



Investment
Property Forum



Report & Accounts 2020

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IPF Governance & Executive

Graeme Rutter
Chairman

Ben Sanderson
Vice Chairman

Mike Tremayne
Honorary Treasurer

Operational Board

Jason Baggaley (from June 2019)
Pam Craddock
Miles Keeping (until June 2019)
Kitty Patmore (until June 2019)
Juliet Thomas

Felicity Beasley (from June 2019)
Sue Forster
Julia Martin (until June 2019)
Gary Sherwin

John Condliffe (from June 2019)
John Gardiner (from June 2019)
Philip Nell (until June 2019)
Clare Thomas

Past Chairmen

Adrian Wyatt	Adrian White	Michael Boggis	Richard Catling	Ramsay Mason
Andrew Graham	John Whalley (deceased)	Phillip Nelson	Mark Burton	Edward Luker
Stuart Beevor	Rupert Clarke	Martin Moore	Rob Bould	Steven Fogel
Ian Marcus	Andy Martin	Paul McNamara	Ian Womack	Peter Freeman
Andrew Hynard	Peter Pereira Gray	John Gellatly	Phil Clark	Amanda Howard
Andrew Smith	Max Sinclair	Chris Ireland	Ciaran Carvalho	Jonathan Thompson
Philip Nell				

Life Members

Stuart Beevor	Rob Bould	Phil Clark	Robert Clarke	Sir David Clementi
Neil Crosby	Ian Cullen	John Gellatly	Andrew Graham	Andrew Hynard
Michael Mallinson	Ian Marcus	Andy Martin	John McLachlan	Paul McNamara
Fiona Morton	Phillip Nelson	Sir Idris Pearce	Peter Pereira Gray	John Plender
Sir John Ritblat	Karen Sieracki	John Story	Ian Womack	Adrian Wyatt

Executive

Sue Forster
Chief Executive

Katina Antoni
Membership Administrator
(from July 2019)

Barbara Hobbs
Events Manager

Pam Craddock
Research Director

Susan Buckley
Communications Manager
(July 2019 – July 2020)

Jenny Hooper
Accounts Manager

Frankie Clay
Associate Director

Lulu Chai
Membership Administrator
(until June 2019)

Hannah Prescott
Seminar Co-ordinator

Report from the Chairman

I am very grateful to have been given the honour of representing the IPF members of the past 12 months and hope that I have made a positive impact in my year as Chair. My year has certainly seemed like a game of two halves. The first half of my tenure was relatively plain sailing. This saw the launch of the invaluable IPF mentoring programme in January and culminated the following month with the very successful inaugural IPF Property Investment Conference in London. The remainder of my term of office has been considerably more challenging. Very few people anticipated the possibility and dire consequences of the global pandemic. However, it is in times like these, much as was the case in the Global Financial Crisis, that the IPF has a crucial role to play as the voice of the real estate industry. The IPF has continued to actively communicate with its members and externally to the wider real estate world throughout these difficult times, providing measured and respected views on unfolding events. It is testament to the value of the organisation that, despite the current financial pressures, the IPF has continued to attract a significant volume of new members over the last year.

The year ahead will almost inevitably be another difficult period for the real estate sector. Investor confidence in our asset class could be severely damaged if there is a delay in the resumption of the normal payment of rent by tenants. Many businesses are fragile at present, and will be reliant on an economic recovery to survive. A period of recession or weak economic growth will hinder the prospect of rental value growth and many sectors will be vulnerable to over-renting. The global pandemic has accelerated trends that were already apparent in the retail sector and it is certain that our industry will have to find innovative solutions to restore the vibrancy and vitality of town centres.

It is my opinion that we need to look beyond the current challenges and consider the longer-term opportunities. The real estate sector will weather the storms and bounce back. Ours is an enduring asset class, but we need to recognise that we are operating in rapidly changing conditions. Far-sighted investors who can identify the evolving structural changes, and have the confidence to act, will potentially make some serious money and the UK will remain an attractive haven for overseas investors. The IPF will continue to have a major role to play in the areas of education and market-leading research and is in good hands under the stewardship of the incoming Chair, Ben Sanderson, and the IPF Executive.

2019-20 was an eventful year for the IPF and details of the Forum's activities during the year are set out below.

Membership

As at 31 March 2020, the IPF membership stood at 2,125, marginally lower than the record high of 2,151 for the previous year. This total masks the usual loss of around 10% of the membership who resigned or were lapsed during the year. I commend the Operational Board, the regional boards, the Future Leaders (formerly Next Generation) Committee and many others in successfully recruiting new members in sufficient numbers to replace those lost.

Member recruitment has focused on attracting young people within our industry who have two or more years' postgraduate investment and/or finance experience. In addition to all the seminars, briefings and now webinars open to all members, the Future Leaders Committee, chaired by Matt Bird, is tasked with providing events etc. targeted at our less senior membership. This year, the Committee launched 'Insights', taking the form of informal conversations with industry leaders. Members at the inaugural session in February heard from Guy Grainger of JLL. During lockdown, the Committee has also initiated 'Property Huddles', whereby Future Leaders members are able to join four or five other members in their peer group for regular online chats and discussions.

