



Investment
Property Forum



Report & Accounts 2019

Contents

IPF Governance & Executive	2
Report from the Chairman	4
Report from the Treasurer	11
Acknowledgements	12
Report and Financial Statements	16



IPF Governance & Executive

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Chairman

Graeme Rutter
Vice Chairman

Mike Tremayne
Honorary Treasurer

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Julia Martin
Juliet Thomas

Sue Forster
Kitty Patmore
Jonathan Thompson (until June 2018)

Miles Keeping
Gary Sherwin

Strategic Advisory Group Members (until June 2018)

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Jenny Buck
Pam Craddock
Noel Manns
Imogen Moss
Jean-Marc Vandevivere

David Atkins
Ciaran Carvalho
Tom Davies
Rob Martin
Max Sinclair

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Amanda Howard
Ciaran Carvalho

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Paul McNamara
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Andrew Smith
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Michael Boggis
John Whalley (deceased)
Stuart Beevor
Steven Fogel
Ian Womack
John Gellatly
Max Sinclair

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Ian Marcus
Paul McNamara
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Sir John Ritblat
Ian Womack

Executive

Sue Forster
Chief Executive

Rahena Begum
Membership Administrator
(until July 2018)

Cara Goulding
Membership Co-ordinator
(maternity leave)

Hannah Prescott
Seminar Co-ordinator
(from May 2018)

Pam Craddock
Research Director

Lulu Chai
Membership Administrator
(from July 2018)

Barbara Hobbs
Events Manager

Frankie Clay
Associate Director

Gemma Elnaugh
Seminar Co-ordinator
(until April 2018)

Jenny Hooper
Accounts Manager

Report from the Chairman

Having been an IPF member for 20+ years, it has been an absolute honour to be its Chairman, if only for a year. In my view, the IPF is without doubt the most relevant industry body for the UK real estate investment community, believing that a better-educated, better-networked and better-researched property investment professional, makes for a better industry as a whole. In this context, it is fantastic to see our membership reach its joint highest ever number of over 2,100.

Whilst macro-political and economic risks continue to affect global investment flows, the last year has seen relative resilience in the UK real estate investment market. That said, over recent months investment volumes generally have fallen materially and, whilst long-dated cash flows, alternative sectors and urban logistics remain in strong demand, the market as a whole appears to have entered a phase of 'risk-off'. As an investment class, real estate continues to evolve and a key question for our industry over the coming years will be how we attract the very best talent from across the social spectrum. We are the ultimate impact asset class, and as such offer a very exciting and rewarding opportunity to create vibrant communities, delivering positive social and environmental change. Certainly an attractive career opportunity for many, and we need to get that message out there.

2018-19 proved to be a busy year for the IPF and a summary of its activities and initiatives during the past 12 months is set out below.

Membership

The number of members ended the year at 2,151, the same as the previous record high achieved in 2016-17. This total, however, hides the sterling work of the Operational Board, the regional boards, the Next Generation Committee and many others in recruiting new members to replace the circa 10% of the membership who resigned or were lapsed during the year.

You may recall last year that my predecessor, Jonathan Thompson, outlined the various measures approved by the Board to address the aging demographic of the IPF membership. One of these was to target organisations at a strategic level to encourage them to nominate those in their investment and/or finance teams for IPF membership. I am pleased to report that this approach has resulted in a number of organisations putting forward two or more applicants. Members of the Board will be targeting other organisations in the same way during 2019.

We have also focused on the services offered to our younger 'Next Generation' members. The Next Generation Committee, chaired by Matt Bird (who succeeded Tom Davies during the year), has decided to run more informal briefings by industry leaders in place of at least some of the more structured seminars arranged in the past. The transference of knowledge within the industry has also been a key theme of my year in office and I, therefore, announced at the Annual Dinner in London that the IPF would establish a mentoring scheme for younger members. I am delighted to report that the one-year pilot scheme from January 2019, pairing 16 Next Generation members with more senior IPF members, is going so well that we plan to extend this to other Next Generation members from the beginning of 2020. We will be engaging with more senior investment professionals to become mentors, and further details regarding this will be circulated later in the year.

Strategic Advisory Group

The IPF Strategic Advisory Group (SAG) is responsible for the strategic direction and vision of the IPF. In order to improve the connectivity within the IPF, changes to the SAG's constitution were approved at the AGM in June 2018 so that the individually-appointed members have been superseded by direct representation from all the regional boards, the Next Generation Committee and all the other IPF committees and groups in existence at the time of the Group's annual meeting. In addition, the IPF

Chairman, Immediate Past Chairman, Vice Chairman, Honorary Treasurer and the Chief Executive are automatically members during their respective terms of appointment. I would like to take this opportunity to thank all the former SAG members (as listed on page 2) for their much-valued contribution to the IPF during their terms of service.

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 addresses 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 below for providing their financial support to the 2018 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).

