



Investment  
Property Forum

# Report & Accounts 2021



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# IPF Governance & Executive

Ben Sanderson  
**Chairman**

Graeme Rutter  
**Immediate Past Chairman**

Mike Tremayne  
**Honorary Treasurer**

## Operational Board

Jason Baggaley

Pam Craddock

Gary Sherwin (until March 2021)

Felicity Beasley

Sue Forster

Clare Thomas

John Condliffe (until July 2020)

John Gardiner

Juliet Thomas

## Past Chairmen

Adrian Wyatt

Andrew Graham

Stuart Beevor

Ian Marcus

Andrew Hynard

Andrew Smith

Philip Nell

Adrian White

John Whalley (deceased)

Rupert Clarke

Andy Martin

Peter Pereira Gray

Max Sinclair

Graeme Rutter

Michael Boggis

Phillip Nelson

Martin Moore

Paul McNamara

John Gellatly

Chris Ireland

Richard Catling

Mark Burton

Rob Bould

Ian Womack

Phil Clark

Ciaran Carvalho

Ramsay Mason

Edward Luker

Steven Fogel

Peter Freeman

Amanda Howard

Jonathan Thompson

## Life Members

Stuart Beevor

Neil Crosby

Michael Mallinson

Fiona Morton

Sir John Ritblat

Rob Bould

Ian Cullen

Ian Marcus

Phillip Nelson

Karen Sieracki

Phil Clark

John Gellatly

Andy Martin

Sir Idris Pearce

John Story

Robert Clarke

Andrew Graham

John McLachlan

Peter Pereira Gray

Ian Womack

Sir David Clementi

Andrew Hynard

Paul McNamara

John Plender

Adrian Wyatt

## Executive

Sue Forster

**Chief Executive**

Katina Antoni

**Membership Administrator**

(until February 2021)

Jenny Hooper

**Accounts Manager**

Pam Craddock

**Research Director**

Susan Buckley

**Communications Manager**

(until July 2020)

Hannah Prescott

**Seminar Co-ordinator**

Frankie Clay

**Associate Director**

Barbara Hobbs

**Events Manager**

# Report from the Chairman

It was a huge honour to become Chairman of the IPF in July 2020. It has been a year unlike any other with the entirety of the year played out under the shadow of the COVID pandemic. The impacts of COVID on the IPF and our members have been hugely significant, and I offer my personal sympathies to those and their families who have been affected by the virus.

Whilst the health impacts of the virus are the most significant, the economic impacts on our members and the IPF have also been considerable. The real estate investment market has been characterised by uncertainty and reduced levels of activity and our members have met professional and personal challenges of an unprecedented nature – with many having been concerned justifiably about their livelihoods and the future of their businesses. The IPF itself has had to navigate its course through the year with members and the IPF team all working from home for most of the year – for example, we did not have a single face-to-face meeting of the Operational Board through 2020-21. It is to the credit of everyone involved at the IPF – the membership, all committee and board members and the Executive – that the summary of activity presented below is so rich and varied and the financial report that follows is as robust as it is.

It is often said that is not until organisations or structures are truly tested that the real strength is shown. This year the IPF, its membership and the real estate investment industry have shown their strength. I hope that the end of the pandemic and a strong and robust economic and social recovery will form a significant part of next year's report.

## Membership

As at 31 March 2021, the IPF membership stood at 1,967, a fall of 7.5% compared with the total of 2,125 last year. Membership levels have not been so low since March 2012 in the aftermath of the Global Financial Crisis. Even so, the figures could have been much worse without the efforts of the Operational Board, the regional boards, the Future Leaders Committee, the IPF Executive and others in contacting existing members on furlough and recruiting new members during the year.

During the first lockdown, the Future Leaders Committee, chaired by Matt Bird, established IPF online networking groups (Property huddles) to enable younger members to join four or five other members in their peer group for regular online chats and discussions. This initiative was extended to all IPF members in the Summer and currently there are over 330 members participating in 53 such groups.

As we emerge from lockdown in June/July, we hope to re-engage with members unable, for various reasons, to renew their membership last year and welcome more new members so that next year's total will be akin to those of recent pre-pandemic levels. Our focus will be on attracting those within our industry who have two or more years' postgraduate investment and/or finance experience. The Future Leaders Committee will continue to provide less senior members with tailored additional events to the main webinar/seminar programme, such as the 'Insights' series, taking the form of informal conversations with industry leaders. Future Leader members also qualify for the IPF Mentoring Scheme, overseen by IPF Chief Executive Sue Forster, and around 40 registered this year, despite the inability to meet their mentors in person. Hopefully, by the time the next iteration launches in January 2022, face-to-face meetings will again be the norm.

## Education

In a normal year, the IPF runs an extensive programme of seminars and briefings – these totalled 28 in London and 22 in the regions during 2019-20. Face-to-face events were not possible during 2020-21 but I am delighted to say that the IPF Executive, together with the CPD Group chaired by Clare Thomas, the IPF special interest groups, the Future Leaders Committee and the respective regional boards, rose to the

challenge and organised 65 webinars and online briefings throughout the year. The recordings of all these events are available to members on the IPF website. These events were supplemented by around 100 third-party webinars and briefings available to members over the same period.

The response from members to the digital programme of events was mixed. Some bemoaned the loss of networking opportunities offered at physical events, but the majority were complimentary about the range of topics and ability to access all events run by the IPF. Given this feedback, and the likelihood that not all members will be returning to the office full time, the IPF plans to run a hybrid programme of events going forward, mindful that events like the annual 'Outlook for UK Property' in January are both a major social and educational event.

