

Company registered number: 778293

## **British Property Federation (Limited by Guarantee)**

Annual Report and Financial Statements  
For the year ended 31 December 2000



# **British Property Federation (Limited by Guarantee)**

**Annual report and financial statement for the year ended 31 December 2000**

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## **British Property Federation (Limited by Guarantee)**

### **Members of the Council and Directors of the Federation on 31 December 2000**

C J Bartram	(President)
J H M Newsum	(Senior Vice President)
I J Henderson	(Junior Vice President)
R R Spinney	(Immediate Past President)
C A Coward	(Honorary Treasurer)

R J Anderson	P R Macklin
C H Armon-Jones	M R Moore
M Barber	T Moross
C E Bellhouse	J J O'Brien
R S Broadhurst	R M Peskin
J D Burns	R H H Peto
M S Butterworth	J H Ritblat
R W Carey	C D A Romney
S A Corbyn	J I Saggars
R M Dantzic	A D Strang
J F T Dundas	C N Strickland
G G Edington	S J R Vernon
Sir Christopher Howes KCVO CB	P C R Wates
D I Hunter	T C Wheeler
A T Jurenko	J P White
T B Laidlaw	A Wilby
D R Leslie	D R Wilson
J N MacFarlane	I B Womack

## **British Property Federation (Limited by Guarantee)**

### **Directors' report for the year ended 31 December 2000**

#### **Business of the Federation**

During the year the Federation has continued to represent its members' interests to the Government and to other bodies. A full review of the Federation's work is contained in the Annual Review and should be read in conjunction with this report.

#### **Review of business and future developments**

The Federation has, in order to improve communications with its members, and provide more members with the opportunity to contribute to its affairs, redesigned its website to include a 'members only' section. This will go live in the spring of 2001.

The Annual Luncheon and the Annual Conference, which are under the umbrella of BPF Commercial Ltd, continue to be well supported. Its publication sales have been disappointing and the company is considering its future publications policy.

#### **Results for the year**

The results are set out in the income and expenditure account on page 6. The surplus for the year after deducting taxation was £179,950 (1999: £176,875).

#### **Tangible fixed assets**

Movements in the tangible fixed assets held by the Federation are shown in note 7.

#### **Health and Safety**

The Federation attach great importance to health and safety. Health and Safety Specialists undertake annual inspections to ensure that correct standards are maintained.

#### **Membership of the Council**

The Federation wishes to thank all Council members for their contribution to the affairs of the Federation during the year.

The members of the Council and directors of the Federation on 31 December 2000 are listed on page 1.

## **British Property Federation (Limited by Guarantee)**

### **Directors' report for the year ended 31 December 2000 (continued)**

#### **The following joined the Council during the year.**

Mr M Barber	(Appointed 28 March 2000)
Mr C E Bellhouse	(Appointed 28 March 2000)
Mr J D Burns	(Appointed 28 March 2000)
Mr M S Butterworth	(Appointed 1 January 2000)
Mr T B Laidlaw	(Appointed 28 March 2000)
Mr J N MacFarlane	(Appointed 10 May 2000)
Mr J J O'Brien	(Appointed 28 March 2000)
Mr C D A Romney	(Appointed 13 July 2000)
Mr S J R Vernon	(Appointed 28 March 2000)
Mr T C Wheeler	(Appointed 13 July 2000)

#### **The following left the Council during the year.**

Mr R Aldridge	(Resigned 6 June 2000)
Mrs L I Baldry	(Resigned 28 March 2000)
Mr I Donald	(Resigned 10 May 2000)
Mr D F Gardner	(Resigned 13 July 2000)
Mr M G Savage	(Resigned 16 February 2000)
Mr A N Sturt	(Resigned 13 July 2000)
Mr J L Tuckey	(Resigned 28 March 2000)
Mr A D Winskell	(Resigned 7 March 2000)
Mr A R Winter	(Resigned 1 February 2000)
Mr A T Jurenko	(Resigned 31 December 2000)
Mr D R Leslie	(Resigned 31 December 2000)

Since the end of the year the following changes have taken place.

Mr M Ashley Brown	(Appointed 1 March 2001)
Mr D Garrard	(Appointed 1 March 2001)

## **British Property Federation (Limited by Guarantee)**

### **Statement of directors' responsibilities**


Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the result of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

**By order of the Board**

**1 March 2001**

  
A W Brittain  
Secretary  
1 Warwick Row  
7<sup>th</sup> Floor  
London SW1E 5ER

## **British Property Federation (Limited by Guarantee)**

### **Auditors' report to the members of British Property Federation (Limited by Guarantee)**

We have audited the financial statements on pages 6 - 13, which have been prepared under the historical cost convention and the accounting policies set out on page 8.

#### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the Annual Report. As described on page 4, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.


#### **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 31 December 2000 and of the surplus of the group for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers**  
Chartered Accountants and Registered Auditors  
London

**1 March 2001**

**British Property Federation**

**Consolidated Income and Expenditure Account  
For year ended 31 December 2000**

	Notes	2000 £	1999 £
Subscription income		1,427,890	1,259,129
Operating and administrative expenses	2	( 1,457,807)	( 1,341,244)
Other operating income	5	103,855	94,996
Operating surplus		73,938	12,881
Interest receivable	4	113,966	108,313
Release of provision		-	69,951
<b>Surplus on ordinary activities before taxation</b>		<b>187,904</b>	<b>191,145</b>
Taxation	6	( 7,954)	( 14,270)
<b>Surplus on ordinary activities after taxation</b>		<b>179,950</b>	<b>176,875</b>
Income and expenditure balance at 1 January 2000		1,310,320	1,133,445
<b>Income and expenditure balance at 31 December 2000</b>		<b>1,490,270</b>	<b>1,310,320</b>

All income and expenditure relates to continuing operations.

<b>Statement of recognised gains and losses</b>	£	£
Total gains and losses recognised since last annual report	179,950	176,875

The notes on pages 8 to 13 form part of these financial statements.



**British Property Federation**

**Consolidated Balance Sheet  
31 December 2000**

		<b>Group</b>		<b>Company</b>	
	Notes	2000 £	1999 £	2000 £	1999 £
<b>Fixed Assets</b>					
Tangible assets	7	173,468	224,694	-	-
Investments	8	1,245,460	1,130,595	-	-
Loan to subsidiary company	9	-	-	1,633,005	1,433,358
Investment in Group undertakings	9	-	-	200	200
		1,418,928	1,355,289	1,633,205	1,433,558
<b>Current Assets</b>					
Stock		2,969	1,628	-	-
Debtors	10	224,492	172,309	19,006	115,349
Investments	11	386,713	343,787	386,713	330,675
Cash at bank and in hand		247,268	206,920	196,697	127,681
		861,442	724,644	602,416	573,705
<b>Creditors</b>					
Amounts falling due within one year	12	( 715,100)	( 708,363)	( 645,672)	( 629,451)
<b>Net current assets/(liabilities)</b>		<b>146,342</b>	<b>16,281</b>	<b>( 43,256)</b>	<b>( 55,746)</b>
<b>Total assets less current liabilities</b>		<b>1,565,270</b>	<b>1,371,570</b>	<b>1,589,949</b>	<b>1,377,812</b>
<b>Provisions for liabilities and charges</b>					
Other provisions	13	( 75,000)	( 61,250)	( 75,000)	( 61,250)
		1,490,270	1,310,320	1,514,949	1,316,562
<b>Members' funds</b>					
<b>Income and expenditure account</b>	14	<b>1,490,270</b>	<b>1,310,320</b>	<b>1,514,949</b>	<b>1,316,562</b>

Members' funds includes non equity interests (see note 14)

The financial statements were approved by the Board on 1 March 2001

C Bartram



C A Coward



A W Brittain Secretary



The notes on pages 8 to 13 form part of these financial statements

## **British Property Federation**

### **Notes to the Consolidated Financial Statements For year ended 31 December 2000**

#### **1 Accounting policies**

The financial statements of the Federation have been prepared under the historical cost convention and in accordance with applicable accounting standards. The following principal accounting policies have been applied:

#### **Subscription income**

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

#### **Pension costs**

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

#### **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	20.00%

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

#### **Cash flow statement**

The company has taken advantage of the exemption under Financial Reporting Standard 1 (revised 1996) not to prepare a cash flow statement, as the directors believe the company is a small entity under section 246 to 249 Companies Act 1985.

#### **Fixed asset investments**

Fixed interest investments are carried at amortised cost, less provision 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 provision 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.

#### **Basis of consolidation**

The group accounts consolidate the accounts of the British Property Federation and its subsidiary undertakings.