Future Leaders members also benefitted this year from the launch of the IPF's mentoring scheme. The scheme, overseen by IPF Chief Executive Sue Forster, has 60 'pairings' and we hope to increase this number substantially for 2021. If you are interested in participating as a mentor or mentee, please look out for the details on how to register, which will be sent to all members in October.

IPF website and database

As reported last year, the IPF has expended a lot of effort to ensure that it is compliant with the General Data Protection Regulation (GDPR). Members are asked to use the 'details update' web form in order that the IPF can update/verify member contact details, confirm member communication preferences and reaffirm member agreement to IPF T&Cs. As the majority of members have done as requested, I am very pleased to say that we have been able to reinstate the member directory on the website.

This year also saw an upgrade to the IPF's online Resource Library, making it more user-friendly by ensuring that navigation is clearer, searching is easier and enabling access to the seminar videos (and now webinar recordings) via the main search page. Plans for a full upgrade of the website are currently on hold but it is hoped this will start in 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 UK Consensus Forecasts of rental and capital value growth and total returns (quarterly);
- The Consensus of European prime office market rents (half-yearly);
- The Size and Structure of the UK Commercial Property Market Update (annual); and
- The UK Residential Property: Institutional Attitudes and Investment Survey (annual).

Research reports delivered during the year include:

- Occupational Drivers of Investment Performance in the Logistics Sector (published April 2019);
- Chopping Shopping? Implications of Retail Structural Change on Sector Allocations (December 2019);
- Global Capital Flows in a World of Increasing Nationalism and Protectionism (December 2019);
- Property Ownership in a Flexible World (February 2020); and
- Long-term Value Methodologies in Real Estate Lending Analysis – Summary (February 2020)

Research in progress or recently commissioned includes:

- Benchmarking Real Estate Investment Performance: The Role of ESG Factors;
- Investment Implications of a Rise in the Flexible Service Market;
- Future Prospects for the UK Residential Investment Market; and
- Operational Real Estate: Risks and Rewards.

The Forum 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

The current Research Programme commenced on 1 May 2018 and is sponsored by 16 organisations, together with financial support from the IPF. New sponsors (up to a maximum of 24 in total) may join on a rolling three-year basis from May or November each year.

Mindful of the current, and likely ongoing, impact of the COVID-19 pandemic on the UK economy and real estate market, however, we have concluded that a successful refinancing of the Programme in 2021 may prove extremely difficult. The 2018-21 Programme has, therefore, been extended for a further 12 months, which follows the precedent set in the wake of the Global Financial Crisis, when the 2006-09 Programme was extended by two years.

Education

The IPF ran its first Property Investment Conference in February, With the strapline of ‘People, politics and purpose – changing themes in UK real estate’, the full-day event saw an array of real estate and other industry speakers discuss challenges and opportunities of an ageing population, innovations in debt finance, the implications of political uncertainty for UK real estate and Social impact investing – where does real estate fit in? The success of the event, which also included a drinks reception and dinner, was very encouraging. The Forum plans to run its next conference in March 2021 but whether this will be in a physical venue or online has yet to be confirmed.

The IPF ran an extensive programme of seminars and briefings during the year – 28 in London and 22 in the regions. These events, along with nine site visits, were organised in the main by the CPD Group, chaired by Clare Thomas, the IPF special interest groups, the Future Leaders Committee and the respective regional boards. The presentation slides from these are available for members to download from the IPF website.

We ran a number of seminars/briefings with other industry organisations during the year. These included the Association of Property Lenders (APL), Association of Real Estate Funds (AREF), British Property Federation (BPF), Commercial Real Estate Finance Council (CREFC) Europe, Society of Property Researchers (SPR) and the UK PropTech Association. We also ran quarterly update breakfasts jointly with MSCI.

In addition to the free seminars/briefings, the IPF ran two half-day workshops covering ‘What Company Accounts Can Tell You’ in May and June and these were followed by a full-day Finance workshop in October.

IPF members also had access to a number of events run by third-party organisations, either in the form of sessions run specifically for the IPF or through the provision of allocated places for members at their in-house seminars/briefings. These include the Bank of England, Agency for the North West and NatWest North, whereby Northern members were able to attend their respective quarterly events.

The IPF's formal education programme (Investment Education Programme (IEP)) continues to provide a stepped approach to the Henley Business School University of Reading's flexible, part-time MSc Real Estate Investment & Finance. Students can choose to do the full MSc (180 credits) straight through or take stage one, being the IPF Certificate (comprising two University modules + the IPF online module), followed by the IPF Diploma (comprising four, 20-credit modules) and a further four modules to attain the MSc. The IPF Certificate is recognised as a Key 2 Appropriate Exam under the 'Managing Investments' activity by the Financial Conduct Authority (FCA). All 12 of the students awarded the IPF Diploma in 2019 signed up to continue on the MSc course.

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 Educational Strategy Group, currently chaired by Guy Morrell. This Group will be reconstituted in the next few months so that it focuses on external education and research initiatives, rather than overseeing the activities of the IPF. I would like to take this opportunity to thank the six members of the Group who have stepped down this year for their considerable contribution to the development and realisation of the IPF's educational objectives.