The IPF's formal education programme (Investment Education Programme (IEP)), which provides a stepped approach to the Henley Business School University of Reading's flexible, part-time MSc Real Estate Investment & Finance, also adapted to the provision of modules online. I am pleased to report that the response from students to the change was again predominantly positive.

In addition to the University of Reading flexible, part-time MSc Real Estate Investment & Finance, the IPF recognises 10 other postgraduate property investment/finance courses – these are listed on the IPF website. Every year, the directors of each of these courses are invited to submit their best student dissertation for an IPF prize of £500, subject to approval by the IPF Education Group (formerly the Educational Strategy Group), chaired by Paul Kennedy who succeeded Guy Morrell earlier this year. This reconstituted Group will focus on new education initiatives by the IPF, rather than overseeing its existing activities. Members of the Group have already helped with the establishment of the new IPF Research Programme grants scheme launched in April 2021.

Also part of the IPF's education remit, the annual Nick Tyrrell Memorial Research Prize (established in 2011 by IPF, INREV and SPR) attracted 20 entries from across the world in May 2020. The Prize was awarded to joint authors Jean-Christophe Delfim and Prof. Martin Hoesli, both of the Geneva School of Economics and Management, University of Geneva, for their paper, 'Real Estate in Mixed-Asset Portfolios for Various Investment Horizons'. The principal findings of the research were presented during a webinar hosted by the three sponsoring organisations in February 2021.

## IPF Research Programme

The IPF Research Programme is integral to much of the Forum's activities and outputs. The delivery of objective and high-quality research and analysis that address both fundamental and topical issues remains a crucial function of the Forum, with the need to ensure continuing relevance to IPF members and the wider real estate industry, whilst maintaining stringent standards of quality and robustness.

We thank the organisations listed for providing their financial support to the current Research Programme.



The Programme is run by the Research Steering Group, under the chairmanship of Simon Marx, together with the Forum's Research Director, Pam Craddock.

The IPF produces a number of regular reports throughout the year, including:

- The Survey of Independent Forecasts for UK Commercial Property Investment (quarterly);
- The European Consensus Forecasts of Prime Office Rents (half-yearly); and
- The UK Residential Property: Institutional Attitudes and Investment Survey (annual).

Research reports delivered during the year include:

- Long-term Value Methodologies in Real Estate Lending (July 2020);
- Comparison of Property Market Indices (July 2020);
- Benchmarking Real Estate Investment Performance: The Role of ESG Factors (July 2020);
- Key Contributions of IPF Research to Property Investment Processes in the UK (September 2020);
- Operational Real Estate: Risk and Reward (February 2021); and
- Large Scale UK Residential Investment: Achieving Market Maturity (March 2021).

Research in progress or recently commissioned includes:

- Investment Implications of a Rise in the Flexible Service Market;
- Mitigating Behavioural Influences on Decision Making within the Property Investment Process;
- Impact of Social and Affordable Housing Investment on Pension Fund Performance (with Impact Investing Institute);
- Global Pathways to Net Zero Carbon in Real Estate Investment; and
- Turnover Leases: The Difference and Interaction between Value and Worth.

The IPF thanks all contributors to research projects for their on-going support, including those who have served on both the Research Steering Group and individual project steering groups.

All completed research is available to members to download from the IPF website. In addition to the reports, members can download slides from seminars launching research findings. These seminars are also video-recorded and, again, members can access these via the website.

### **Research Programme funding**

Due to impact of the COVID-19 pandemic on the UK economy and real estate market, the current Research Programme, which commenced in May 2018, was extended for a further 12 months. Refinancing of the Programme (to take effect from 1 May 2022) will begin in the autumn with a minimum target of 16 sponsoring organisations.

If you are interested in finding out more about sponsoring the Programme, please contact Pam Craddock ([pcraddock@ipf.org.uk](mailto:pcraddock@ipf.org.uk))

### **IPF IT**

As reported last year, the upgrade of the IPF website was due to start early 2021. However, this work was again delayed so as to minimise outgoings while the IPF was utilising its reserves.

Conversely, the pandemic accelerated the need to replace the IPF's Citrix virtual desktop platform with one based on Microsoft 365 so that the executive team was able to work more effectively from home, e.g. hosting Teams calls for the special interest groups and other IPF committees and groups. The IPF CRM system was also upgraded from Dynamics 2016 to Dynamics 365 during lockdown. This work became pressing following Microsoft's announcement that it would no longer be providing general support or patches for Dynamics 2016 from October 2020.

## IPF Dinner and Lunches

The IPF was not able to hold any of its usual dinners, lunches and other social events in London and the regions during the year. The number of such events will take place during 2021-22 remains to be seen but at the time of writing, the IPF has already had to cancel the annual lunches in Manchester and Birmingham.

## Special Interest Groups

The Forum has eight special interest groups (SIGs), which focus on developing specific areas within the investment property industry.

The Environmental, Social & Governance (ESG) Group, chaired by Miles Keeping, organised several webinars during the year and authored the IPF responses to the European Supervisory Authorities: ESG disclosures and the BEIS consultation on Improving residential energy performance. Group members also contributed to the Research Programme's project on 'Benchmarking Real Estate Investment Performance: The Role of ESG Factors' and the Green Soluce and the IEIF (Institut de l'Épargne Immobilière et Foncière) research, 'ESG Trends in Real Estate Investment: Best practices, drivers and challenges in Europe', for which the IPF acted as UK representative.

Several other groups contributed their time and expertise to the IPF Research Programme, notably the Residential Investment Group, chaired by Stafford Lancaster, and the International Group, chaired by Ben Sanderson. The former Group contributed to the last publication for the IPF's annual 'Institutional Attitudes to Investment in UK Residential Property', and the forward-looking one-off paper, 'Large Scale UK Residential Investment: Achieving Market Maturity', published in March (see IPF Research Programme above). Members of the International Group played a large role in the development and delivery of the research project, 'Benchmarking Real Estate Investment Performance: The Role of ESG Factors' and are currently involved in the research on 'Global Pathways to Net Zero Carbon in Real Estate Investment'.

