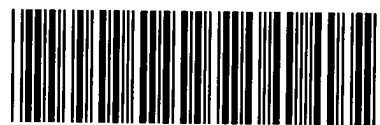


REGISTERED NUMBER: 00778293

BRITISH PROPERTY FEDERATION
(Limited by Guarantee)

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2014

TUESDAY



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Directors

David B Marks	President ¹
Christopher M Grigg	Immediate Past President ²
William Hughes	Senior Vice President ³
Christopher M Taylor	Junior Vice President ⁴
David J R Sleath	Junior Vice President ⁵
Alan J Leibowitz	Honorary Treasurer
Elizabeth A Peace	Chief Executive ⁶
Melanie J Leech	Chief Executive ⁷
Aubrey J Adams	
Toby A Courtauld	
Anne T Kavanagh	
Jonathan H E Thompson	
Rebecca J Worthington	
J Paul White ⁸	

Company Secretary

Andrew D Panting

Registered Office

5th Floor
St Albans House
57 – 59 Haymarket
London SW1Y 4QX

Auditors

PKF Littlejohn LLP
Statutory Auditors
1 Westferry Circus
Canary Wharf
London E14 4HD

Company Registration Number 778293

1 Until 08 July 2014 thereafter Immediate Past President
2 Until 08 July 2014 when he was elected to remain on the Board
3 Until 08 July 2014 thereafter President
4 Until 08 July 2014 thereafter Vice President
5 From 08 July 2014 when he joined the Board
6 Until 19 December 2014 when she left the Board
7 From 17 March 2015 when she joined the Board
8 Until 08 July 2014 when he left the Board

Introduction

The Directors have pleasure in presenting their report together with the Group financial statements for the year ended 31 December 2014, in accordance with the Companies Act 2006.

Business of the Federation

The purpose of the Federation is to develop partnerships with the UK and Scottish Governments, and other decision making bodies, so that it can encourage the development of policies and regulations that will enable the industry to grow and thrive. A review of the Federation's activities is provided in the Annual Review 2014/15, which should be read in conjunction with this report.

Review of business and future developments

In the UK, the Federation's activities included: reinstating the Commercial Property Forum to ensure dialogue between the industry and the Permanent Secretary at DCLG; conducting an in-depth review of the Government's growth initiatives; influencing the findings of Sir Michael Lyons and his team's independent housing review; persuading the Government to introduce housing zones; securing a consultation on SDLT treatment of PAIFs and TTFs; gaining a commitment from HMRC to exclude widely held institutional investors from an extended Capital Gains Tax; engaging with the Insolvency Service to review the insolvency regime; achieving the introduction of Property Owner BIDs across London; achieving the inclusion of smaller leasehold blocks in the affordable flood insurance scheme, Flood Re; and helping the Government to determine how minimum energy performance standards will work in practice.

Throughout 2014, in Scotland our Scottish Property Federation maintained a non-partisan approach to the Scottish independence referendum to ensure it retained its strong links with all the main political parties. It moved swiftly to build relationships with the new property related SNP ministers appointed post-referendum. On Land and Buildings Transaction Tax, the Federation successfully argued for the introduction of a 5% rate for certain residential transactions. In addition, it secured a commitment by ministers to retain 100% industrial property empty property rate relief, and represented members across the UK to challenge Scottish Government proposals on security of tenure and rental controls in the private rented residential sector.

For the future, and following the General Election in 2015, both the BPF and SPF will work closely with the new British Government to emphasise the value and importance of the industry to the UK economy, and to draw attention specifically to those areas where the industry could help the new Government to deliver its policies.

Results for the year

The results are set out in the income and expenditure account on page 6. The surplus for the year after taxation was £126,738 (2013 – £78,000).

Health and safety

The Board is committed to achieving the highest standards of care in its attention to health, safety and fire prevention. The Board requires safe working practices to ensure that employees, tenants and the general public are not harmed by the Federation's activities. Regular checks are made of office equipment, staff welfare and working practices to ensure that correct standards are maintained, and health and safety specialists undertake an annual inspection of fire prevention equipment.

Membership of the Board

The Federation wishes to thank the Directors for their contribution to its affairs during the year. The Directors serving during the year and up to the date of this report are set out on page 2.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Report of the Directors and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable Accounting Policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- 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.