The annual Nick Tyrrell Memorial Research Prize, which was established in 2011 by IPF, INREV and SPR, was awarded to Dr Felipe Carozzi, Dr Christian A.L. Hilber and Xiaolun Yu for their paper on the economic impacts of help-to-buy. The principal findings of the research have been recorded as an online briefing, which is available to download from the IPF website. The 2020 Prize attracted 20 entries by the closing date of 31 May and the winner will be announced in September.

IPF Dinner and Lunches

The IPF held both a lunch and a black-tie dinner in London, Birmingham and Manchester. In Scotland, the annual formal drinks reception and dinner was preceded by a seminar entitled 'Future Proof Property – Are we ready for the 2020s?'

How many of these events, and the other informal social events usually held in London and the regions, will take place during 2020-21 remains to be seen. At the time of writing, the IPF has already had to cancel the annual lunches in Manchester and Birmingham and the annual dinner in London.

Special Interest Groups

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

The most-recently established SIGs, Tech Futures and Finance are chaired by Julian Carey and Kitty Patmore respectively. The former delivered five events during the year, including a 'pitch and drinks' evening co-hosted with the UK PropTech Association. The latter was established to provide leadership in real estate finance to the IPF and the Group members now represent a wide cross section from the industry.

The activities of the other SIGs are summarised below.

Environmental, Social & Governance (ESG)

The ESG SIG, which is chaired by Miles Keeping, organised several briefings/seminars during the year and also provided considerable input to the content of the ESG session at the IPF's Conference in February.

Members of the Group continue to serve on the project steering group for the research project, 'Benchmarking Real Estate Investment Performance: The Role of ESG Factors', being funded by the IPF Research Programme (see above). In addition, the Group contributed to the IPF's consultation responses

to the Department for Business, Energy & Industrial Strategy (BEIS) on Non-Domestic Private Rented Sector Minimum Energy Efficiency Standards: Trajectory to 2030–January 2020 and the Investment Association on Sustainability and Responsible Investment.

Indirect Property Group

The Indirect Property SIG, chaired by Graeme Rutter, has also run several seminars this year, most notably the joint event with AREF on Social Impact Investing in November.

The Group also drafted the IPF's responses to consultations by the FCA on Patient Capital and Authorised Funds and the DWP's on Illiquid Assets and the Development of Scale in Occupational Defined Contribution schemes.

International Group

Chaired by Ben Sanderson, the International Group focuses on developing project briefs for the IPF Research Programme.

Members of the Group served on project steering group for the timely research titled, 'Chopping Shopping? Implications of Retail Structural Change on Sector Allocations', which was published in December 2019. The Group also played a large role in the development and delivery of the research project 'Global Capital Flows in an Era of Protectionism and Nationalism', also completed in December last year.

Property Derivative Interest Group (PDIG)

PDIG had a quiet year, reflecting the lack of activity in the market generally, not least because of Brexit. The property derivatives workshop session organised in June 2019 was cancelled due to lack of numbers.

During the Summer, Jon Masters (PDIG chairman) and Sue Forster reviewed the proposed changes to a number of tables within the 2015 IPF PDIG Paper 1, for inclusion in the third edition of 'Property Finance', authored by Mark Daley and David Isaac, and published in January 2020 by Macmillan International Higher Education.

Regulation and Legislation Group

Under the chairmanship of David Brown, the 'Regs & Legs' SIG monitors emerging legislation and regulation across a wide spectrum of the industry, both in the UK and wider afield.

The relevant members of the Group then liaise with other IPF SIGs and/or third party organisations on proposed policy and responses to formal consultations.

Residential Investment Group

I would like to thank the six members who stepped down this year for their contribution to the Group's activities, in particular Robin Goodchild (former chairman), Richard Donnell and Charles Fairhurst who served from the Group's inception in 2009.

Given the increasing maturity of the market, 2020 is to be the last year of publication for the IPF's annual 'Institutional Attitudes to Investment in UK Residential Property' (see 'IPF Research Programme' above). As a result, the Group (chaired by Stafford Lancaster) has spent a significant amount of time reviewing the survey questions upon which the final report, together with a one-off forward-looking paper, will be based.

Working Groups

The IPF working groups are formed and active as and when required. The overview below relates only to those where there is something of note to report this year.

Standard Non-disclosure (NDA)/Exclusivity Agreement (EA) Group

The IPF established the Group, chaired by Ciaran Carvalho, in 2016 with the aim of creating a standard form NDA adoptable with minimal amendment by both parties. This was published on the IPF website in January 2017, alongside a standard form of exclusivity agreement (EA) – to avoid further delays in the transaction process.

These documents are still being downloaded from our website and the total downloads have reached over 4,500 for the NDA and 3,500 for the EA. This is impressive since there is no need to download a copy every time someone wants to use it. The Group will be reviewing the NDA, EA and their respective guidance notes in 2021 and would be interested to receive comments from those who have used the documentation and others who have found that it does not meet their requirements.