In addition to the webinars organised by the groups mentioned above, IPF's programme was enhanced by the five events organised by the Tech Futures Group, chaired by Julian Carey, and those run by the Indirect Property Group, often in association with AREF, including a third session on social impact investing. The members of the Indirect Group, chaired by Graeme Rutter, in liaison with other relevant industry bodies, wrote the IPF responses to government consultations covering the tax treatment of asset holding companies in alternative fund structures; redemption notice periods for authorised open-ended funds; ISAs and authorised open-ended property funds; and the review of the UK funds regime (submitted in April 2021). The Group also submitted a response to the review of the Alternative Investment Fund Managers Directive (AIFMD), following liaison with AREF, BVCA, CREFC Europe and INREV, together with other members of the European Real Estate Forum (EREF).

Under the chairmanship of David Brown, the Regulation and Legislation Group (Regs & Legs) Group continued to monitor emerging legislation and regulation across a wide spectrum of the industry and then liaise with the appropriate IPF special interest group. Our other two groups, covering Finance, chaired by Kitty Patmore, and Property Derivatives, chaired by Jon Masters, had a quiet year for obvious reasons.

## Working Groups

The IPF working groups are formed and active as and when required. The only group that met during 2020 was the 5-year Review Group, formed in early March 2020 to consider the role and priorities of the IPF over the next five years. Not surprisingly, the Group met only once before deciding to delay its deliberations until after lockdown.



## Other Industry Involvement

The IPF groups and committees, together with members of the Executive, liaise with other industry groups and third parties as and when required. The IPF also has more formal channels for such liaison and co-operation, as detailed below.

### Property Industry Alliance (PIA)

The IPF works alongside its fellow members of the PIA, comprising AREF, BCO, BPF, CREFC, Revo, RICS and Urban Land Institute (ULI). As IPF Chief Executive, Sue Forster meets her opposite numbers in the other PIA organisations on a quarterly basis and there are two annual board meetings, chaired by Bill Hughes, where the CEOs are joined by their respective presidents and chairmen. During the lockdown PIA representatives liaised remotely on almost daily basis during the first lockdown, moving to a weekly call later in 2020.

The formal standing PIA groups covering sustainability issues (Green Property Alliance (GPA)), debt finance (Debt Group), REITs, taxation and research were generally less active this year.

### European Real Estate Forum (EREF)

The IPF is a founding member of EREF, which now has more than 35 member organisations from across Europe. The Forum moved its face-to-face meetings online and so that members could continue to liaise on responses to European-wide consultations.

### RICS Independent Review of Real Estate Investment Valuations 2021

Sue Forster and other IPF members participated in the four round-table sessions organised by the Review Group and chaired by Peter Pereira Gray, who was IPF Chairman 2009-10.

## Thanks

I would like to thank the members of the Operational Board for their support during my year in office. In particular, my thanks go to Gary Sherwin, who stepped down at the end of March 2021, and Juliet Thomas, who will be leaving the Board at the forthcoming AGM.

Many thanks to the regional board members who have made a significant contribution to the IPF webinar programme over the last year and helped in retaining members in their respective areas. During the year, Matt Hannah took over from Jon Brice as chairman of the Midlands board, while Matt Jones and Brian Hutcheson served as chairmen of the Northern and Scottish boards respectively.

The Acknowledgements section at the end of this report lists all the members of IPF committees and groups. I would like to thank everyone listed – the IPF's success is hugely reliant on their time and expertise. Listed in the same section are the individuals that have been speakers, panellists and chairmen at our 2020-21 online events. Again, my thanks go to all of them for supporting the IPF.

Last, but not least, I should like to thank the IPF Executive, comprising Sue Forster, Pam Craddock, Frankie Clay, Barbara Hobbs, Jenny Hooper and Hannah Prescott, together with Katina Antoni (who left in February 2021) and Susan Buckley (maternity cover for Frankie until July 2020), for their tremendous efforts during such a difficult year.

### Ben Sanderson

Chairman

June 2021

# Report from the Treasurer

As a result of the Covid-19 pandemic, the 2020-21 financial year was like no other in recent memory.

Revenue was unsurprisingly materially down, mainly due to loss of event income; but mercifully so were costs.

We report an operational loss on the main account of just over £108,000 for the recent financial year, which thankfully is a much better position than was initially feared by the IPF Operational Board in April/May 2020.

We are fortunate to have not only a loyal membership and a dedicated and adaptable executive team, but also substantial reserves, currently at circa £470,000, built up over many years, which have enabled us to comfortably pull through the last 12 or so months.

We have navigated a difficult year, and the IPF is now hopefully emerging in robust shape.

## Income

Income for the recent financial year was £487,000 (including nearly £44,000 in government grants under the Coronavirus Job Retention Scheme), which is substantially below the previous year's £1,024,000. The vast majority of this year's revenue was derived from membership subscriptions, when historically the contribution from membership accounts for around a half of the total revenue, with the remainder made up primarily from event income. Given that we were unable to run any of our usual large-scale, surplus-generating dinners, lunches and conferences, it will therefore come as no surprise that we did not receive any of our budgeted (pre-Covid) event income of £518,000.

This past year has underlined how reliant we are upon the income stream from our membership subscriptions. The number of members fell from 2,125 in March 2020 to 1,967 in March 2021, a drop of around 7.5%. In the circumstances, this could have been far worse, but our focus for 2021-22 must now be on persuading lapsed members to renew and to increase the number of new members through the efforts of the Operational Board, the Future Leaders Committee, the regional boards, and of course individual members. We are especially keen to recruit younger members to ensure that the IPF continues to prosper over the longer term.

