

REGISTERED NUMBER 00778293

BRITISH PROPERTY FEDERATION

(Limited by Guarantee)

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2009

FRIDAY



A5GX7LJ3

A18

09/07/2010

203

COMPANIES HOUSE

	Page
Company Information	2
Report of the Directors	3 - 4
Independent Auditor's Report	5
Consolidated Income and Expenditure Account	6
Balance Sheets	7
Accounting Policies	8
Notes to the Financial Statements	9 - 14

Directors

President	Rupert Clarke
Immediate Past President	Francis Salway
Senior Vice President	Robert J G Richards
Junior Vice President	Toby A Courtauld (appointed 9 December 2009)
Honorary Treasurer	Trevor Moross
Chief Executive	Elizabeth A Peace
	Ian D Coull
	David I Hunter
	Robert Kidby (resigned 30 April 2010)
	Ian Marcus
	Martin R Moore
	Andrew D Strang
	J Paul White

Company Secretary

Peter P Cosmetatos

Registered Office

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

Auditors

Littlejohn LLP
Chartered Accountants and
Statutory Auditors
1 Westferry Circus
Canary Wharf
London E14 4HD

Company Registration Number 778293

Introduction

The Directors have pleasure in presenting their Report together with the Group Financial Statements for the year ended 31 December 2009, in accordance with the Companies Act 2006

Business of the Federation

The purpose of the Federation is to represent the interests of its members to Government and to other key stakeholders and to raise the profile and reputation of the commercial property industry with those in positions of influence. A review of the Federation's activities is provided in the Annual Review 2009/10, which should be read in conjunction with this report

Review of business and future developments

During the year, the Federation made representations to Government and other regulatory bodies on a wide range of issues which had the potential to affect the successful performance and standing of the industry. These included changes to tax and VAT, reform of investment regulations, particularly the liberalisation of the REIT regime to encourage new entrants, landlord and tenant relationships, including the effectiveness of current insolvency regulation and practice, the promotion of a professional private rented sector, particularly with institutional investors, improvement to the planning regime, particularly the Community Infrastructure Levy (CIL) regulations, encouraging the consideration of tax increment financing as a means of raising funding towards regeneration schemes, discussions on the practice and implications of the new Carbon Reduction Scheme, and discussions on a national and international level to create internationally agreed metrics for sustainability measurement and reporting within the property sector

The Scottish Property Federation worked with the Scottish Government on a subset of these issues, focusing particularly on planning reform. The BPF also worked through the European Property Federation to represent the interests of the UK industry at the European Commission and Parliament

For the future both the BPF and SPF expect to continue to lobby vigorously in the areas outlined above and particularly to raise the new Government's awareness of the impact on the industry of its policies and the ongoing economic uncertainty, and to encourage it to engage the industry as a means of delivering 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 before deducting taxation was £310,628 (2008 – £129,881 restated)

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 Company's activities. Health and safety specialists undertake annual inspections of office equipment, staff welfare and working practices to ensure that correct standards are maintained

Membership of the Board

The Federation wishes to thank the Directors for their contribution to the affairs of the Federation 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 profit or loss 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, 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.

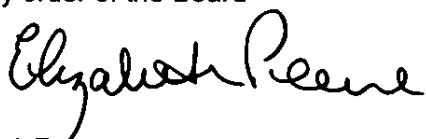
The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

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

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

By order of the Board



E A Peene
Chief Executive
5th Floor
St Albans House
57 – 59 Haymarket
London SW1 4QX

25 May 2010

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 2009 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.

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 2009 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 Directors' Report 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 Littlejohn LLP
Statutory auditor

1 Westferry Circus
Canary Wharf
London E14 4HD

25 May 2010

	Note	Total 2009	Total 2008 as restated
Subscription income		2,358,979	2,284,501
Operating and administrative expenses	1	(2,581,644)	(2,959,686)
Other operating income		377,262	719,810
Operating surplus		154,597	44,625
Interest receivable	3	73,686	107,937
Profit on sale of and movement in write down in value of investments		86,497	(16,333)
Bank interest and charges payable		(4,152)	(6,348)
Surplus on ordinary activities before taxation		310,628	129,881
Taxation	5	(33,535)	(28,008)
Surplus on ordinary activities after taxation	6	277,093	101,873
Income and Expenditure account			
Balance at beginning of year		1,979,441	1,877,568
Balance at end of year		£2,256,534	£1,979,441

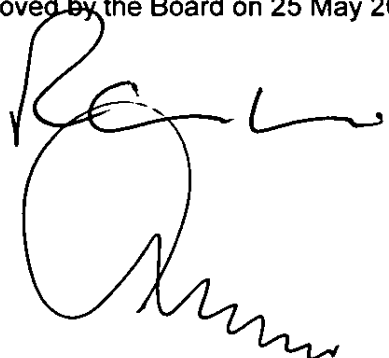
The Group has no gains or losses other than those shown above

