Resolution [2] to adopt the Company’s Annual Report and Accounts for the period ended 31 March 2014. *For /*Against

Resolution [3] to re-appoint Lescott Courts Ltd as reporting accountants of the Company until the next Annual General meeting at a fee to be agreed with the Board of Directors. *For /*Against

Resolution [4] to re-elect DAVID JOHN SALUSBURY as a Director. *For /*Against

Resolution [5] to re- elect RICHARD JOHN PRICE as a Director. *For /*Against

Resolution [6] to re-elect PAUL JONATHON TOZER as a Director *For /*Against

Resolution [7] to re-elect TIMOTHY CLARK as a Director. *For /*Against

*(*strike out whichever is not desired)*

[Unless otherwise instructed, the proxy may vote as he or she thinks fit or abstain from voting]

Signed:

Member Number:.....

Dated:

Please return in an envelope and post to

**Freepost RSRT – TJRE – ATCZ
UKALA – 4th Floor
22-26 Albert Embankment
LONDON
SE1 7TJ**