We continually strive to keep membership fees as low as possible, and cognisant of various financial pressures some of our members may be experiencing from the Covid fallout, the Operational Board agreed not to increase the fee for the 2021-22 year. We are very much of the view that the fee of £255 represents excellent value, especially when compared against similar industry organisations.

IPF will revert to offering face-to-face seminars, briefings, workshops, site visits, informal social events and the dinners and lunches as soon as it is able to do so. However, the online briefings and webinars have generated a lot of positive responses from members, so we will continue to include these in the IPF's hybrid programme for all members. As mentioned in the Chairman's report, younger members can also join the IPF's mentoring programme and attend additional events organised by the Future Leaders Committee.

## Expenditure

Expenditure totalled £577,710 which was materially down on the previous year's £973,224. Around 75% of this reduction was attributable to the cancellation of dinners, lunches and the annual conference. The remainder was down to cost savings, not least in accommodation and telecoms when the IPF moved offices during lockdown from New Broad Street House to Hana Workspaces in 70 St Mary Axe. As mentioned above, the IPF also drew on the Government's Job Retention Scheme, and half the Executive were placed on either flexible or full furlough.

The Operational Board did not anticipate any one-off costs on our website or database during 2020-21, but various costs subsequently proved necessary given the circumstances. The executive team moved from its Citrix virtual desktop platform to Microsoft 365 in the Summer; this made remote working much easier, provided a more stable environment, whether at home or in the office, and facilitated the use of Teams etc. The IPF's accounting package was also moved online at the same time. Later in the year, the proposed upgrade of our CRM system from Dynamics 2016 to Dynamics 365, scheduled for 2021-22, became more pressing, and therefore the upgrade work was undertaken between November 2020 and March 2021.

As reported by the Chairman, we had also originally budgeted to make the final £60,000 contribution to the 2018-2021 IPF Research Programme during the year. However, it was subsequently agreed that these payments would be paid out in two tranches – 24,000 for 2020-21 and the remaining £36,000 for 2021-22.

## Thanks

I would like to thank the members who supported the IPF during this most challenging of years and look forward to seeing many of you when we are able to revert to face-to-face seminars and social events.

My special thanks go to the members of the executive team for their dedication throughout 2020-21. I know it has been testing, but your flexibility of approach and understanding is very much appreciated.

**Mike Tremayne**

Honorary Treasurer

June 2021

# Acknowledgements

We would like to acknowledge the contribution made by the following individuals:

## Regional Boards

### Midlands

Matthew Hannah  
(Chairman)  
Richard Round  
(Vice Chairman)  
Andrew Brazier  
(until December 2020)  
Jonathan Brice  
Edward Gamble  
Tim Hurdiss  
Matthew Jenns  
(until September 2020)  
Damian Lloyd  
Rebecca Millard  
Isobel Radford  
David Smith  
(until December 2020)  
Rachel Williams

### North

Matthew Jones  
(Chairman)  
Debra Cooper  
(Vice-Chairman)  
Scott Gemmell  
Jeffrey Gillbanks  
Rosalyn Harper  
Robert Millington  
Katie Ridehalgh  
Ian Sherry  
Simon Smethurst  
Neil Sturme

### Scotland

Brian Hutcheson  
(Chairman from May 2020)  
Simon Kinnie  
(Chairman until April 2020,  
stepped down from the Board  
February 2021)  
Neil A'Bear  
Kathryn Bennett  
(from September 2020)  
Paul Carter  
Janey Douglas  
(from January 2021)  
Alison Fyfe  
Scott Howie  
(until March 2021)  
Laura Hughes  
Stephen Inglis  
(from February 2021)  
Anne Johnstone  
Fraser McPhail  
Finlay Miller  
(from March 2021)  
Steven Newlands  
Richard Whyte

## Principal Committees

### Education Strategy Group

Paul Kennedy  
(Chairman from November 2020)  
Sue Forster  
Guy Morrell  
Alan Patterson  
(from November 2020)  
Ben Sanderson  
Eva Steiner  
(from November 2020)

### Research Steering Group

Simon Marx  
(Chairman)  
Mark Andrew  
Andrew Angeli  
Asli Ball  
Matthew Bennett  
(until September 2020)  
Mark Bunney  
(until September 2020)  
Pam Craddock  
Sue Forster  
Daniel Francis  
Richard Gwilliam  
David Hedalen  
David Hourihan  
Bill Page  
Andy Schofield  
Paul Stewart  
Charlie Tattersall  
(from November 2020)  
Chris Urwin  
Simon Wallace

## Other Committees

### CPD Group

Clare Thomas  
(Chairman)  
Charles Allen  
Charles Barke  
Jamie Binstock  
Yvette Bryan  
David Erwin  
Sue Forster  
Chris Jeffs  
Hannah Prescott  
Chris Robinson

### Future Leaders

(formerly Next Generation)

Matthew Bird  
(Chairman)  
Erika Birkett  
Patrick Freestone  
Samuel Gregory-Smith  
Michael Harris  
(until January 2021)  
Jo Jackson  
Samantha Kempe  
Scott Keown  
Hannah Prescott  
Oliver Rippier  
(until January 2021)  
James Vivian  
(from June 2020)  
Lorna Walker  
John Woodger  
(from June 2020)

## Special Interest Groups

### Environmental, Social & Governance (ESG) Group

Miles Keeping  
(Chairman)  
Christopher Brigstocke  
Lora Brill  
(from January 2021)  
Tim Coffin  
Siobhan Cross  
Louise Ellison  
Linda Fletcher  
Sue Forster  
Alex Hill  
Caroline Hill  
Max Johnson  
Philip Parnell  
Richard Quartermaine  
Sarah Ratcliffe  
Barney Rowe  
(until January 2021)