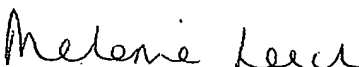
The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

As far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps they are expected to have taken as Directors, in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

PKF Littlejohn LLP has expressed its willingness to continue in office. A resolution proposing the reappointment of PKF Littlejohn LLP will be proposed at the next Annual General Meeting.

By order of the Board



M J Leech
Chief Executive
5th Floor
St Albans House
57 – 59 Haymarket
London SW1 4QX

9 June 2015

Independent auditor's report to the members of the British Property Federation

We have audited the Financial Statements of the British Property Federation for the year ended 31 December 2014 which comprise the Group Income and Expenditure Account, the Group and Parent Company Balance Sheets, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of Directors and Auditors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Group's and the Parent Company's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our audit report.

Opinion on Financial Statements

In our opinion the Financial Statements:

- give a true and fair view of the state of the Group's and the Parent Company's affairs as at 31 December 2014 and of the Group's result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

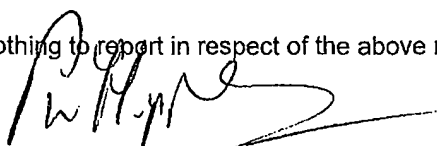
In our opinion the information given in the Report of the Directors for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

Matters on which we are required to report by exception

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.

We have nothing to report in respect of the above matters.



Paul Hopper (Senior statutory auditor)
For and on behalf of PKF Littlejohn LLP
Statutory auditor

1 Westferry Circus
Canary Wharf
London E14 4HD

9 June 2015

BRITISH PROPERTY FEDERATION

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2014

	Note	Total 2014	Total 2013
Subscription income		2,123,724	2,059,299
Operating and administrative expenses	1	(2,444,153)	(2,417,339)
Event and other income		334,783	306,584
Operating surplus/(deficit)		14,354	(51,456)
Interest receivable	3	101,334	124,240
Profit on sale of and movement in value of investments		13,393	19,308
Bank interest and charges payable		(5,254)	(7,312)
Surplus on ordinary activities before taxation		123,827	84,780
Taxation	5	2,911	(6,780)
Surplus on ordinary activities after taxation	6	126,738	78,000
Income and Expenditure account			
Balance at beginning of year		2,767,705	2,689,705
Balance at end of year		£2,894,443	£2,767,705

All income and expenditure relates to continuing operations.

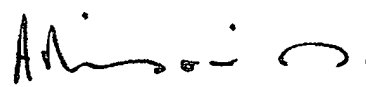
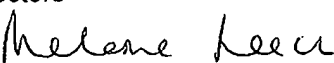
The Group has no gains or losses other than those shown above.

The Accounting Policies and Notes on pages 8 to 14 form part of these Financial Statements.

		Group		Company	
	Note	2014	2013	2014	2013
Fixed Assets					
Tangible fixed assets	7	39,386	39,008	-	-
Investments	8	2,418,414	2,408,562	-	-
Investment in group undertaking	9	-		100	100
Current Assets					
Debtors	10	165,032	202,400	2,476,956	2,210,107
Investments	11	987,285	1,108,475	583,318	1,108,475
Cash at bank and in hand		605,566	57,699	424,016	34,830
		<u>1,757,883</u>	<u>1,368,574</u>	<u>3,484,290</u>	<u>3,353,412</u>
Creditors: amounts falling due within one year	12	<u>(1,281,240)</u>	<u>(1,026,039)</u>	<u>(1,114,491)</u>	<u>(1,042,327)</u>
Net Current Assets		476,643	342,535	2,369,799	2,311,085
Creditors: amounts falling due after more than one year	13	<u>(40,000)</u>	<u>(22,400)</u>	<u>-</u>	<u>-</u>
Net Assets		<u>£2,894,443</u>	<u>£2,767,705</u>	<u>£2,369,899</u>	<u>£2,311,185</u>
Members' funds	14	<u></u>	<u></u>	<u></u>	<u></u>
Income and Expenditure account		£2,894,443	£2,767,705	£2,369,899	£2,311,185

Approved by the Board on 9 June 2015 and signed on their behalf by:

Alan Leibowitz

) 
)
) Directors
) 

Melanie J Leech

The Accounting Policies and Notes on pages 8 to 14 form part of these Financial Statements.

Basis of accounting and consolidation

The financial statements of the Federation have been prepared under the historical cost convention and in accordance with applicable accounting standards. The group accounts consolidate the British Property Federation and its subsidiary undertaking.