All incoming and expenditure relates to continuing operations

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

		Group		Company	
	Note	2009	2008 As restated	2009	2008
Fixed Assets					
Tangible fixed assets	7	10,054	16,209	-	-
Investments	8	1,324,800	1,310,858	-	-
Investments in group undertaking		-	-	100	100
Current Assets					
Stock		1,052	1,141	-	-
Debtors	10	152,333	327,304	2,422,240	2,302,969
Investments	11	1,361,944	1,063,898	-	-
Cash at bank and in hand		576,996	422,802	438,787	373,042
		<u>2,092,325</u>	<u>1,815,145</u>	<u>2,861,027</u>	<u>2,676,011</u>
Creditors: amounts falling due within one year	12	(1,170,645)	(1,162,771)	(997,782)	(977,469)
		<u>921,680</u>	<u>652,374</u>	<u>1,863,245</u>	<u>1,698,542</u>
Net Current Assets					
		<u>£2,256,534</u>	<u>£1,979,441</u>	<u>£1,863,345</u>	<u>£1,698,642</u>
Net Assets					
		<u>£2,256,534</u>	<u>£1,979,441</u>	<u>£1,863,345</u>	<u>£1,698,642</u>
Members' funds	13				
		<u>£2,256,534</u>	<u>£1,979,441</u>	<u>£1,863,345</u>	<u>£1,698,642</u>
Income and Expenditure account		<u>£2,256,534</u>	<u>£1,979,441</u>	<u>£1,863,345</u>	<u>£1,698,642</u>

Approved by the Board on 25 May 2010


)
)
) Directors
)
)

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

- sales of publications
- turnover and direct costs of running the Federation's annual conference and other events
- rental income
- Reita membership income

Pension costs

Contributions to the Federation's defined contribution pension scheme are charged to the profit and loss 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	33.33%
Leasehold improvements	25.00%

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 makes full provision for timing differences which, in the company's case, arise from capital allowances.

1 Operating and administrative expenses

	2009	Group 2008
Cost of sales	103,913	271,085
Administration and overheads		
Staff costs	1,162,702	1,032,190
Temporary staff and secondment	26,316	108,936
Other staff costs	35,274	27,030
Printing and stationery	42,076	48,106
Telephone and postage	25,620	30,887
Insurance	16,629	19,172
Maintenance of equipment and plant	46,791	32,845
Depreciation	17,526	45,855
Auditors remuneration	13,250	14,797
Legal and professional	7,779	-
Irrecoverable VAT	129,962	91,924
Bad debt provision	17,066	24,089
Sundry expenses	11,084	44,530
	<hr/>	<hr/>
	1,552,075	1,520,361
Premises		
Rent and rates	168,451	175,210
Service charge	39,135	43,440
Insurance	1,733	1,355
Light and heat	5,294	4,231
Repairs and renewals	3,417	1,696
Cleaning	7,880	8,026
	<hr/>	<hr/>
	225,910	233,958
Lobbying and member services		
Consultancy fees and special project work	269,914	221,453
Reita	220,616	421,047
Books, periodicals and subscriptions	68,263	98,489
Meetings, conferences and seminars	140,953	193,293
	<hr/>	<hr/>
	699,746	934,282
	<hr/>	<hr/>
	£2,581,644	£2,959,686
	<hr/>	<hr/>

2 Employment costs

Staff costs consist of

	2009	2008
Wages and salaries	932,124	836,127
Social security costs	106,763	97,203
Pension contributions	123,815	98,860
	<u>£1,162,702</u>	<u>£1,032,190</u>
Average number of employees during the year (calculated on a monthly basis)	No	No
Full time	17	17

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

3 Interest receivable

	2009	2008
Other interest – short term deposits	27,642	29,529
Income from fixed asset investments	46,044	78,244
Income from equity investments	-	164
	<u>£73,686</u>	<u>£107,937</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 accommodation and services to the Federation and manage the Federation's chargeable events, publications sales and working capital. At 31 December 2009 its net assets were £393,153 (2008 - £280,899 restated). Its trading results extracted from its audited Financial Statements for the year to 31 December 2009 were

	2009	2008 as restated
Turnover	729,310	923,027
Cost of sales	(636,689)	(849,686)
Gross Profit	<u>92,621</u>	<u>73,341</u>
Administrative expenses	(106,033)	(79,436)
Other operating income	1,461	8,017
(Loss)/profit on ordinary activities before taxation and interest	<u>(11,951)</u>	<u>1,922</u>
Investment income receivable	73,685	107,397
Write down in value of assets and sale profits	86,497	(16,333)
Bank charges	(2,442)	(3,977)
Profit on ordinary activities before tax	<u>145,789</u>	<u>89,009</u>
Taxation	(33,535)	(28,008)
Retained profit	<u>£112,254</u>	<u>£61,001</u>