### Finance Group

Kitty Patmore  
(Chairman)  
Riaz Azadi  
Matthew Bennett  
Klaus Betz-Vais  
John Carter  
Sue Forster  
Natalie Howard  
Sharon Quinlan  
Martin Sheridan  
Arron Taggart  
James Thomas  
(from November 2020)

### Indirect Property Group

Graeme Rutter  
(Chairman)  
Matthew Abbott  
(until March 2021)  
Michael Acratopulo  
Justin Brown  
Stephen Elliott  
Charles Ferguson Davie  
John Forbes  
Sue Forster  
Jessica Hardman  
Victoria Henry  
Richard Peacock  
James Tarry

### International Group

Ben Sanderson  
(Chairman)  
Pam Craddock  
David Dix  
Dimitri Doublet  
Sue Forster  
David Jackson  
Sabina Kalyan  
(from August 2020)  
Richard Kolb  
Simon Mallinson  
Tom Mundy  
Jason Oram  
William Rowson  
Damien Smith  
(until December 2020)  
Robert Stassen  
(until December 2020)  
Mark Titcomb  
(until November 2020)  
Tom Walker  
James White  
(from October 2020)

### Regulation and Legislation Group

David Brown  
(Chairman)  
David Adler  
Bill Bartram  
Christopher Brigstocke  
Jonathan Evans  
Sue Forster  
Matthew Howard  
Daniel Norris  
(from May 2020)  
Christine Ormond  
Cathryn Vanderspar

### Residential Investment Group

Stafford Lancaster  
(Chairman)  
Mark Davis  
Ben Denton  
Sue Forster  
Alexander Greaves  
Tom Henry  
Richard Jackson  
Niall Malone  
Dominic Martin  
Cathryn Vanderspar  
Jean-Marc Vandevivere

### Tech Futures Group

Julian Carey  
(Chairman)  
Jules Barker  
(from February 2021)  
Felicity Beasley  
Andy Dyer  
(until January 2021)  
Sue Forster  
Kat Terry  
Nick Wright

## Seminar chairmen, speakers and panellists

Neil A'Bear  
Fernanda Amemiya  
Euan Anderson  
Christopher Austin  
Melanie Baker  
Sarah Barr Miller  
Paul Batchelor  
Jonathan Bayfield  
Felicity Beasley  
Chris Bennett  
Kathryn Bennett  
Jamie Binstock  
Michael Birch  
Matthew Bird  
Vivienne Bolla  
Chris Brett  
James Broderick  
Justin Brown  
Nick Brown  
Andrew Burrell  
Mark Callender  
Nicola Cameron  
Peter Capper  
Julian Carey  
Sophie Carruth  
Sam Carson  
Russell Chaplin  
Sue Clayton  
Paul Coates  
John Cole  
Helen Collins  
Peter Cosmetatos  
Pam Craddock  
Siobhan Cross  
Emma Cullen  
Jean-Christophe Delfim  
Hélène Demay  
Adam Dent  
Steven Devaney  
William Dinning  
Mathew Ditchburn  
William Dowson  
Peter Epping  
David Erwin  
Charles Ferguson Davie  
John Forbes  
Sarah Forster

Sue Forster	Nick Keable	Vanessa Muscara	Tom Sharman
Ian Fox	Miles Keeping	Anupam Nanda	Anthony Shayle
Peter Freeman	Paul Kennedy	Ilir Nase	James Shepherd
Malcolm Frodsham	Michael Kenney	Georgie Nelson	Max Sinclair
Guy Glover	Michael Keogh	Mat Oakley	Neil Slater
Emma Glynn	Anne Koeman-Sharapova	Neil Odom-Haslett	Andrew Smith
David Goatman	Oliver Kummerfeldt	Bill Page	Hamish Smith
Naomi Greene	Stanley Kwong	Stephen Palmer	Matt Smith
Rob Groves	Stafford Lancaster	Stephanie Parker	Rosie Smith
Penny Hacking	Conan Lauterpacht	Philip Parnell	Chris Stark
Matthew Hannah	Sam Lenehan	Steven Partridge	Neil Sturmev
Jessica Hardman	Stephen Lewis	Jose Pelicer	Stuart Tait
Annabel Harmsworth	Eleanor Lindsay	Martin Perry	Indeesh Tangeraas
Philip Harvey	Hugo Llewelyn	Kim Politzer	Chris Taylor
Karen Hedge	Patrick Lowther	Rachel Portlock	Clare Thomas
Tom Henry	Nicole Lux	Sharon Quinlan	Charles Toogood
Michael Hill	Daniel Lyons	Sarah Ratcliffe	Chris Urwin
Peter Hobbs	Kenneth MacKenzie	Catherine Raynsford	Zachary Vaughan
Martin Hoesli	Thushka Maharaj	Paul Richards	Hans Vrensen
Ruth Hollies	Akeel Malik	Matthew Richardson	Andrew Waller
Alastair Hughes	Simon Mallinson	Tom Rix	Chris Walters
Laura Hughes	Nigel Mapp	Matthew Roach	Rob Waterhouse
Brian Hutcheson	Liz Martins	Chris Robinson	Kevin White
Richard Jackson	Simon Marx	William Robson	Andrew Wilson
Anne Johnstone	Jacqui McCulloch	Melville Rodrigues	Dominic Wilson
Matthew Jones	Fraser McPhail	Richard Round	Ian Winton
Anshita Joshi	Richard Meddleton	Stephen Ryan	Yin Yeung
Sabina Kalyan	Alex Moss	Ben Sanderson	
Michael Kavanau	Paul Munday	Tonia Secker	