Subscription income

Income comprises subscriptions from members which are treated as income in the year to which they relate. Income received in the year relating to future years is credited to deferred income.

Other operating income

Other operating income comprises rental income and turnover and direct costs of running the Federation's annual conference and other events.

Pension costs

Contributions to the Federation's defined contribution pension scheme are charged to the income and expenditure account on an accruals basis.

Cashflow statement

The Company has taken advantage of the exemption under Financial Reporting Standard (FRS) 1 not to prepare a cashflow statement.

Tangible fixed assets

Tangible fixed assets are stated at cost and depreciated on a straight line basis at the following rates:

Computer equipment	33.33%
Furniture, fittings and office equipment	25.00%
Leasehold improvements	Length of the lease

A full year's depreciation is charged in the year of acquisition.

Fixed asset investment

Fixed asset investments are carried at amortised cost, less write down for any permanent diminution in value. The premium or discount is taken to the income and expenditure account over the life of the investment. Equity investments are carried at cost less write down for any permanent diminution in value.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Taxation

The charge for taxation is based on taxable trading profits, investment income and capital gains.

Deferred tax

FRS19 'Deferred Tax' requires that deferred tax is recognised in full in respect of transactions or events that have taken place by the balance sheet date and which would give the company an obligation to pay more or less tax in the future. In accordance with FRS19 the company make full provision for timing differences which, in the company's case, arise from capital allowances.

1. Operating and administrative expenses

	2014	Group 2013
Administration and overheads		
Employment costs (see note 2)	1,420,117	1,339,341
Other employee costs	129,277	79,933
Operating costs	232,638	203,939
Auditors remuneration	17,990	22,839
Depreciation	40,948	65,599
	<hr/>	<hr/>
	1,840,970	1,711,651
	<hr/>	<hr/>
Premises costs		
Rent	115,298	120,550
Service charge	53,666	50,870
Business rates	54,311	107,590
Provision for dilapidations	17,600	-
	<hr/>	<hr/>
	241,505	279,010
	<hr/>	<hr/>
Advocacy and member services		
Consultant, research and information	84,031	117,260
Subscriptions and membership of other bodies	95,567	90,108
Event costs and meetings	182,080	219,310
	<hr/>	<hr/>
	361,678	426,678
	<hr/>	<hr/>
	£2,444,153	£2,417,339
	<hr/>	<hr/>

2. Employment costs

Staff costs consist of:

	2014	2013
Wages and salaries	1,137,710	1,067,863
Social security costs	132,896	123,853
Pension contributions	149,211	147,625
Temporary staff and interns	300	-
	<u>£1,420,117</u>	<u>£1,339,341</u>
Average number of employees during the year (calculated on a monthly basis)	No.	No.
Full time	23	21

The Federation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Federation in independently administered funds.

3. Investment income

	2014	2013
Other interest – short term deposits	17,937	16,147
Income from fixed asset investments and dividends	83,397	108,093
	<u>£101,334</u>	<u>£124,240</u>

4. Trading income and expenditure

The Federation owns 100% of the issued ordinary share capital of BPF Commercial Limited, a Company incorporated in England and Wales. The principal activity of the Company is to provide certain services to the Federation and manage the Federation's chargeable events, publications sales, cash reserves and working capital. At 31 December 2014 its net assets were £524,644 (2013 - £456,620). Its trading results extracted from its audited Financial Statements for the year to 31 December 2014 were:

	2014	2013
Turnover	599,457	626,552
Operating and administrative expenses	(640,500)	(713,310)
Loss on ordinary activities before taxation and interest	(41,043)	(86,758)
Investment income receivable	96,942	118,474
Profit on sale of and movement in value of investments	13,393	19,308
Bank charges	(3,729)	(5,109)
Profit on ordinary activities before tax	65,113	45,915
Taxation	2,911	(5,627)
Retained profit	<u>£68,024</u>	<u>£40,288</u>

5. Taxation

	2014	2013
Current tax		
UK Corporation tax on surpluses of the period	(2,911)	6,780
	<hr/>	<hr/>
Tax on surplus on ordinary activities	£(2,911)	£6,780
	<hr/>	<hr/>
Factors affecting the tax charge for the year.		
Surplus before taxation	123,827	84,780
	<hr/>	<hr/>
Surplus on ordinary activities multiplied by the standard rate of Corporation tax at 20% (2013 – 20%)	24,675	16,956
Fixed asset differences	290	4,357
Depreciation in excess of capital allowances	(193)	1,448
Income not taxable for tax purposes	(27,683)	(15,981)
	<hr/>	<hr/>
Current tax (credit)/charge for the period	£(2,911)	£6,780