5-year Review Group

The IPF established the Group, chaired by Ben Sanderson, in March 2020 to deliberate on the role and priorities of the IPF over the next five years. The recommendations of the Group will be considered during this coming year by the Operational Board and the Strategic Advisory Group, the latter comprising representatives from all the IPF's SIGs and active working groups.

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.

In February 2020, The PIA published a framework that aims to advance the social, environmental and economic benefits of responsible business practices across the real estate sector – a copy of the document can be downloaded from the IPF website. The intention is to use the framework as the basis for a new PIA Group to consider ways to improve the reputation of, and behaviours within, the real estate industry. As a result of Covid-19, the Group has yet to be formed. However, since the lockdown, PIA representatives have been liaising on an almost daily basis. The issues under discussion, as one might expect, include government policy, the current status of the market and its longer term implications and 'Black lives matter'.

PIA members also work together as a whole, or in smaller groupings, to undertake specific projects, liaise on government consultations etc. The formal standing PIA groups cover sustainability issues (Green Property Alliance (GPA)), Debt finance (Debt Group), REITs, taxation and research.

As mentioned in last year's Chairman's report, the PIA Debt Group is seeking to establish a comprehensive loan database, the use of long-term value measures for risk management and increase the understanding of the property market amongst lenders. In order to progress the second initiative, the IPF Research Programme commissioned the major report, 'Long-term Value Methodologies in Real Estate Lending Analysis' (see 'IPF Research Programme' above). This seminal work was completed in late 2019 (see the summary report on the IPF website) and has relevance for investors, as well as lenders, in that the use of long-term metrics are found to be helpful in identifying signals that indicate a potential future decline in values.

European Real Estate Forum (EREF)

The IPF is a founding member of EREF, which now has more than 30 member organisations from across Europe. The Forum meets three times a year, generally in Brussels, and there are also a number of conference calls in between to exchange views on such matters as responses to European consultations - this year that included responding to the European Insurance and Occupational Pensions Authority (EIOPA) 'Opinion on the 2020 review of Solvency II'.

Thanks

I would like to thank the members of the Operational Board for their support during my year in office. In particular, thanks go to John Condliffe, who is stepping down from the Board at the AGM at the end of July.

Many thanks to the regional board members who do fantastic job organising seminars/webinars and other events, while also recruiting members in their respective regions. During the year, Jon Brice took over from Damian Lloyd as chairman of the Midlands board, Matt Jones replaced Simon Smethurst as chairman of the Northern board and Brian Hutcheson served as chairman of the Scottish board, with Simon Kinnie kindly stepping into the role for a short period.

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 relies very much on their commitment.

Listed in the same section are the event sponsors, organisations that have generously hosted IPF events and the individuals that have been speakers, panellists and chairmen at our 2019-20 events. Again, my thanks go to all of them for supporting the IPF's activities.

Last, but not least, I should like to thank the IPF Executive; Sue Forster, Pam Craddock, Frankie Clay, Barbara Hobbs, Jenny Hooper, Hannah Prescott, Katina Antoni (who took over from Lulu Chai in July 2019), together with Susan Buckley (maternity cover for Frankie), for all their efforts over the past year.

Finally, I would like to proffer my best wishes to the incoming Chairman, Ben Sanderson. Despite these difficult times, I know that the IPF will be in good hands during his tenure.

Graeme Rutter

Chairman

June 2020

Report from the Treasurer

The 2019-20 financial year proved far less challenging than the previous year, providing an operational surplus of £59,300, compared with a loss of just over £45,000 in 2018-19.

This addition to the IPF's reserves is particularly welcome given the challenges presented to us by Covid-19.

The Board has recently undertaken a detailed Covid-19 related assessment of the organisation's operations, cutting costs where possible, and is satisfied that the IPF remains a going concern.

Income

Income for the recent financial year was up by £130,000 (14.5%). This increase was primarily due to the revenue from the IPF's inaugural and highly successful Property Investment Conference in London on 27 February 2020, (in place of the former MSCI/IPF annual Brighton Conference), and what now feels a lifetime ago.

We also benefitted from a £25,000 increase (5.6%) in membership subscription revenue. Our finances are heavily reliant on subscription income from existing and new members; this accounted for 47% of the IPF's income, slightly down on the 50% share in 2018-19. This income remains the bedrock of the IPF's financial model, and it is therefore integral to our future financial prosperity that we maintain a deep membership base.

Given that we've had to cancel a number of our large-scale, surplus-generating events since March and are no longer anticipating much, if any, event revenue for the remainder of the current financial year, the importance of a resilient income stream from membership subscriptions is only amplified.

Membership totalled 2,125 as at 31 March 2020, and we have been striving hard to maintain these levels over the recent months, with the continuing recruitment efforts from 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 and retain its openness to new ideas. As mentioned in the Chairman's report, we now offer younger members the opportunity to join the IPF's mentoring programme and attend additional events organised by the Future Leaders Committee.

Given the Covid-19 restrictions, the IPF will continue to offer an extensive programme of online briefings and webinars to all members and then revert to offering face-to-face seminars, briefings, workshops, site visits, informal social events and the dinners and lunches as soon as it's able to do so.