A number of major reports were commissioned during the year, including:

- Current Practices in Benchmarking Real Estate Investment Performance (published);
- The Influence of Retail Structural Change on Sector Allocations in Real Estate Investment Portfolios;
- Long-term Value Methodologies in Real Estate Lending Analysis;
- Occupational Drivers of Investment Performance in the Logistics Sector;
- A Review of the Size and Structure of the UK Property Market; and
- Benchmarking Real Estate Investment Performance: The Role of ESG Factors.

The Forum would like to thank 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 (to a maximum of 24) may join on a three-year basis from each May, as the funding model has been changed to a rolling, rather than a fixed term, commitment. Any organisation interested in supporting the delivery of market-leading independent research should contact Pam Craddock.

Education

As in previous years, the IPF ran an extensive programme of seminars, briefings and site visits during the year – totalling over 70. These events were organised in the main by the CPD Group, chaired by Clare Thomas who took over from Andrew Hynard in January 2019, the IPF Special Interest groups (SIGs), the Next Generation Committee and the respective regional boards. Members can download the presentation slides and, increasingly, video recordings from these events.

We ran a number of seminars/briefings with other industry organisations during the year. These included Accessible Retail, Association of Property Lenders (APL), Association of Real Estate Funds (AREF), British Council for Offices (BCO), British Property Federation (BPF), Commercial Real Estate Finance Council (CREFC) Europe, European Association for Investors in Non-Listed Real Estate Vehicles (INREV), European Real Estate Society (ERES), Revo (formerly BCSC) and Society of Property Researchers (SPR). We also ran quarterly update breakfasts jointly with MSCI. IPF members in the Midlands and North regions were also able to attend MSCI briefings in February on the Q4 2018 property performance results.

In addition to the free seminars/briefings, the IPF ran a paid-for full-day Finance workshop in October and a half-day Asset Allocation workshop the following month. We plan to re-run these in 2019-20, together with the two accounting workshops that proved popular when last run a couple of years ago.

A number of organisations have run events specifically for IPF members or allocated places for them at their in-house seminars/briefings. These include the Bank of England, Agency for the North West and NatWest North, whereby Northern members are able to attend their respective quarterly events. If there are other organisations willing to offer similar access to IPF members, please contact Sue Forster to discuss.

The IPF marked its 30th anniversary with the half-day 'IPF30' symposium in May 2018. The seven sessions during the morning were organised with the help of the IPF's SIGs. This event has provided the impetus for a full-day event in London on 27 February 2020, the details of which will be on the IPF website shortly.

Sadly, the last MSCI/IPF Property Investment Conference took place in Brighton on 15 and 16 November 2018. The decision to end this collaboration was a mutual one, given that falling delegate numbers meant the event was unsustainable financially. I would like to thank MSCI on behalf of the IPF for such a productive partnership over 25+ years, with special thanks to Ian Cullen, one of the two co-founders of IPD, now MSCI, who retired in December.

The IPF's formal education programme (Investment Education Programme (IEP) provides 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. During the year, the University and IPF undertook a comprehensive update of the material within the IPF Certificate, which is recognised as a Key 2 Appropriate Exam under the 'Managing Investments' activity by the Financial Conduct Authority (FCA).

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, chaired by Guy Morrell.

The annual Nick Tyrrell Memorial Research Prize, which was established in 2011 by IPF, INREV and SPR, attracted 14 submissions by the May 2018 deadline. Pleasingly, these were from around the globe. The Judging Panel made the award to joint authors Dr Frank Ametefe and Dr Steven Devaney, both of the Henley Business School, University of Reading, with Professor Simon Stevenson of the University of Washington, for their paper, 'Optimal Composition of Hybrid/Blended Real Estate Portfolios'. The findings of the research were presented at the joint IPF/INREV/SPR seminar at the end of February. The secretariat for the Prize, provided by the IPF (Sue Forster) for the 2017 and 2018 iterations, has now passed to the SPR.

IPF Dinner and Lunches

The IPF held a lunch and a black-tie dinner in both London and the Midlands region. There was also a black-tie dinner in Manchester in November. In Scotland, the annual formal drinks reception and dinner was preceded by a seminar entitled 'Accelerating real estate disruption – Is the industry rising to the challenge or asleep at the wheel?'

Other social events

There was a sponsored informal networking drinks event for IPF London-based members in October, followed a few weeks later by a networking breakfast to launch the IPF publication, 'Streamlining Transactions' (a major re-write of 'Readiness for Sale').

The Next Generation Committee organised a number of informal events including a drinks and ping pong evening in August, an Autumn networking breakfast and networking events during MIPIM week.

The regional boards also organised social events for their respective members during the year.

Special Interest Groups (SIGs)

The Forum now has eight SIGs, which focus on developing specific areas within the investment property industry.