6. Operating surplus

	2014	2013
This is stated after charging:		
Auditors' remuneration - audit for current year	£15,540	£15,000
- prior year under provision	£-	£5,839
- other services	£2,450	£2,000
Depreciation	£40,948	£65,599
	<hr/>	<hr/>

7. Tangible fixed assets - Group

Cost	Computer	Furniture fittings and office equipment	Leasehold improvements	Total
At beginning of year	195,967	100,550	104,804	401,321
Additions	34,085	-	7,241	41,326
	<hr/>	<hr/>	<hr/>	<hr/>
Cost at end of year	230,052	100,550	112,045	442,647
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At beginning of year	172,288	100,152	89,873	362,313
Provision for year	25,619	398	14,931	40,948
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	197,907	100,550	104,804	403,261
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value				
At 31 December 2014	£32,145	£-	£7,241	£39,386
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2013	£23,679	£398	£14,931	£39,008
	<hr/>	<hr/>	<hr/>	<hr/>

8. Investments – fixed assets

	2014	2013
Fixed rate bonds	1,069,155	1,410,703
Equity Investments	1,170,753	922,706
Cash held at stockbrokers	178,506	75,153
	<hr/>	<hr/>
Total investments	£2,418,414	£2,408,562
	<hr/>	<hr/>

Movements in fixed asset investments during the year were as follows

As at 1 January 2013	2,408,562
Additions	281,073
Disposals and redemptions	(393,641)
Unrealised increase in value	19,067
Increase in cash held at stockbrokers	103,353
	<hr/>
As at 31 December 2014	£2,418,414
	<hr/>

9. Investment in group undertaking	2014	2013
Shares in subsidiary company	£100	£100

The investment represents 100% of the issued share capital of BPF Commercial Limited which handles the Federation's income from trading activities, the working capital of the Federation, its own investments and provides accommodation and services to the Federation.

10. Debtors	2014	Group 2013	Company 2014	Company 2013
Trade debtors	49,496	45,013	9,914	8,835
Amounts due from subsidiary company	-	-	283,578	-
Loan to subsidiary company	-	-	2,133,005	2,133,005
Prepayments and other debtors	112,625	157,387	50,459	68,267
Corporation tax recoverable	2,911	-	-	-
	<u>£165,032</u>	<u>£202,400</u>	<u>£2,476,956</u>	<u>£2,210,107</u>

The loan to BPF Commercial Limited is non-interest bearing and repayable on demand.

11. Current asset investments	2014	Group 2013	Company 2014	Company 2013
Short term deposits	£987,285	£1,108,475	£583,318	£1,108,475

12. Creditors: amounts falling due within one year	2014	Group 2013	Company 2014	Company 2013
Accruals and other creditors	168,727	195,102	73,798	77,942
Deferred income	1,046,444	775,036	974,624	729,105
Amounts due to subsidiary company	-	-	-	185,006
Taxation and social security costs	66,069	49,121	66,069	49,121
Corporation tax	-	6,780	-	1,153
	<u>£1,281,240</u>	<u>£1,026,039</u>	<u>£1,114,491</u>	<u>£1,042,327</u>

Movement on deferred income

	Group
Brought forward at beginning of year	775,036
Released during the year	(775,036)
Deferred to future periods	1,046,444
	<u>£1,046,444</u>
Carried forward at end of year	

13. Creditors: amounts falling due in more than one year

	Group		Company	
	2014	2013	2014	2013
Provision for dilapidations	£40,000	£22,400	£-	£-

14. Reconciliation of members' funds

	Group		Company	
	2014	2013	2014	2013
At 1 January	2,767,705	2,689,705	2,311,185	2,273,444
Surplus for the year	126,738	78,000	58,714	37,741
Closing members' funds	£2,894,443	£2,767,705	£2,369,899	£2,311,185

15. Related party transactions

Transactions between the Company and its subsidiary, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

16. Limitation of Liability

The Company is limited by guarantee and has no share capital. Every member of the Company undertakes to contribute such amount as may be required (not exceeding £10) to the Company's assets if it should be wound up whilst the member company is a member or within one year of ceasing to be a member.