We would like to thank the following organisations for their support during the year:

### Third-party webinar hosts

Addleshaw Goddard	CREFC Europe	Innes England
Allen & Overy	DAC Beachcroft	IPSX
AREF	Dechert	JLL
Avison Young	Deloitte	Knight Frank
Bank of England	Dentons	LaSalle Investment Management
Berkeley Capital Group	E-CREDA	NatWest
BPF	EPRA	RCA
Carbon Intelligence	Eversheds Sutherland	Simmons & Simmons
CBRE	Freeths	The Chartered Surveyors' Company
City Business School	Gowling WLG	The Fiscal Incentives Group
CMS	Grant Thornton	Trowers & Hamblins
CoStar	Haysmacintyre	

# Report and Financial Statements

## Investment Property Forum

(a company limited by guarantee)

Year Ended 31 March 2021

## Company information

### Directors

P Craddock  
S Forster  
J Thomas  
M Tremayne  
G Rutter  
J Gardiner  
C Thomas  
F Beasley  
B Sanderson  
J Baggaley

### Company secretary

S Forster

### Registered number

02763992

### Registered office

2 City Place  
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Gatwick  
West Sussex  
RH6 0PA

### Independent auditor

BDO LLP  
31 Chertsey Street  
Guildford  
Surrey  
GU1 4HD

### Bankers

National Westminster Bank PLC  
63-65 Piccadilly  
London  
W1J 0AJ

### Solicitors

CMS Cameron McKenna Nabarro Olswang LLP  
Cannon Place  
78 Cannon Street  
London  
EC4N 6AF

## Directors' report

The directors present their report and the financial statements for the year ended 31 March 2021.

### Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company'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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the

Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Principal activity

The objective of the Investment Property Forum (“IPF” or “The Forum”) is to enhance the understanding and efficiency of property as an investment, including public, private, debt, equity and synthetic exposure, for its members and other interested parties, including government, by:

- undertaking research and special projects, and ensuring effective communication of this work;
- providing education; and
- providing a forum for networking, discussion and debate amongst its members and the wider investment community.

### Directors

The directors who served during the year were:

P Craddock	M Tremayne	C Thomas
S Forster	J Condliffe (resigned 30 July 2020)	F Beasley
G Sherwin (resigned 31 March 2021)	G Rutter	B Sanderson
J Thomas	J Gardiner	J Baggaley

### Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the company’s auditor is 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 auditor is aware of that information.

### Covid-19 and going concern

The spread of Covid-19 was clear and the UK government had introduced strict and economically damaging restrictions on normal life.

This had a significant effect on Investment Property Forum’s operations, in particular the social events normally run throughout the year. Due to social distancing measures being enforced, all events, which generate significant income for the Forum, have needed to be postponed or cancelled.

Membership subscriptions have, however, remained strong, with a significant percentage of the annual fees being received by the date of signing. The directors are satisfied that the business will have sufficient cash to continue operating as a going concern. See note 2 for the accounting policies for more detail relating to the preparation of the accounting under the going concern basis.

### Auditor

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

### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 10 June 2021 and signed on its behalf.

### B Sanderson

Director



# Independent auditor's report to the members of Investment Property Forum

## Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its deficit 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.

We have audited the financial statements of Investment Property Forum ("the company") for the year ended 31 March 2021, which comprise the Statement of income and retained earnings, the Balance sheet and notes to the financial statements, 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).

## Basis for opinion on the financial statements

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 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 directors are responsible for the other information. The other information comprises the information included in the Directors report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, 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.

## Other Companies Act 2006 reporting

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 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 company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 auditor's 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 financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

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:

- We obtained an understanding of the legal and regulatory frameworks through our accumulated knowledge and consideration of sector information that is applicable to the entity. We determined that the most significant and which are directly relevant to specific assertions in the financial statements are those related to the financial reporting framework including, but not limited to, United Kingdom Generally Accepted Accounting, The Health and Safety at Work Act 1974, Data Protection Act 2018, Bribery Act 2010 and tax legislation.
- We understood how the entity is complying with those legal and regulatory frameworks by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes and the transaction listing.
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur by discussing with management where it is considered there was a susceptibility of fraud relating to management override of controls and improper income recognition. In addressing the risk of fraud, including the management override of controls, and improper income recognition, we tested the appropriateness of journal entries and other adjustments including material journals posted manually; reviewed application of assessing whether the judgements made in making accounting estimates are indicative of a potential bias; tested the application of cut-off and revenue recognition, and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

- We also communicated relevant identified laws and regulations, potential fraud risks and how and where this might occur to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Mark Hutton** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Guildford  
United Kingdom

Date: 15 June 2021

*BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).*

# Statement of income and retained earnings

for the year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
<b>Income</b>					
Subscriptions		433,945	–	433,945	478,639
Social events		5,222	–	5,222	536,681
Education		585	–	585	9,632
Research		–	180,000	180,000	275,625
Other income	5	47,249	–	47,249	–
		<u>487,001</u>	<u>180,000</u>	<u>667,001</u>	<u>1,300,577</u>
<b>Expenditure</b>					
Social events		2,100	–	2,100	316,060
Education		5,409	–	5,409	5,619
Research		–	219,430	219,430	305,770
Administration and salaries		521,027	–	521,027	595,225
Professional and audit fees		24,761	–	24,761	28,811
Bank charges		5,931	–	5,931	8,414
Irrecoverable VAT		18,482	–	18,482	18,095
Donations		–	–	–	1,000
		<u>577,710</u>	<u>219,430</u>	<u>797,140</u>	<u>1,278,994</u>
<b>(Deficit)/surplus of operating income over expenditure</b>	5	(90,709)	(39,430)	<b>(130,139)</b>	21,583
Bank interest receivable		6,275	–	6,275	7,572
		<u>(84,434)</u>	<u>(39,430)</u>	<u>(123,864)</u>	<u>29,155</u>
<b>Retained (deficit)/surplus for the year</b>		(84,434)	(39,430)	<b>(123,864)</b>	29,155
Retained surplus brought forward		577,937	193,699	771,636	742,481
Transfer to restricted funds	16	(24,000)	24,000	–	–
<b>Surplus carried forward</b>		<u>469,503</u>	<u>178,269</u>	<u>647,772</u>	<u>771,636</u>

All amounts relate to continuing activities.