Expenditure

Expenditure in 2019-20 was notionally up 2.8% on the previous year, but this was purely due to the additional cost of the new IPF Conference. We actually managed a small reduction in costs in most other areas; for example, some of our annual dinners and lunches had lower expense due to the slightly lower attendance; and we also had the benefit of no one-off expenditure on our website or database, unlike the previous year when the IPF invested over £22,000 on an additional database module to ensure General Data Protection Regulation (GDPR) compliance.

As mentioned in my report last year, the IPF Research Programme 2018-21 has not attracted the same level of sponsorship as for the 2015-18 Programme. In order to ensure the Programme had sufficient funding, the IPF Operational Board took the decision in 2018 to underwrite a maximum of £165,000 over three years, the equivalent of three individual sponsors. As no further sponsors have come forward in the last 12 months, the IPF transferred £52,500 from its main reserves to the Research Programme for 2019-20, as per 2018-19. Given the current economic climate, it seems unlikely that additional sponsors will join the Programme during 2020, so the IPF will need to make a transfer of £60,000 to the Programme for 2020-21; this amount was included in the IPF board's Covid-19 assessment mentioned above.

Thanks

It goes without saying that this coming year will be very challenging for all. A revised budget has been set, and whilst a loss is expected, the Forum holds substantial reserves – c. £577,000 as at 31 March 2020 – to cover such occurrences and to help us weather the storm.

Finally, I would like to take this opportunity thank the Executive for their flexibility in adapting to the change from physical to online events overnight, and for their understanding of the IPF's need to cut costs. My thanks must also go to many in the membership who have renewed their subscription, enabling the IPF to continue its many activities.

Mike Tremayne

Honorary Treasurer

May 2020

Acknowledgements

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

Regional Boards

Midlands

Jonathan Brice
(Chairman from September 2019)

Damian Lloyd
(Chairman until September 2019)

Matthew Hannah
(Vice Chairman from September 2019)

David Allen
(until February 2020)

Andrew Brazier

Edward Gamble

Tim Hurdiss

Matthew Jenns
(from May 2019)

Rebecca Millard

Isobel Radford
(from July 2019)

Richard Round

Gary Rouse
(until December 2019)

David Smith

Rachel Williams

Mark Vernon
(until February 2020)

Darren Williamson
(until June 2019)

North

Matthew Jones
(Chairman from June 2019)

Simon Smethurst
(Chairman until June 2019)

Debra Cooper
(Vice-Chairman from 2009)

Scott Gemmell

Jeffrey Gillbanks

Rosalyn Harper
(from June 2019)

Robert Millington

Katie Ridehalgh

Ian Sherry

Neil Sturmey

Scotland

Brian Hutcheson
(Chairman until December 2019 then from May 2020)

Simon Kinnie
(Chairman December 2019 to April 2020)

Neil A'Bear
(from November 2019)

Andy Armstrong
(until September 2019)

Paul Carter

Thomas Elviss
(until March 2020)

Colin Finlayson
(until September 2019)

Alison Fyfe

Scott Howie

Laura Hughes
(from October 2019)

Anne Johnstone

Fraser McPhail

Steven Newlands

Richard Whyte

Principal Committees

Education Strategy Group

(in the process of being reconstituted)

Guy Morrell
(Chairman)

Candice Blackwood
(until November 2019)

Frankie Clay

Charles Follows
(until November 2019)

Sue Forster

Ben Sanderson

Gary Sherwin
(until November 2019)

Karen Sieracki
(until November 2019)

Julian Stocks
(until November 2019)

John Story
(until November 2019)

Research Steering Group

Simon Marx
(Chairman)

Mark Andrew

Andrew Angeli

Asli Ball

Matthew Bennett

Mark Bunney

Pam Craddock

Sue Forster

Daniel Francis

Richard Gwilliam

David Hedalen

David Hourihan

Rob Martin
(until April 2019)

Bill Page

Andy Schofield

Paul Stewart

Ben Thatcher

Chris Urwin

Simon Wallace

Other Committees

CPD Group

Clare Thomas
(Chairman)

Charles Allen
(from July 2019)

Charles Barke

Jamie Binstock
(from August 2019)

Yvette Bryan

Laura Chapman
(until January 2020)

David Erwin

Sue Forster

John Gardiner
(until June 2019)

Jessica Hardman
(until May 2019)

Chris Jeffs

Hannah Prescott

Chris Robinson
(from October 2019)

Future Leaders

(formerly Next Generation)

Matthew Bird
(Chairman)

Erika Birkett

Paul Crosbie
(until April 2019)

Tom Davies
(until August 2019)

Sue Forster

Patrick Freestone

David Gingell
(until April 2019)

Samuel Gregory-Smith

Richard Hansford
(until May 2019)

Michael Harris

Jo Jackson

Samantha Kempe

Scott Keown

David Lebus
(until October 2019)

Oliver Rippier

Vicky Skinner

Lorna Walker
(from September 2019)