# British Property Federation

## Notes to the Consolidated Financial Statements For year ended 31 December 2000 (continued)

2 Operating and administrative expenses	2000 £	1999 £
<b>Premises</b>		
Rent and rates	151,912	147,440
Service charge	25,951	25,719
Insurance	1,039	2,637
Light and heat	2,547	3,189
Repairs and renewals	3,815	4,322
Cleaning	4,878	4,158
	<b>190,142</b>	<b>187,465</b>
<b>Administration &amp; Overheads</b>		
Staff costs (see Note 3)	118,965	115,806
Printing & stationery	17,330	18,860
Telephone & postage	6,522	7,126
Scanning costs	5,038	10,243
Insurance	12,333	10,462
Maintenance of equipment & plants	12,886	13,593
Depreciation	127,273	105,167
(Profit) Loss on disposal of fixed assets	(50)	2,021
Loss on disposal of fixed asset investments	-	1,764
Auditors' remuneration	11,370	10,963
Legal & professional	2,676	6,335
Consultancy	5,816	1,360
Sundry expenses	5,387	6,215
	<b>325,546</b>	<b>309,915</b>
<b>Lobbying &amp; Member Services</b>		
Staff costs (see Note 3)	461,096	416,937
Printing & stationery	25,610	26,669
Telephone & postage	19,712	22,012
Consultancy fees and special project work	237,275	173,242
Legal & professional	2,500	3,760
Books, periodicals & internet subscriptions	12,269	11,217
Journal & newsletters	54,070	55,609
Meetings, conferences and seminars	40,022	43,802
Subscriptions and donations	15,814	12,328
Non-recoverable VAT	70,579	74,523
Sundry expenses	3,172	3,765
	<b>942,119</b>	<b>843,864</b>
	<b>1,457,807</b>	<b>1,341,244</b>

### Auditors' remuneration

	2000 £	1999 £
Non - audit fees	<b>16,500</b>	<b>15,870</b>

### Financial commitments

At 31 December 2000 the group had annual commitments under non-cancellable operating leases expiring as follows:

	2000 £	1999 £
Within one year	-	-
Within one to five years	-	-
After five years	127,000	127,000
	<b>127,000</b>	<b>127,000</b>

# British Property Federation

## Notes to the Consolidated Financial Statements

For year ended 31 December 2000

(continued)

### 3 Employees

Staff costs consist of:

	2000 £	1999 £
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Wages and salaries	471,945	432,370
Social security cost	47,906	43,089
Pension cost	60,210	57,284
	<b>580,061</b>	<b>532,743</b>

Administration & Overheads	118,965	115,806
Lobbying & Member Services	461,096	416,937
	<b>580,061</b>	<b>532,743</b>

The average weekly number of employees during the year was as follows:

	2000	1999
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Full time	12	11
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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. The pension cost charge represents contributions payable by the Federation to the Fund and amounted to £50,807 (1999: £46,409).

Contributions totalling £Nil (1999: £21,057) were prepaid at 31 December 2000.

### 4 Interest receivable

	2000 £	1999 £
Other interest - short-term deposits	43,548	34,736
Income from fixed asset investments	65,007	67,884
Income from equity investments	5,411	5,693
	<b>113,966</b>	<b>108,313</b>

### 5 Other operating income

	2000 £	1999 £
Turnover	271,897	217,587
Cost of sales	(213,865)	(178,979)
<b>Gross profit</b>	<b>58,032</b>	<b>38,608</b>
Insurance commission received	3,351	6,509
Insurance commission payments	(376)	(1,304)
	2,975	5,205
Profit on disposal of shares	9,895	-
Other	32,953	51,183
	<b>103,855</b>	<b>94,996</b>

# British Property Federation

## Notes to the Consolidated Financial Statements For year ended 31 December 2000 (continued)

6 Taxation	2000 £	1999 £
Corporation tax at 20% (1999: 20.25%)	6,409	13,661
Under/(Over)provided in prior year	1,545	609
	<b>7,954</b>	<b>14,270</b>

## 7 Tangible fixed assets - Group

	Computer and office equipment £	Furniture, fittings £	Leasehold Improvements £	Total £
<b>Cost</b>				
At beginning of year	137,044	112,231	155,671	404,946
Additions	59,786	8,399	7,862	76,047
Disposals	-	-	-	-
Cost at end of year	196,830	120,630	163,533	480,993
<b>Depreciation</b>				
At beginning of year	66,730	69,802	43,720	180,252
Provision for year	58,311	36,255	32,707	127,273
Disposals	-	-	-	-
At end of year	125,041	106,057	76,427	307,525
Net book value				
At 31 December 2000	<b>71,789</b>	<b>14,573</b>	<b>87,106</b>	<b>173,468</b>
At 31 December 1999	<b>70,314</b>	<b>42,429</b>	<b>111,951</b>	<b>224,694</b>