5 Taxation

	2009 2009	2008 2008
Current tax		
UK Corporation tax on profits of the period	31,059	36,729
Deferred taxation	2,476	(8,721)
	<hr/>	<hr/>
Tax on profit on ordinary activities	£33,535	£28,008
	<hr/>	<hr/>
Factors affecting the tax charge for the year		
Profit before taxation	310,628	129,881
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the standard rate of Corporation tax at 28% (2008 - 28.5%)	86,976	37,016
Disallowed expenses	-	11,423
Tax credits	-	(31)
Non-taxable income	(47,034)	(11,651)
Adjustment in respect of previous periods	-	55
Depreciation in excess of capital allowances	(2,476)	6,641
Marginal relief	(6,407)	(6,724)
	<hr/>	<hr/>
Current tax charge for the period	£31,059	£36,729

6 Operating surplus

	2009	2008
This is stated after charging		
Auditors' remuneration - audit	£12,000	£ 13,797
- other services	£ 1,000	£ 1,000
Depreciation	£17,529	£ 45,855
	<hr/>	<hr/>

7 Tangible fixed assets - Group

Cost	Computer	Furniture fittings and office equipment	Leasehold improvements	Total
At beginning of year	253,130	93,467	141,507	488,104
Additions	11,374	-	-	11,374
Cost at end of year	264,504	93,467	141,507	499,478
Depreciation				
At beginning of year	241,539	91,933	138,423	471,895
Provision for year	13,386	1,534	2,609	17,529
At end of year	254,925	93,467	141,032	489,424
Net Book Value				
At 31 December 2009	£9,579	£-	£475	£10,054
At 31 December 2008	£11,591	£1,534	£3,084	£16,209

8 Fixed Asset Investments

	2009	2008
Eurobonds		
£220,000 Shell International Bank 5 25% 2010	221,692	221,692
£120,000 Abbey National 5 318% 2009	-	119,466
£116,000 European Investment Bank 4 25% 2010	121,493	121,493
£110,000 Abbey National 5 375% 2009	-	113,728
£102,000 European Investment Bank 4 5% 2013	105,435	105,435
£95,000 Tesco European Medium term 5 125% 2009	-	96,930
£75,000 Kreditanst Fur Wie 4 88% 2013	82,145	82,145
£50,000 Cadbury Schweppes 5 375% 2014	52,634	-
£50,000 European Investment Bank 2 875% 2013	50,736	-
£50,000 Vodafone Group 4 625% 2014	51,672	-
£50,000 Marks and Spencer 5 875% 2012	51,367	-
£25,000 Agence France Dev EMTN 4 88% 2013	26,520	26,520
Treasury Stock		
£200,000 Treasury 4 75% 2010	-	200,353
£190,000 Treasury 5% 2012	192,289	192,289
Cash held at stockbrokers	333,553	-
	1,289,536	1,280,051
Equity Investments	54,164	54,164
Write down in value of investment	(18,900)	(23,357)
	35,264	30,807
	£1,324,800	£1,310,858

9 Investments	2009	2008
Shares in subsidiary company	£100	£200

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	Group 2009	Group 2008	Company 2009	Company 2008
Trade debtors	9,928	122,202	5,693	60,441
Accrued interest	5,913	25,676	-	-
Taxation	36,611	42,695	-	24,758
Deferred taxation	14,519	16,995	-	-
Amounts due from subsidiary company	-	-	750,941	535,395
Loan to subsidiary company	-	-	1,633,006	1,633,005
Prepayments and other debtors	85,362	119,736	32,600	49,370
	<u>£152,333</u>	<u>£327,304</u>	<u>£2,422,240</u>	<u>£2,302,969</u>

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

11 Current asset investments	Group 2009	Group 2008	Company 2009	Company 2008
Short term deposits	£1,361,944	£1,063,898	£-	£-

12 Liabilities: amounts falling due within one year	Group 2009	Group 2008	Company 2009	Company 2008
Accruals	88,332	47,137	64,282	39,137
Deferred income	830,130	841,336	751,268	714,955
Taxation and social security costs	44,001	20,912	44,001	20,912
Corporation tax	53,565	34,214	-	-
Other creditors	154,617	219,172	138,231	202,465
	<u>£1,170,645</u>	<u>£1,162,771</u>	<u>£997,782</u>	<u>£977,469</u>

Movement on deferred income

	Group
Brought forward at beginning of year	841,336
Released during the year	(841,336)
Deferred to future periods	830,130
	<u>£830,130</u>
Carried forward at end of year	

13 Reconciliation of members' funds

	2009	Group 2008	Company 2009	Company 2008
At 1 January	1,979,441	1,877,568	1,698,642	1,653,551
Surplus/(deficit) for the year	277,093	101,873	164,703	45,091
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Closing members' funds	£2,256,534	£1,979,441	£1,863,345	£1,698,642
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

14 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

Rent and service charges of £159,049 (2008 - £176,004) were charged to the Group by Land Securities Group of which F Salway is Group Chief Executive. Mr Salway was a Director during the period at nil remuneration. There was no balance with Land Securities Group at the year end (2008 due to Land Securities - £35,701)

15 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.

16 Prior year adjustment - Group

The corresponding figures have been restated to correct an accounting entry which has resulted in an increase in current assets and profit before tax of £76,124.