Special Interest Groups

Environmental, Social & Governance Interest Group

Miles Keeping
(Chairman)
Christopher Brigstocke
Tim Coffin
Siobhan Cross
Louise Ellison
Linda Fletcher
Sue Forster
Alex Hill
Caroline Hill
Max Johnson
Philip Parnell
Richard Quartermaine
Sarah Ratcliffe
Nina Reid
Barney Rowe

Finance Group

Kitty Patmore
(Chairman)
Riaz Azadi
Klaus Betz-Vais
John Carter
Sue Forster
Natalie Howard
Sharon Quinlan
Martin Sheridan
Arron Taggart

Indirect Property Group

Graeme Rutter
(Chairman)
Matthew Abbott
Michael Acratopulo
Justin Brown
Stephen Elliott
Charles Ferguson Davie
John Forbes
Sue Forster
Jessica Hardman
(From May 2019)
Victoria Henry
Richard Peacock
James Tarry

International Group

Ben Sanderson
(Chairman)
David Dix
Dimitri Doublet
Sue Forster
David Jackson
Richard Kolb
Simon Mallinson
Tom Mundy
Jason Oram
William Rowson
Damien Smith
Robert Stassen
Mark Titcomb
Tom Walker

PDIG Advisory Committee

Jon Masters
(Chairman)
Stephen Ashworth
Bill Bartram
Douglas Crawshaw
Nick Fisher
Sue Forster
Steven Grahame
Stuart Heath
David Hedalen
Helen Hermant
Lu Li
Mark Long
Alex Moss
Kate Pedersen
William Robson
Ken Zsu Soh

Regulation and Legislation Group

David Brown
(Chairman)
David Adler
Bill Bartram
Christopher Brigstocke
Jonathan Cantor
(until July 2019)
John Condliffe
(until March 2020)
Jonathan Evans
Sue Forster
Matthew Howard
Daniel Norris
(from May 2020)
Christine Ormond
James Read
(until December 2019)
Cathryn Vanderspar
(from May 2019)

Residential Investment Group

Stafford Lancaster
(Chairman)
Adrian Benedict
(until September 2019)
Mark Davis
Deepa Devani
(until September 2019)
Richard Donnell
(until September 2019)
Charles Fairhurst
(until September 2019)
Sue Forster
Robin Goodchild
(until September 2019)
Alexander Greaves
Olivia Harris
(until May 2019)
Tom Henry
Richard Jackson
Niall Malone
Dominic Martin
Cathryn Vanderspar
Jean-Marc Vandevivere

Tech Futures Group

Julian Carey
(Chairman)
Felicity Beasley
Andy Dyer
(from November 2019)
Sue Forster
Richard Pickering
(until November 2019)
Kat Terry
Nick Wright
(from November 2019)

Seminar chairmen, speakers and panellists

John Alexander	Darren Hall	Kevin Mofid	Bob Tattrie
David Allen	Catherine Hammon	Blair Morrison	Gavin Taylor
Jon Allgood	Damian Harrington	David Mortimer	Paul Tebbit
Hugh Anderson	Alan Harris	Alex Moss	Andrew Tildesley
John Angood	Rob Harris	Nick Mullins	James Traynor
Rowan Aspinwall	Simon Hayter	Emma Murray	Anna Walker
Bill Bartram	Tim Heatley	Waheed Nazir	Tom Walker
Matthew Bennett	Victoria Henry	Philip Nell	Matt Webster
Julian Best	Nicola Hewitt	Graeme Newell	Alan Whitmore
Michael Birch	Philip Hillman	Aleksandra Njagulj	Ian Whittock
Robin Blacklock	Chris Hipkiss	Mat Oakley	Grazyna Wiekak-Roy
Rob Bould	Peter Hobbs	Neil Odom-Haslett	Simon Wilkes
Andrew Brazier	Andrew Hook	Sammy Pahal	Peter Winnard
Jonathan Brice	Rob Horne	James Palmer	Ian Winton
Julian Carey	Jeff Houston	Neil Parker	Mark Witherington
Christopher Carter Keall	Kate Howe	Cynthia Parpa	Stewart Womersley
Harley Cheetham	Dan Hughes	Kiran Patel	Russell Worthington
Rob Chesworth	Kevin Humpherson	Marcus Phayre-Mudge	Nick Wright
Sally Coleman	Brian Hutcheson	Richard Pickering	Geoffrey Yu
Pam Craddock	David Inskip	Stephanie Pollitt	
Tom Davies	Glynn Jones	Graham Porter	
Benjamin Davis	Matthew Jones	Luke Powell	
Phillip D'Costa	David Kaiser	Tamara Quinn	
Hélène Demay	Sabina Kalyan	John Raisin	
Marion Dillon	Michael Kenney	Mel Reeves	
Mark Disney	Giles King	Allen Reid	
Mathew Ditchburn	Simon Kinnie	Nina Reid	
Robin Dobson	Karolina Kournossova	Dominic Reilly	
Neil Dovey	Oliver Kummerfeldt	Ruari Revell	
William Dowson	Jessica Lamond	Marvin Reynolds	
Tom Dugarin	Colm Lauder	Matthew Richardson	
Simon Durkin	Damian Lloyd	Melville Rodrigues	
Alistair Elliott	Richard Lustigman	Richard Round	
Louise Ellison	Nicole Lux	Gary Rouse	
Mark Evans	Ludo Mackenzie	Samantha Rowland	
Charles Ferguson Davie	Adriano Maio	Stephen Ryan	
Ion Fletcher	Simon Mallinson	Richard Saul	
Sue Forster	Nick Mansley	Philip Schmid	
Barry Fowler	Richard Marshall	Andy Schofield	
Rob Fowler	Rob Martin	Bruce Scott	
Malcolm Frodsham	Liz Martins	Ian Scott	
Robert Gall	Simon Marx	James Scott	
Jon Gibson	Ian Mason	Tom Sharman	
James Giles	Miller Mathieson	Rupert Sheldon	
John Gillen	Mark McCluskie	Anna Shiel	
Guy Grainger	Chris McMMain	Tony Smedley	
John Gray	Fraser McPhail	David Smith	
Sam Gregory-Smith	Alistair Meadows	Robert Smith	
Richard Gwilliam	Robert Millington	Rosie Smith	