All recognised gains and losses for 2021 or 2020 are included in the Statement of income and retained earnings.

The notes on pages 20 to 27 form part of these financial statements.

# Balance Sheet

at 31 March 2021

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	9		15,333		11,606
<b>Current assets</b>					
Debtors: amounts falling due within one year	10	41,774		208,205	
Cash at bank and in hand		769,024		991,089	
		<u>810,798</u>		<u>1,199,294</u>	
Creditors: amounts falling due within one year	11	(178,359)		(439,264)	
<b>Net current assets</b>			632,439		760,030
<b>Total assets less current liabilities</b>			647,772		771,636
<b>Net assets</b>			<u>647,772</u>		<u>771,636</u>
<b>Capital and reserves</b>					
Unrestricted funds:					
General funds			462,587		571,021
Designated funds	13		6,916		6,916
			<u>469,503</u>		<u>577,937</u>
Restricted funds	14		178,269		193,699
			<u>647,772</u>		<u>771,636</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 June 2021.

**B Sanderson**

Director

The notes on pages 20 to 27 form part of these financial statements

# Notes to the financial statements

for the year ended 31 March 2021

## 1. General information

Investment Property Forum is a private company incorporated in England and Wales under the Companies Act. It is a company limited by guarantee. The address of the registered office is given on the company information page and the nature of the company's operations and principal activities are given in the Directors' report.

## 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 Section 1A of 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 management to exercise judgement in applying the company's accounting policies (see note 3).

### Going concern

The directors consider it necessary to acknowledge there is uncertainty created by the current global situation with Covid-19. Although the company is currently in a year end net current asset position and an overall net asset position of £647,772, it is necessary to consider the potential impact of Covid-19 upon the future performance of the company.

As at 31 March 2021 the company had cash and bank balances of £525,600, excluding the restricted research cash account. The directors have performed a detailed cash flow forecast and projections considering the Covid-19 impacts on the entity, and are satisfied that the cash balance at 31 March 2021 is significantly in excess of the costs expected to be incurred in the period to June 2022.

The directors consider the company to have low exposure to risks arising from Covid-19, due to the largest impact being to social events, which by their nature have a variable cost. This combined with sufficient reserves to cover the expected reduced costs to be incurred, means that they believe it is appropriate to prepare these financial statements on the going concern basis.

The following principal accounting policies have been applied:

### 2.2 Fund accounting

The Unrestricted fund represents funds for use at the company's discretion. Designated funds are unrestricted funds earmarked by the directors for particular purposes (see note 13). Restricted funds are subject to restrictions on their expenditure imposed by the sponsors (see note 14).

### 2.3 Income

Subscriptions arise annually from 1 April and the income is recognised in the period in which the subscription relates to. Income arising from social events is recognised in the period in which the event took place. Research Programme income arises from sponsors on a receivable basis. Other income is recognised during the period in which the goods were delivered or the service provided.

## **2.4 Tangible fixed assets**

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as shown below.

Depreciation is provided on the following bases:

Office equipment – 50% per annum

Membership database – Straight line over 6 years

Software – Straight line over 3 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

## **2.5 Website development costs**

Where websites are expected to generate future revenues in excess of the costs of developing these websites, expenditure on the functionality of the website is capitalised and treated as a tangible fixed asset. Expenditure incurred on maintaining websites and expenditure incurred on developing websites used only for advertising and promotional purposes are written off as incurred.

## **2.6 Debtors**

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

## **2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable on demand. Cash held on fixed term deposit is subject to a charge if withdrawn prior to the fixed term. 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.

## **2.8 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

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 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 Statement of income and retained earnings.

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 company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

## **2.9 Creditors**

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

## **2.10 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

## **2.11 Pensions**

### **Defined contribution pension plan**

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

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

## **2.12 Interest income**

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

## **2.13 Taxation**

Tax is recognised in the Statement of income and retained earnings, 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 balance sheet date in the countries where the company operates and generates income.

## **2.14 Government grants**

Grants that are income in nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.



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

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or lease or finance leases. The decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 9). Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value estimates consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

### 4. Company status

The Forum does not have a share capital and its liabilities are limited to the guarantee of the members, who are the directors, up to a maximum of £1 each. At 31 March 2021 there were 1,967 members (2020 – 2,125 members).

### 5. (Deficit)/surplus of income over expenditure

The (deficit)/surplus of income over expenditure is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	12,817	16,122
Fees payable to the company's auditor for the audit of the company's annual financial statements	13,500	12,870
Defined contribution pension cost	56,425	35,170
Government grant – furlough income	<u>(43,771)</u>	<u>–</u>

During the year the Forum took advantage of the Coronavirus Job Retention Scheme and furloughed up to 3 members of staff throughout the year, receiving £43,771 in government grants.

### 6. Employees

The average monthly number of employees, including directors, during the year was 7 (2020 – 8).