Members of various SIGs have contributed significantly to the written responses made by IPF to formal consultations on such matters as streamlined energy & carbon reporting/energy performance certificates, illiquid assets and open-ended funds, the reform of limited partnership law, the barriers to longer tenancies in the private rented sector and the registration of overseas entities.

Two of the SIGs were set up during the year. The first one, Tech Futures, (chaired by Julian Carey) launched its first programme of five events in late 2018. More recently, the Finance SIG, (chaired by Kitty Patmore) was established to provide leadership in real estate finance to the IPF and its members and grow the membership of real estate finance professionals at the IPF.

The activities of the other more established SIGs during the year are summarised below.

Environmental, Social & Governance (ESG)

Previously known as the Sustainability SIG, the Group, chaired by Miles Keeping, changed its name in June to better reflect the wider scope of the work undertaken.

Members of the Group organised several briefings/seminars this year covering topics including social impact investing, natural capital, science-based targets and a regulation and valuation update. In addition, the Group put together the IPF30 Symposium session 'Investors' changing expectations for better ESG performance'.

As mentioned above, the Group contributed to the IPF's consultation responses to the Department for Business, Energy & Industrial Strategy (BEIS) on streamlined energy & carbon reporting and energy performance certificates. Members of the Group are also sitting on the 'Benchmarking Real Estate Investment Performance: The Role of ESG Factors' project steering group (see 'IPF Research Programme' above).

Indirect Property Group

The Indirect Property Group, chaired by Graeme Rutter, has been keeping the implications for property in investment pooling for the local government pension schemes (LGPS) in England and Wales under review throughout the year. A joint seminar with AREF on LGPS took place in May last year and update seminars will follow as and when appropriate.

The Group also organised the 'Developing indirect investment – Illiquid assets in a world of electronic trading and platforms' session at the IPF30 Symposium and were responsible for the IPF's detailed response to the FCA consultation on illiquid assets and open-ended funds in January this year.

International Group

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

As mentioned in the Chairman's report last year, the 'Managing Currency Risk' research, which originated with the Group, was published by the IPF Research Programme in June. Since then, the Group helped develop the brief for the 'Influence of Retail Structural Change in the Evolution of Sector Allocations' research, due for publication shortly. The retail sector also formed the focus for the Group's session at the IPF30 Symposium.

Property Derivative Interest Group (PDIG)

PDIG, which is chaired by Jon Masters, has focused on potential 'end users' of property futures this year. In November, PDIG collaborated with ERES and INREV, holding a roundtable in Amsterdam, and this was followed by a solely PDIG invitation-only event for UK participants in January.

The IPF also sponsored a 'futures' paper, 'Developing indirect investment Using Futures: Impact on investment performance in other asset classes through the market cycle', written for, and presented at, the IPF30 Symposium.

Regulation and Legislation Group

To reflect its permanence, the Group's status was changed this year from Working group to SIG. Under the chairmanship of David Brown, the members of the Group monitor emerging legislation and regulation across a wide spectrum of the industry, both in the UK and wider afield.

They then liaise with other IPF SIGs and/or third party organisations on proposed policy and responses to formal consultations. This year, the Group has responded to consultations on reforming limited partnership law and the registration of overseas entities, the latter including giving evidence to the House of Lords.

The Group's table, 'Impact of Brexit on Key Property Legislation', which shows the EU and/or UK source of key regulation and legislation appertaining to the property market, is available to download from the IPF website and is updated as and when required.

Residential Investment Group

The Group (chaired by Stafford Lancaster) was involved in reviewing and testing the IPF's annual survey, 'Institutional Attitudes to Investment in UK Residential Property' (see 'IPF Research Programme' above). The results of the survey were presented at a seminar in early December. The Group also organised the session 'Managing large-scale residential: Investor choices – challenges and opportunities' at the IPF30 Symposium.

There were updates online to the Group's 2015 publication, 'Mind the Viability Gap: Achieving more large-scale build-to-rent housing', when the IPF became aware that this popular information paper was being misquoted in a couple of instances. Members of the Group also wrote the IPF response to the Ministry of Housing, Communities and Local Government (MHCLG) consultation on the barriers to longer tenancies in the private rented sector.

Working Groups

The overview below relates only to those Working groups active during the year.

AREF/IPF Inducements

The joint Group, chaired by Lindsay Morgan, was established to consider a property industry 'protocol' on fund manager hospitality. Following a number of meetings during the year, the draft protocol is nearing its final format.

Net Effective Rents

Paul McNamara continues as Chair of the Group. Progress in implementing the project has been slow because of its dependence on changes to valuation software that have far wider repercussions than just the collection of net effective rent data.