Conference Speakers

(not already included in the seminar/briefing list)

Andrew Antoniadis
Kevin Beirne
Mark Bourgeois
Abigail Dean
Kirsty Garrett
Simon Jones
Alexandra Lanni
Claire Magowan
Mujtaba Rahman
Simon Ruck
Graeme Rutter
Karen Shackleton
Hein Wegdam
David Willock

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

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Nuveen Real Estate
Real Capital Analytics
RSM
Worthington Properties

Report and Financial Statements

Investment Property Forum

(a company limited by guarantee)

Year Ended 31 March 2020

Company information

Directors

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

Company secretary

S Forster

Registered number

02763992

Registered office

2 City Place
Beehive Ring Road
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 2020.

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	J Thomas	J Gardiner (appointed 18 June 2019)
S Forster	M Tremayne	C Thomas (appointed 18 June 2019)
M Keeping (resigned 18 June 2019)	P Nell (resigned 18 June 2019)	F Beasley (appointed 18 June 2019)
J Martin (resigned 18 June 2019)	J Condliffe (appointed 18 June 2019)	B Sanderson (appointed 18 June 2019)
K Patmore (resigned 18 June 2019)	G Rutter (appointed 18 June 2019)	J Baggaley (appointed 18 June 2019)
G Sherwin		

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

On 11 March 2020, the WHO announced Coronavirus as a pandemic. By 31 March 2020, the fast global 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, a number of 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 1 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 18 June 2020 and signed on its behalf.

G Rutter
Chairman

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

Opinion

We have audited the financial statements of Investment Property Forum ("the Company") for the year ended 31 March 2020 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, and the 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

Matters on which we are required to report by exception

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.

A further description of our responsibilities for the audit of the financial statements is located 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.

BDO LLP

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

Date: 25 June 2020

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 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Income					
Subscriptions		478,639	–	478,639	453,278
Social events		536,681	–	536,681	421,280
Education		9,632	–	9,632	20,133
Research		–	275,625	275,625	275,625
Other income		–	–	–	200
		<u>1,024,952</u>	<u>275,625</u>	<u>1,300,577</u>	<u>1,170,516</u>
Expenditure					
Social events		316,060	–	316,060	276,346
Education		5,619	–	5,619	28,724
Research		–	305,770	305,770	426,113
Administration and salaries		595,225	–	595,225	573,909
Professional and audit fees		28,811	–	28,811	22,518
Bank charges		8,414	–	8,414	8,129
Irrecoverable VAT		18,095	–	18,095	14,828
Donations		1,000	–	1,000	–
GDPR costs		–	–	–	22,383
		<u>973,224</u>	<u>305,770</u>	<u>1,278,994</u>	<u>1,372,950</u>
Surplus/(deficit) of operating income over expenditure	5	51,728	(30,145)	21,583	(202,434)
Bank interest receivable		7,572	–	7,572	6,779
		<u>59,300</u>	<u>(30,145)</u>	<u>29,155</u>	<u>(195,655)</u>
Retained surplus/(deficit) for the year		59,300	(30,145)	29,155	(195,655)
Retained surplus brought forward		571,137	171,344	742,481	938,136
Transfer to restricted funds	16	(52,500)	52,500	–	–
Surplus carried forward		<u>577,937</u>	<u>193,699</u>	<u>771,636</u>	<u>742,481</u>

All amounts relate to continuing activities.

All recognised gains and losses for 2020 or 2019 are included in the Statement of income and retained earnings.

The notes on pages 22 to 29 form part of these financial statements.

Balance Sheet

at 31 March 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	9		11,606		27,728
Current assets					
Debtors: amounts falling due within one year	10	208,205		198,919	
Cash at bank and in hand		991,089		1,098,788	
		<u>1,199,294</u>		<u>1,297,707</u>	
Creditors: amounts falling due within one year	11	(439,264)		(582,954)	
Net current assets			760,030		714,753
Total assets less current liabilities			771,636		742,481
Net assets			<u>771,636</u>		<u>742,481</u>
Capital and reserves					
Unrestricted funds:					
General funds			571,021		564,221
Designated funds	13		6,916		6,916
			<u>577,937</u>		<u>571,137</u>
Restricted funds	14		193,699		171,344
			<u>771,636</u>		<u>742,481</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 18 June 2020.