8 Fixed asset investments	Group 2000 £	1999 £
<b>Eurobonds</b>		
£50,000 Abbey National 8% 2003	49,544	49,342
£65,000 Abbey National 8% 2003	64,992	64,988
£146,000 British Telecom 7 1/8% 2003	143,700	142,864
£110,000 European Investment Bank 7% 2000	-	110,158
£125,000 Int Bank Rec & Dev 6.375% 2001	124,870	124,646
£120,000 Abbey National 5 3/8% 2009	120,626	120,703
£102,000 Int Bank Rec & Dev 5 3/4% 2002	101,411	100,704
£110,000 Nordic Inv Bank 6% 2004	108,472	107,899
£200,000 Halifax 6.375% 2008	199,680	-
<b>Treasury Stock</b>		
£145,000 Treasury 6 3/4% Stock 2004	140,524	139,381
	<b>1,053,819</b>	<b>960,685</b>
<b>Equity Investments</b>	<b>191,641</b>	<b>169,910</b>
	<b>1,245,460</b>	<b>1,130,595</b>

# British Property Federation

## Notes to the Consolidated Financial Statements For year ended 31 December 2000 (continued)

### 8 Fixed asset investments continued

At 31 December 2000 the market value of investments was £1,288,678 (1999: £1,182,443).

Movements in fixed asset investments during the year were as follows:

	Group	
	£ 2000 £	£ 1999 £
At 1 January	1,130,595	1,142,903
Additions	237,160	222,288
Disposals	(125,782)	(237,693)
Amortisation of discounts	3,487	3,097
At 31 December	<b>1,245,460</b>	<b>1,130,595</b>

### 9 Investments in group undertakings

	£ Shares	£ Loans	£ Total
<b>Cost</b>			
At 1 January 2000	200	1,433,358	1,433,558
Additions	-	199,647	199,647
At 31 December 2000	<b>200</b>	<b>1,633,005</b>	<b>1,633,205</b>

The Federation beneficially owns all the fully paid up share capital of 100 £1 ordinary shares in the following companies.

British Property Federation (Europe) Ltd acts as the Federation's member of the European Property Federation whose purpose is to represent the interests of commercial property owners and investors at European Union level.

BPF Commercial Ltd handles the Federation's income from trading activities and provides accommodation and services to the Federation.

	Group		Company	
10 Debtors	2000 £	1999 £	2000 £	1999 £
Accrued interest	28,035	29,594	-	-
Other debtors	115,881	43,398	7,175	27,586
Taxation	18,826	10,921	-	-
Due from Group undertaking	-	-	1,508	1,501
Prepayments	61,750	88,396	10,323	86,262
	<b>224,492</b>	<b>172,309</b>	<b>19,006</b>	<b>115,349</b>

	Group		Company	
11 Current asset investments	2000 £	1999 £	2000 £	1999 £
Short term deposits	<b>386,713</b>	<b>343,787</b>	<b>386,713</b>	<b>330,675</b>

# British Property Federation

## Notes to the Consolidated Financial Statements For year ended 31 December 2000 (continued)

12 Creditors falling due within one year	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Other creditors	220,460	218,216	112,047	129,069
Taxation and social security	16,129	6,882	16,129	6,882
Corporation tax	6,409	10,692	6,409	10,692
Due from Group undertaking	-	-	130,343	24,868
Accruals	124,552	47,809	119,162	44,600
Deferred Income	347,550	424,764	261,582	413,340
	<b>715,100</b>	<b>708,363</b>	<b>645,672</b>	<b>629,451</b>

### 13 Provisions for liabilities and charges - Group and Company

	Employment Costs £	Total £
At 1 January 2000	61,250	61,250
Charged(Credited) to income and expenditure account	13,750	13,750
Utilised during the year	-	-
At 31 December 2000	<b>75,000</b>	<b>75,000</b>

The provision relates to employment costs not currently payable.

### 14 Reconciliation of members' funds

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Opening members' funds as originally reported	1,310,320	1,133,445	1,316,562	1,133,445
Surplus for the year	179,950	176,875	198,387	183,117
Closing members' funds	<b>1,490,270</b>	<b>1,310,320</b>	<b>1,514,949</b>	<b>1,316,562</b>

British Property Federation has not presented its own income and expenditure account, as permitted by Section 230(1)(b) Companies Act 1985. The retained profit for the year of the company, dealt with in its financial statements, was £198,387 (1999 £183,117)

The British Property Federation is a company limited by guarantee which acts as a non-profit making Organisation in the promotion of the interests of the British property industry. In the event of a deficit arising on a winding up, the members of the company have guaranteed to provide a maximum of up to £1 per member to meet this deficit. In the event of a surplus arising on a winding up, this surplus will be transferred to another Organisation with objectives similar to those of the Federation.