'Streamlining Transactions' (formerly 'Readiness for Sale')

The new Group was constituted in March 2018 under the chairmanship of Ciaran Carvalho to carry out a review of the second edition of 'Readiness for Sale', published in 2012. In the event, the Group took the decision to undertake a comprehensive re-write and the resultant paper was launched as 'Streamlining Transactions – Improving liquidity in commercial real estate' at the inaugural IPF Network Breakfast in November. The appendices include a transaction checklist and copies of the IPF Non-disclosure Agreement (NDA) and Exclusivity Agreement (EA) standard documents.

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 continues to work 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.

As regards specific projects, government consultations etc., the PIA members work together as a whole, or in smaller groupings, as appropriate. The standing formal PIA groups cover sustainability issues (Green Property Alliance (GPA)), debt finance, REITs, taxation, research and the production of the annual pocket-sized publication, 'Property Data Report'. There are also six Brexit working groups covering procurement, tax, capital (debt and equity), industry skills and sustainability. These working groups are also liaising with opposite numbers in other industries, where relevant.

Debt Group

The Debt Group Steering Committee is progressing three of the recommendations in 'A Vision for Real Estate Finance in the UK', a report by a cross-industry group that was sponsored by the IPF in 2014. These recommendations are to establish a comprehensive loan database; use of long-term value measures for risk management; and increase the understanding of the property market amongst lenders.

The IPF is directly involved in the second and third initiatives. In respect of the second, the Research Programme has commissioned the major report, 'Long-term Value Methodologies in Real Estate Lending Analysis' (see 'IPF Research Programme' above). Involvement with the third is through Sue Forster, who chairs the Debt Group Education sub-group.

European Real Estate Forum (EREF)

The IPF is a founding member of EREF, which now has more than 30 member organisations from across Europe. EREF meets three times a year, generally in Brussels, and there are also a number of conference calls in between to exchange of views on such matters as responses to European consultations.

General Data Protection Regulation (GDPR)

The IPF has expended a lot of effort this year to ensure that it is compliant with GDPR. Under the leadership of Frankie Clay, we have integrated a new GDPR module with our CRM system in order to hold the required consents/permissions/T&C acceptances. This module is also integrated with the IPF website in the form of a 'details update' web form, which has three main aims – to update/verify member contact details, to confirm member communication preferences and to reaffirm member agreement to IPF T&Cs. We would be grateful if all members would use the web form to update their details if they have not already done so.

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 Miles Keeping, Julia Martin and Kitty Patmore who are stepping down from the Board at the AGM in June.

As mentioned, the composition of the SAG has changed and my thanks go to those who stepped down in their capacity as individual members earlier this year.

Thanks too to the regional board members who do a fantastic job organising seminars/other events and recruiting members in their respective regions. During the year, Brian Hutcheson became chairman of the Scottish board, replacing Simon Kinnie, Simon Smethurst served as chairman of the Northern board and Damian Lloyd took over from Darren Williamson as chairman of the Midlands board.

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 2018-19 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 (who took over from Gemma Elnaugh), together with Lulu Chai and Rahena Begum (who left in June 2018) who have provided maternity cover for Cara Goulding, for all their efforts over the last 12 months.

Finally, I would like to proffer my best wishes to the incoming Chairman, Graeme Rutter, and his Vice Chairman, Ben Sanderson. I know that the IPF will continue to prosper under their tenure.

Philip Nell

Chairman

May 2019

Report from the Treasurer

The recent financial year has proved to be more challenging than previous years. Whilst the previous two years achieved surpluses of over £35,800 and £48,000 respectively, 2018-2019 saw an operational loss of just over £45,000.

Income

Income was down by over £32,000 (3.5%). This was primarily due to the loss made on the Brighton Conference, as a result of diminished delegate numbers and sponsorship revenue. As the Chairman has already reported, MSCI and IPF have mutually agreed to terminate their joint agreement in respect of this long-standing event in the calendar. In its place, the IPF will be running a new Property Investment Conference in London on 27 February 2020. The details will be on the IPF website shortly and I encourage you to register for the full-day programme, followed by a drinks reception and dinner.

I am pleased to report that the subscription revenue, which provides around 50% of overall income, was comparable to that in the preceding year. With the ongoing efforts of the Operational Board, Next Generation Committee and regional boards, I hope that we can increase the total membership significantly above the current record of 2,151 during the next 12 months. The membership fee (£250 for 2019-20) represents excellent value compared with other industry organisations, given the 70+ seminars, briefings, workshops and site visits available to members, not to mention informal social events and the dinners and lunches held in London and across our three other regions.

Expenditure

Costs incurred during the year were up on 2017-2018 by nearly £50,000 (5.5%). Some £22,383 (identified as a separate item in the accounts) was expenditure on General Data Protection Regulation (GDPR) compliance. You may recall that I alluded to this specifically as a carry forward in my report this time last year.