## 7. Directors' remuneration

	2021	2020
	£	£
Directors' emoluments	217,144	275,762
Social security costs	27,542	35,385
Company contributions to defined contribution pension schemes	16,213	13,675
	<u>260,899</u>	<u>324,822</u>

During the year retirement benefits were accruing to 2 directors (2020 – 1) in respect of defined contribution pension schemes.

Directors have been reimbursed out of pocket expenses relating to travelling and accommodation costs arising in respect of certain specific events and activities arising during the year.

The directors are the only employees considered to be key management.

## 8. Taxation

	2021	2020
	£	£
Current tax on profits for the year	–	–
<b>Total current tax</b>	<u>–</u>	<u>–</u>

### Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2020 – 19%). The differences are explained below:

	2021	2020
	£	£
(Loss)/profit on ordinary activities before tax	<u>(123,864)</u>	<u>29,155</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 – 19%)	(23,534)	5,539
<b>Effects of:</b>		
Expenses not deductible for tax purposes	23,478	27,073
Non-taxable income	(82,450)	(90,941)
Deferred tax not recognised	82,506	58,329
<b>Total tax charge for the year</b>	<u>–</u>	<u>–</u>

There is an unrecognised deferred tax asset at the period end of £645,908 (2020 – £563,402) in respect of brought forward losses. The directors have not recognised this on the basis there is insufficient certainty as to whether future revenue will exceed costs to generate sufficient, recurring profits to warrant the continuing recognition of the asset.

## 9. Tangible fixed assets

	Office equipment & membership database	Software	Total
	£	£	£
<b>Cost</b>			
At 1 April 2020	102,432	–	102,432
Additions	1,394	15,150	16,544
At 31 March 2021	<u>103,826</u>	<u>15,150</u>	<u>118,976</u>
<b>Depreciation</b>			
At 1 April 2020	90,826	–	90,826
Charge for the year	12,013	804	12,817
At 31 March 2021	<u>102,839</u>	<u>804</u>	<u>103,643</u>
<b>Net book value</b>			
At 31 March 2021	<u>987</u>	<u>14,346</u>	<u>15,333</u>
At 31 March 2020	<u>11,606</u>	<u>–</u>	<u>11,606</u>

## 10. Debtors

	2021	2020
	£	£
Trade debtors	65	38,482
Other debtors	1,397	40,133
Prepayments and accrued income	40,312	129,590
	<u>41,774</u>	<u>208,205</u>

## 11. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	6,927	86,889
Other taxation and social security	12,934	21,782
Other creditors	23,899	37,555
Accruals and deferred income	134,599	293,038
	<u>178,359</u>	<u>439,264</u>

## 12. Pension commitments

Contributions totalling £Nil (2020 – £14,110) were payable to the fund at the Balance sheet date and are included in creditors.

## 13. Designated funds

	Balance 2020 £	New balance £	Utilised/ designations £	Balance 2021 £
Special projects	<u>6,916</u>	<u>–</u>	<u>–</u>	<u>6,916</u>

In 2006, Hermes Real Estate Investment Management donated the proceeds of the “Property Derivatives Trading Forum” to the IPF with a further donation received in 2010. The former Management Board, now the Operational Board, has allocated this sum to a designated fund for use to finance any special projects the Investment Property Forum may wish to pursue from time to time. The Operational Board did not release any funds (2020 – £Nil) during the year.

## 14. Restricted funds

	Balance 2020 £	Income £	Expenditure £	Balance 2021 £
Research Programme Fund	<u>193,699</u>	<u>204,000</u>	<u>(219,430)</u>	<u>178,269</u>

The fourth IPF Research Programme is sponsored by 17 (2020 – 17) organisations, including the IPF (see note 16). 16 (2020 – 16) sponsors contributed £180,000 (2020 – £275,625) and IPF contributed £24,000 (2020 – £52,500) (see note 16) for the year 2020-21, in accordance with their respective sponsorship agreements, the terms of which were extended a further year, with no additional financial commitment, as a result of the Covid-19 pandemic.

## 15. Commitments under operating leases

At 31 March 2021 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	<u>31,500</u>	<u>43,200</u>
	<u>31,500</u>	<u>43,200</u>

## 16. Other financial commitments

In accordance with the Forum's usual programme of annual social events, commitments with regard to events to be hosted in 2021-22 amount to £31,555 as at 31 March 2021 (2020 – £131,438).

Due to the impacts of Covid-19 and social distancing requirements, a number of events have had to be rescheduled to take place in the 2022-23 year. Commitments for these events amount to £11,150 (2020 £10,150).

In previous years, the Forum committed to funding research projects of up to a maximum of £165,000. The projects were initially due to run over a period of three years, however during the year, due to the impacts of Covid-19, the projects have been extended to four years. During the year, external sponsorship of £24,000 (2020 – £52,500) could not be obtained, resulting in the company having to contribute to the funding requirements. As a result, £24,000 (2020 – £52,500) has been transferred from unrestricted fund to restricted funds. The Forum's commitment to the research projects for 2021-22 is therefore £36,000.

## 17. Related party transactions

Each director is a member of the Forum and contributes the membership fee of £255 (2020 – £250) to the Forum. In addition, certain directors (through their employer companies) contributed £20,000 (2020 £35,000) in funds to the Research Programme in accordance with the terms of the general format agreement applicable to all Research Programme sponsors.

The Forum also purchased wine, subsequently sent as a 'thank you' to speakers at IPF seminars, from Waud Wine Club amounting to £2,388 during the year (2020 – £10,101). P Craddock's spouse is a director of Waud Wine Club.

P Craddock, a director, has benefited from a travel loan; the balance owed to the company being £Nil (2020 – £3,573), this amount is included within other debtors. The loan is interest free and repayable in 12 equal monthly installments from the date of purchase.

All transactions were conducted on an arm's length basis on normal trading terms.



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