

**REGISTERED NUMBER: 00778293**

**BRITISH PROPERTY FEDERATION**

**(Limited by Guarantee)**

**REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2021**

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**Directors**

Mark C Allan	Appointed 6 July 2021
Harvin S Chohan	Resigned 1 January 2022
Toby A Courtauld	
Helen C Gordon	
Guy J Grainger	
Jessica Grace Hardman	
Isabelle B Hease	Appointed 1 January 2022
William Hughes	
Melanie J Leech	
Alan J Leibowitz	
Madeleine A McDougall	
Jonathan S Murphy	
David Partridge	

**Company Secretary**

Ion M P Fletcher

**Business Address  
and Registered Office**

5<sup>th</sup> Floor  
St Albans House  
57 – 59 Haymarket  
London SW1Y 4QX

**Auditors**

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

**Company Registration Number** 00778293

## Introduction

The Directors present their report and the audited financial statements of the Group and Company for the year ended 31 December 2021.

## Business of the British Property Federation (BPF)

The purpose of the BPF is to develop partnerships with the UK and Scottish Governments, and other decision making bodies, so that it can encourage the development of policies and regulations that will enable the industry to grow and thrive.

## Review of business and future developments

The start of 2021 saw the BPF continuing to work remotely under Covid restrictions and delivering its events and engagement with members and stakeholders remotely rather than in person. However we were able to re-open the BPF office in London in September and to hold our first in-person events shortly before the end of the year.

Our digital events programme continued to be well supported through the year. We worked to sign our members up to our new member portal MyBPF and increasingly to engage with members via the portal.

The moratoriums on commercial property owners' contractual rights continued to be a major focus of our policy work in 2021 as was building safety. We continued to lobby for reform of the business rates regime with some success, and were referenced by the Chancellor in the Autumn Budget in announcing tax reliefs for green investment.

Sustainability was high on the agenda – we seconded one of our staff members part-time to the UK Green Building Council to help develop a net zero carbon roadmap for the sector and were part of a cross industry consortium showcasing the UK industry's progress in decarbonising the built environment at COP26 in Glasgow in November.

Our network BPF Futures for those with fewer than ten years' industry experience continued to thrive. During 2021 it expanded its programme of activities including the highly successful launch of a pilot mentorship scheme. We also launched BPF Futures in Scotland. At the end of the year we said good-bye to its inaugural chair Harvin Chohan and a number of the other founding Advisory Board members. The new Board is setting an ambitious agenda to further grow the membership and range of activities.

In Scotland, the SPF produced an action plan for the new Scottish Parliament elected in May. The plan called for support for investment in the built environment to meet objectives for economic recovery and to meet sustainability goals. This formed part of a strategy for engagement with newly elected MSPs and Ministers. Later in the year as the new Scottish Government confirmed its legislative agenda, the SPF engaged with key government officials and Ministers to represent membership perspectives on a wide range of policy areas including the Scottish National Planning Framework 4, the controversial plan for PRS rent control with local flexibility and reforms to the non-domestic rates system in Scotland.

We have also moved our Scottish operation to a flexible and efficient serviced office set-up to improve our direct membership and political engagements. A range of successful and regular webinars and issue-based engagements were also continued online throughout the year, with an aim of returning to in person events once Scottish Government policies changed.

The Board conducted a review of the BPF's strategy in 2021 and concluded that the BPF's top priority should be working to enhance the industry's reputation by showcasing its economic and social impact and driving good practice. This theme will both be a specific strand of work in 2022 and underpin all our work. As part of this we will review our Redefining Real Estate campaign.

The Board has also agreed a framework for prioritising the BPF's policy work, recognising that there are huge levels of demand and limited resources available to deliver. 2022 will be another busy year for policy with the Government's flagship levelling up and housing policies and a review of the Landlord and Tenant Act 1954 expected to begin.

**Directors' Indemnity**

The Company has provided qualifying third-party indemnities for the benefit of its Directors. These were provided during the year and remain in force at the date of this report.

**Results for the year**

The results are set out in the consolidated statement of comprehensive income on page 9. The profit for the year after taxation was £206,918 (2020 – profit of £7,934).

**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 BPF's activities. Regular checks are made of office equipment, staff welfare and working practices to ensure that correct standards are maintained, and health and safety specialists undertake an annual inspection of fire prevention equipment.

**Membership of the Board**

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

**Provision of Information to Auditors**

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditor:**

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

This report is prepared in accordance with the small companies' regime under the Companies Act 2006.