At that time, I also mentioned that the new iteration of the Research Programme, which started in May 2018, had not attracted the same level of sponsorship as for the 2015-18 Programme. Accordingly, the IPF Operational Board took the decision to underwrite a maximum of £165,000 over three years, the equivalent of three individual sponsors. As no further sponsors committed in May 2018 (beyond the 16 confirmed), the IPF transferred £52,500 from its main reserves to the Research Programme for 2018-19. The IPF strategically (and thankfully) holds meaningful reserves – now at £571,137 – to cover contingencies exactly such as these.

At present, it looks as if the IPF will need to make a similar transfer for 2019-20. However, hopefully, its financial commitment for the following year will be reduced by the successful conclusion of current discussions with several potential sponsors. Should anyone be interested in more details as to what sponsorship entails, please contact the IPF Research Director, Pam Craddock: pcraddock@ipf.org.uk.

New members

As in previous years, the Operational Board has set a general budget with a target to generate a small surplus. However, this heavily relies on the recruitment of new members to not only grow the overall size of the membership, but also replace those who step down due to retirement. We are particularly keen to recruit younger members to counter the expected retirement of those who were early joiners when the IPF was established 30 years ago, although we do offer a discounted retired rate! Please do propose members of your team/organisation for membership.

Finally, I would like to say 'thank you' to the Executive for keeping a tight rein on costs despite the additional regulatory and other pressures during the year, and also to the membership for continuing to support the IPF and its activities.

Mike Tremayne

Honorary Treasurer

May 2019

Acknowledgements

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

Regional Boards

Midlands

Damian Lloyd
(Chairman from September 2018)
Darren Williamson
(Chairman until September 2018)
Jonathan Brice
(vice-Chairman)
David Allen
Andrew Brazier
Edward Gamble
(from March 2019)
Matthew Hannah
Tim Hurdiss
Mark Johnson
(until March 2019)
Rebecca Millard
Richard Round
Gary Rouse
David Smith
Mark Vernon
Rachel Williams

North

Simon Smethurst
(Chairman)
Debra Cooper
(from July 2018)
Scott Gemmell
Jeffrey Gillbanks
Matthew Jones
Robert Millington
Katie Ridehalgh
Ian Sherry
Neil Sturmeay

Scotland

Brian Hutcheson
(Chairman from February 2019)
Simon Kinnie
(Chairman until February 2019)
Andy Armstrong
Paul Carter
Thomas Elviss

Colin Finlayson
Alison Fyfe
(from April 2018)
Scott Howie
Anne Johnstone
(from April 2018)
Fraser McPhail
Steven Newlands
Richard Whyte

Principal Committees

Education Strategy Group

Guy Morrell
(Chairman)
Candice Blackwood
Frankie Clay
Charles Follows
Sue Forster
Ben Sanderson
Gary Sherwin
Karen Sieracki
Julian Stocks
John Story

Research Steering Group

Simon Marx
(Chairman from April 2018)
Rob Martin
(Chairman until April 2018)
Mark Andrew
(from January 2019)
Andrew Angeli
Asli Ball
Matthew Bennett
Anne Breen
(until January 2019)
Mark Bunney
Souad Cherfouh
(until July 2018)
Pam Craddock
Sue Forster
Daniel Francis
(from November 2018)

Richard Gwilliam
David Hedalen
(from March 2019)
David Hourihan
(from January 2019)
Stephanie McMahon
(until March 2019)
Bill Page
(from March 2019)
Andy Schofield
(from July 2018)
Paul Stewart
(from July 2018)
Ben Thatcher
(from March 2019)
Edward Trevillion
(until January 2019)
Chris Urwin
Simon Wallace

Other Committees

CPD Group

Clare Thomas
(Chairman from February 2019)
Andrew Hynard
(Chairman until February 2019)
Charles Barke
(from January 2019)
Ashley Blake
(until January 2019)
Yvette Bryan
Laura Chapman
David Erwin
Sue Forster
John Gardiner
Jessica Hardman
(from January 2019)
Chris Jeffs
(from January 2019)
Chris Perkins
(until January 2019)
Hannah Prescott

Next Generation Group

Matthew Bird
(Chairman from February 2019)
Tom Davies
(Chairman until February 2019)
Chris Bampton
(until March 2019)
Felicity Beasley
(until October 2018)
Erika Birkett
Julian Carey
(until October 2018)
Paul Crosbie
Enrico Faccioli
(until March 2019)
Sue Forster
Patrick Freestone
David Gingell
Samuel Gregory-Smith
Lindsey Hammond
(until November 2018)
Richard Hansford
Michael Harris
Jo Jackson
Samantha Kempe
Scott Keown
Peter Kirk
(until March 2019)
David Lebus
Oliver Ripplier
Vicky Skinner

Special Interest Groups

Environmental, Social & Governance Interest Group

(formerly Sustainability Special Interest Group)

Miles Keeping
(Chairman)
Christopher Brigstocke
Tim Coffin
Siobhan Cross
Louise Ellison
Linda Fletcher
Sue Forster
Alex Hill
Caroline Hill
Max Johnson
(from June 2018)
Philip Parnell
Richard Quartermaine
Sarah Ratcliffe
(from November 2018)
Nina Reid
Barney Rowe
(from November 2018)