G Rutter
Chairman

The notes on pages 22 to 29 form part of these financial statements

Notes to the financial statements

for the year ended 31 March 2020

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 £771,636, it is necessary to consider the potential impact of Covid-19 upon the future performance of the company.

As at 31 March 2020 the company had cash and bank balances of £695,634, 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 2020 is significantly in excess of the costs expected to be incurred in the period to June 2021.

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

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.

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.
- Determine whether there are indications of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit, the viability and expected future performance of that unit.

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 2020 there were 2,125 members (2019 – 2,151 members).

5. Surplus/(deficit) of income over expenditure

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

	2020	2019
	£	£
Depreciation of tangible fixed assets	16,122	16,122
Fees payable to the company's auditor for the audit of the company's annual financial statements	12,870	12,495
Defined contribution pension cost	35,170	27,991
	<u> </u>	<u> </u>

6. Employees

The average monthly number of employees, including directors, during the year was 8 (2019 – 8).

7. Directors' remuneration

	2020	2019
	£	£
Directors' emoluments	275,762	249,400
Social security costs	35,385	32,092
Company contributions to defined contribution pension schemes	13,675	24,940
	<u> </u>	<u> </u>
	324,822	306,432

During the year retirement benefits were accruing to 1 director (2019 – 2) 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

	2020	2019
	£	£
Current tax on profits for the year	–	–
Total current tax	<u>–</u>	<u>–</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 – lower than) the standard rate of corporation tax in the UK of 19% (2019 – 19%). The differences are explained below:

	2020	2019
	£	£
Profit/(loss) on ordinary activities before tax	<u>29,155</u>	<u>(195,655)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 – 19%)	5,539	(37,174)
Effects of:		
Expenses not deductible for tax purposes	27,073	27,070
Non taxable income	(90,941)	(86,123)
Deferred tax not recognised	58,329	96,227
Total tax charge for the year	<u>–</u>	<u>–</u>

There is an unrecognised deferred tax asset at the period end of £563,212 (2019 – £455,583) 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 £
Cost	
At 1 April 2019	102,432
At 31 March 2020	<u>102,432</u>
Depreciation	
At 1 April 2019	74,704
Charge for the year	16,122
At 31 March 2020	<u>90,826</u>
Net book value	
At 31 March 2020	<u>11,606</u>
At 31 March 2019	<u>27,728</u>

10. Debtors

	2020	2019
	£	£
Trade debtors	38,482	65,600
Other debtors	40,133	23,593
Prepayments and accrued income	129,590	109,726
	<u>208,205</u>	<u>198,919</u>

11. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	86,889	28,030
Other taxation and social security	21,782	15,350
Other creditors	37,555	32,409
Accruals and deferred income	293,038	507,165
	<u>439,264</u>	<u>582,954</u>

12. Pension commitments

Contributions totalling £14,110 (2019 – £6,442) were payable to the fund at the Balance sheet date and are included in creditors.

13. Designated funds

	Balance 2019 £	New balance £	Utilised/ designations £	Balance 2020 £
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, 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 (2019 – £6,000) during the year.

14. Restricted funds

	Balance 2019 £	Income £	Expenditure £	Balance 2020 £
Research Programme Fund	<u>171,344</u>	<u>328,125</u>	<u>(305,770)</u>	<u>193,699</u>

The fourth IPF Research Programme is sponsored by 17 (2019 – 17) organisations, including the IPF (see note 16). 16 (2019 – 16) sponsors contributed £275,625 (2019 – £275,625) and IPF contributed £52,500 (2019 – £52,500) (see note 16) for the year 2019 – 20, in accordance with their respective sponsorship agreements.

15. Commitments under operating leases

At 31 March 2020 the company had future minimum lease payments under non cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	43,200	86,163
In two to 5 years	–	43,436
	<u>43,200</u>	<u>129,599</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 2020/21 amount to £131,438 as at 31 March 2020 (2019 – £155,473).

Post year end, 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 2021/22 year. Commitments for these events amount to £10,150.

During the year, the Forum committed to funding research projects of up to a maximum of £165,000 over a three year period. During the year, external sponsorship of £52,500 (2019 – £52,500) could not be obtained, resulting in the company having to contribute to the funding requirements. As a result, £52,500 (2019 – £52,500) was transferred from unrestricted fund to restricted funds.

17. Related party transactions

Each director is a member of the Forum and contributes the membership fee of £250 (2019 – £240) to the Forum. In addition, certain directors (through their employer companies) contributed £35,000 (2019 £48,125) 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 £10,101 during the year (2019 – £8,666). P Craddock's spouse is a director of Waud Wine Club.

At the balance sheet date P Craddock, a director, benefited from a travel loan; the balance owed to the company being £3,573 (2019 – £2,623), this amount is included within other debtors. The loan is interest free and repayable in 12 equal monthly instalments from the date of purchase.

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



Investment
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