Finance Group

(from January 2019)

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
Justin Cornelius
(until January 2019)
Stephen Elliott
Charles Ferguson Davie
John Forbes
Sue Forster
Victoria Henry
(from January 2019)
Richard Peacock
James Tarry

International Group

Ben Sanderson
(Chairman)
Andrew Burrell
David Dix
Dimitri Doublet
Sue Forster
David Jackson
Richard Kolb
Simon Mallinson
Tom Mundy
Jason Oram
William Rowson
Sarah Slater
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
John Condliffe
Jonathan Evans
Sue Forster
Matthew Howard
Christine Ormond
James Read
Robert Short

Shirley Smith
(until February 2019)
William Woodall
(until September 2018)

Residential Investment Group

Stafford Lancaster
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Tony Brown
Mark Davis
Deepa Devani
Richard Donnell
Charles Fairhurst
Sue Forster
Robin Goodchild
Alexander Greaves
Olivia Harris
Tom Henry
Richard Jackson
Niall Malone
Dominic Martin
Cathryn Vanderspar
Jean-Marc Vandevivere

Tech Futures Group

(from September 2018)

Julian Carey
(Chairman)
Felicity Beasley
Sue Forster
Richard Pickering
Kat Terry

Current Working Groups

AREF/IPF Inducements Working Group

Lindsay Morgan
(Chairman)
Julian Agnew
Kevin Aitchison
Felix Bottomley
Sarah Broadway
John Cartwright
Gill Clarke
Sue Forster
Karen Hollands
Christine Lee
Ross McCall
Philip Nell
Anthony Shayle
Candice Thorpe
(from December 2018)
David Wise

Net Effective Rents Steering Group

Paul McNamara
(Chairman)
Geren Abraham
Paul Broadley
Ian Cameron
Neil Crosby
Ian Cullen
Richard Dace
Ben Elder
Sue Forster
Malcolm Frodsham
Michael Gilbert
Neil Harrison
Graham Leith
Claire Magowan
Peter O'Brien
Simon Rees
Matthew Richardson
Nigel Roberts
Graham Spoor
Gareth Thomas
David Tudor

Streamlining Transactions Group

Ciaran Carvalho
(Chairman)
David Erwin
Sue Forster
Siobhan Godley
Jo Jackson
Katherine Laurenson
Alistair Meadows
Seán Moran
Philip Nell
Ben O'Donnell
Alex Peeke
David Russell Smith
Clare Thomas
Bruce Thompson

Seminar chairmen, speakers and panellists

Matthew Abbott	Steven Devaney	Grant Imlah	Howard Meaney
Sian Aitken	William Dinning	David Inskip	Oliver Mege
David Allen	Paul Disley-Tindell	Christopher Ireland	Robert Millington
Andrew Angeli	Clare Dixon	Jo Jackson	Hannah Milne
Anne Applebaum	Clarence Dixon	Stuart Jenkin	Kevin Mofid
Andy Armstrong	Paul Donovan	Jamie Johnson	Mahdi Mokhrane
Christopher Arnold	Sally Duggleby	Mark Johnson	Nick Molho
David Austin	Geoff Dunnett	Anne Johnstone	David Moloney
Asli Ball	John Duxbury	Andrew Jones	Patrick Morselli
Bill Bartram	Louise Ellison	Ben Jones	Simon Moscow
Natalie Bayfield	Thomas Elviss	Glynn Jones	Eoin Murray
Felicity Beasley	Kevin Etchells	Matthew Jones	Laurence Mutkin
Brandon Bell	John Forbes	Ivan Jossang	Philip Nell
Andrew Berger-North	Marc Francke	Sabina Kalyan	Steven Newlands
Jessica Berney	Fiona Freeman	Nick Keable	Matthew Oakeshott
Mark Bourgeois	Malcolm Frodsham	Miles Keeping	Mat Oakley
Andrew Brazier	Paul Gallagher	Michael Keith	Ken O'Brien
Natalie Breen	Alan Gardner	Simon Kinnie	Neil Odom-Haslett
Jonathan Brice	Edward Garrod	Alex Krystalogianni	Danny O'Neill
Axel Brinkmann	David Geltner	Casey Kuhlman	James Pack
Mike Bristow	Claire George	Markus Kullman	Bill Page
Lorna Brown	Paul Gibson	Oliver Kummerfeldt	David Paine
Sally Bruer	Jeffrey Gillbanks	William Kyle	Neil Parker
Simon Burgess	Jonathan Goldstein	Stafford Lancaster	Philip Parnell
John Buyers	Robin Goodchild	Colm Lauder	Cynthia Parpa
Tom Byrne	Sarah Gooden	Stephen Lee	Natasha Patel
Neil Cable	Tom Goodwin	Tim Legge	Rebecca Pearce
Rab Campbell	Helen Gordon	John Levy	Neil Pennell
Julian Carey	Barry Gross	Lu Li	Marc Piano
Andrew Carter	Paul Guest	Damian Lloyd	Josien Piek
John Carter	Jean-Louis Guilhamat	Simon Lloyd	Simon Pilcher
Paul Carter	Sandy Gumm	Allan Lockhart	Will Poole-Wilson
Ciaran Carvalho	Darren Hall	Emma Long	Graham Porter
Adam Cavanagh	Joe Hankin	Nicole Lux	Rachel Portlock
Simon Chisholm	Paul Hanley	Peter Mackie	Kirsten Prichard Jones
Mark Clacy-Jones	Kat Hanna	Simon Mallinson	Alison Puhar
Derek Clements-Croome	Jessica Hardman	Greg Mansell	John Raisin
Charlotte Coates	Bryan Hawkins	Andrew Marston	Jarred Rayns
Santino Colaluca	David Hedalen	Liz Martins	Gareth Rees
James Cons	Markus Hesse	Simon Marx	Dominic Reilly
Ed Conway	Brian Hession	Ian Mason	Paul Richards
Elizabeth Corley	David Higgins	Jon Masters	Matthew Richardson
Pam Craddock	William Hill	Madeleine McDougall	James Rigby
Siobhan Cross	Peter Hobbs	Alistair McGillivray	Jérôme Rigoni
Ian Cullen	Chris Holmes	Andrew McGregor	Oliver Rippier
Andrew Cunningham	Richard Holt	Chris McMain	Marc Roberts
Nadja De Jager	Emma Huepfl	Paul McNamara	Michael Robinson
Jonathan De Mello	Gerry Hughes	Fraser McPhail	Rick Robinson
Hélène Demay	Tim Hurdiss	Daniel Mead	Steve Robson

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

William Robson
Melville Rodrigues
Richard Round
Graeme Rutter
Mike Sales
Bruce Scott
David Scott
Jim Sempere
Kevin Sey
Peter Shepard
James Sidlow
Karen Sieracki
David Sleath
Simon Smethurst
Katie Smith
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Russell Worthington
Mark Yeandle
Neil Young
Michael Zerda

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Report and Financial Statements

Investment Property Forum (a company limited by guarantee)

Year Ended 31 March 2019

Company information

Directors

P Craddock
S Forster
M Keeping
J Martin
K Patmore
G Sherwin
J Thomas
M Tremayne
P Nell

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 2019.

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 to 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	K Patmore	J Thompson (resigned 13 June 2018)
S Forster	G Sherwin	M Tremayne
M Keeping	J Thomas	P Nell
J Martin		

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.

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 8 May 2019 and signed on its behalf.

P Nell
Director

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 2019 which comprise the Statement of income and retained earnings and 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 2019 and of its loss 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 at 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: 9th May 2019

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 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Income					
Subscriptions		453,278	–	453,278	455,446
Social events		421,280	–	421,280	418,264
Education		20,133	–	20,133	52,521
Research		–	275,625	275,625	384,993
Other income		200	–	200	1,382
		<u>894,891</u>	<u>275,625</u>	<u>1,170,516</u>	<u>1,312,606</u>
Expenditure					
Social events		276,346	–	276,346	281,119
Education		28,724	–	28,724	8,853
Research		–	426,113	426,113	366,885
Administration and salaries		573,909	–	573,909	568,743
Professional and audit fees		22,518	–	22,518	19,571
Bank charges		8,129	–	8,129	6,844
Irrecoverable VAT		14,828	–	14,828	11,925
GDPR costs		22,383	–	22,383	–
		<u>946,837</u>	<u>426,113</u>	<u>1,372,950</u>	<u>1,263,940</u>
(Deficit)/surplus of operating income over expenditure	5	(51,946)	(150,488)	(202,434)	48,666
Bank interest receivable		6,779	–	6,779	5,262
		<u>(45,167)</u>	<u>(150,488)</u>	<u>(195,655)</u>	<u>53,928</u>
Retained (deficit)/surplus for the year		(45,167)	(150,488)	(195,655)	53,928
Retained surplus brought forward		668,804	269,332	938,136	884,208
Transfer to restricted funds	16	(52,500)	52,500	–	–
Surplus carried forward		<u>571,137</u>	<u>171,344</u>	<u>742,481</u>	<u>938,136</u>

All amounts relate to continuing activities.

All recognised gains and losses for 2019 or 2018 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 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	9		27,728		43,850
Current assets					
Debtors: amounts falling due within one year	10	198,919		206,844	
Cash at bank and in hand		1,098,788		1,166,562	
		<u>1,297,707</u>		<u>1,373,406</u>	
Creditors: amounts falling due within one year	11	(582,954)		(479,120)	
Net current assets			714,753		894,286
Total assets less current liabilities			742,481		938,136
Net assets			<u>742,481</u>		<u>938,136</u>
Capital and reserves					
Unrestricted funds:					
General funds			564,221		655,888
Designated funds	13		6,916		12,916
			<u>571,137</u>		<u>668,804</u>
Restricted funds	14		171,344		269,332
			<u>742,481</u>		<u>938,136</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 8 May 2019.

P Nell
Director

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

Notes to the financial statements

for the year ended 31 March 2019

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).

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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 2019 there were 2,151 members (2018 – 2,142 members).

5 (Deficit)/surplus of income over expenditure

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

	2019	2018
	£	£
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	12,495	11,900
Defined contribution pension cost	<u>27,991</u>	<u>26,912</u>

6 Employees

The average monthly number of employees, including directors, during the year was 8 (2018 – 8).

7 Directors' remuneration

	2019	2018
	£	£
Directors' emoluments	249,400	241,000
Social security costs	32,092	31,006
Company contributions to defined contribution pension schemes	24,940	24,200
	<u>306,432</u>	<u>296,206</u>

During the year retirement benefits were accruing to 2 directors (2018 – 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

	2019	2018
	£	£
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 (2018 – lower than) the standard rate of corporation tax in the UK of 19% (2018 – 19%). The differences are explained below:

	2019	2018
	£	£
(Loss)/profit on ordinary activities before tax	<u>(195,655)</u>	<u>53,928</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 – 19%)	(37,174)	10,246
Effects of:		
Expenses not deductible for tax purposes	27,070	21,842
Capital allowances for year in excess of depreciation	–	3,063
Non taxable income	(86,123)	(86,535)
Deferred tax not recognised	96,227	51,384
Total tax charge for the year	<u>–</u>	<u>–</u>

There is an unrecognised deferred tax asset at the period end of £455,583 (2018 – £370,081) 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 £
<i>Cost</i>	
At 1 April 2018	102,432
At 31 March 2019	<u>102,432</u>
<i>Depreciation</i>	
At 1 April 2018	58,582
Charge for the year	16,122
At 31 March 2019	<u>74,704</u>
<i>Net book value</i>	
At 31 March 2019	<u>27,728</u>
At 31 March 2018	<u>43,850</u>

10 Debtors

	2019 £	2018 £
Trade debtors	65,600	46,648
Other debtors	23,593	59,755
Prepayments and accrued income	109,726	100,441
	<u>198,919</u>	<u>206,844</u>

11 Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	28,030	76,406
Other taxation and social security	15,350	14,485
Other creditors	32,409	37,842
Accruals and deferred income	507,165	350,387
	<u>582,954</u>	<u>479,120</u>

12 Pension commitments

Contributions totalling £6,442 (2018 – £6,940) were payable to the fund at the balance sheet date and are included in creditors.

13 Designated funds

	Balance 2018 £	New balance £	Utilised/ designations £	Balance 2019 £
Special projects	<u>12,916</u>	<u>–</u>	<u>(6,000)</u>	<u>6,916</u>

In 2006, Hermes Real Estate Investment Management donated the proceeds of the “Property Derivatives Trading Forum” to the IPF with a further donation received in 2010. The former Management Board, now the Operational Board, has allocated this sum to a designated fund for use to finance any special projects the Investment Property Forum may wish to pursue from time to time. The Operational Board released £6,000 during the year.

14 Restricted funds

	Balance 2018 £	Income £	Expenditure £	Balance 2019 £
Research Programme Fund	<u>269,332</u>	<u>328,125</u>	<u>(426,113)</u>	<u>171,344</u>

The fourth IPF Research Programme is sponsored by 17 (2018 – 22) organisations, including the IPF (see note 16). 16 sponsors contributed £275,625 and IPF contributed £52,500 (see note 16) for the year 2018-19, in accordance with their respective sponsorship agreements.

15 Commitments under operating leases

At 31 March 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	86,163	40,424
In two to five years	43,436	–
	<u>129,599</u>	<u>40,424</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 2018-19 amount to £155,473 as at 31 March 2019 (2018 – £136,718).

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 could not be obtained resulting in the company having to contribute to the funding requirements. As a result, £52,500 has been transferred from unrestricted funds to restricted funds.

17 Related party transactions

Each director is a member of the Forum and contributes the membership fee of £240 (2018 – £235) to the Forum. In addition, certain directors (through their employer companies) contributed £48,125 (2018 – £35,000) in funds to the Research Programme in accordance with the terms of the general format agreement applicable to all Research Programme sponsors.

The Forum also purchased wine, subsequently sent as a 'thank you' to speakers at IPF seminars, from Waud Wine Club amounting to £8,666 during the year (2018 –£9,445). P Craddock's spouse is a Director at Waud Wine Club.

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



Investment
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