By order of the Board



M J Leech  
Chief Executive

5<sup>th</sup> Floor  
St Albans House  
57 – 59 Haymarket  
London SW1Y 4QX

7<sup>th</sup> June 2022

The Directors are responsible for preparing the annual 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 Group and Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102). 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 Group and Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- \* select suitable Accounting Policies and then apply them consistently;
- \* make judgments and accounting 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 Group and 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 Group and 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 Group's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH PROPERTY FEDERATION****Opinion**

We have audited the financial statements of British Property Federation (the 'parent company') and its subsidiary (the 'group') for the year ended 31 December 2021, which comprise the Consolidated Statement of Comprehensive Income, the Balance Sheets, the Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and of the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the report of the directors, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the report of the directors. Our opinion on the group and parent company 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 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.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the group and parent company 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 group and parent company financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from Companies Act 2006 and relevant tax legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to enquiries of management and review of minutes.
- We also identified the risks of material misstatement of the financial statements due to fraud. We did not consider there to be any risk, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.



**Alastair Duke (Senior Statutory Auditor)**  
**For and on behalf of PKF Littlejohn LLP**  
**Statutory Auditor**

15 Westferry Circus  
Canary Wharf  
London E14 4HD

20 June 2022

**BRITISH PROPERTY FEDERATION CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
YEAR ENDED 31 DECEMBER 2021**

	Note	Total 2021 £	Total 2020 £
Subscription income		2,740,854	2,753,488
Operating and administrative expenses	5	(2,759,737)	(2,858,402)
Event and other income		32,110	63,962
		<hr/>	<hr/>
<b>Operating surplus/(deficit)</b>		13,227	(40,952)
Interest receivable and similar income	7	14,534	81,709
Gain/(Loss) on sale of and movement in value of investments	10	180,528	(32,003)
Bank interest and charges payable		(1,371)	(820)
		<hr/>	<hr/>
<b>Surplus on ordinary activities before taxation</b>		206,918	7,934
Taxation	8	-	-
		<hr/>	<hr/>
<b>Surplus on ordinary activities after taxation</b>		206,918	7,934
 <b>Income and Expenditure account</b>			
Balance at beginning of year		3,265,102	3,257,168
		<hr/>	<hr/>
Balance at end of year		3,472,020	3,265,102
		<hr/> <hr/>	<hr/> <hr/>
 <b>Total comprehensive income for the year</b>			
		206,918	7,934
		<hr/> <hr/>	<hr/> <hr/>

All income and expenditure relates to continuing operations.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Company profit and loss account. The profit for the Company for the year was £209,780 (2020: profit of £226,604).

The notes on pages 13 to 24 form part of these financial statements.

		Group		Company	
	Note	2021	2020	2021	2020
<b>Fixed Assets</b>					
Tangible fixed assets	9	458,179	434,074	-	-
Investments	10	3,438,508	3,034,664	-	-
Investment in group undertaking	19	-	-	100	100
<b>Current Assets</b>					
Debtors	11	119,124	213,201	3,067,890	2,721,404
Investments	12	1,299,870	1,464,744	1,299,870	1,464,744
Cash at bank and In hand		311,425	138,209	252,672	98,068
		<u>1,730,419</u>	<u>1,816,154</u>	<u>4,620,432</u>	<u>4,284,216</u>
<b>Creditors:</b>					
Amounts falling due within one year	13	(2,115,086)	(1,979,790)	(2,033,300)	(1,906,864)
		<u>(384,667)</u>	<u>(163,636)</u>	<u>2,587,132</u>	<u>2,377,352</u>
<b>Net Current (Liabilities)/ Assets</b>					
		(384,667)	(163,636)	2,587,132	2,377,352
<b>Provisions for liabilities</b>					
	14	(40,000)	(40,000)	-	-
		<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>	<u>-</u>
<b>Net Assets</b>					
		<u>£3,472,020</u>	<u>£3,265,102</u>	<u>£2,587,232</u>	<u>£2,377,452</u>
<b>Members' funds</b>					
		<u>£3,472,020</u>	<u>£3,265,102</u>	<u>£2,587,232</u>	<u>£2,377,452</u>
Income and Expenditure account		<u>£3,472,020</u>	<u>£3,265,102</u>	<u>£2,587,232</u>	<u>£2,377,452</u>

The financial statements were approved and authorised for issue by the Board of Directors on 7<sup>th</sup> June 2022 and were signed on its behalf by:

**Alan Leibowitz** )  
  
 ) Directors  
**Melanie J Leech** )  


The Accounting Policies and Notes on pages 13 to 24 form part of these Financial Statements.

	Notes	Group		Company	
		Members' Funds	Total	Members' Funds	Total
Balance as at 1 January 2020		3,257,168	3,257,168	2,150,848	2,150,848
Profit for the year		7,934	7,934	226,604	226,604
Balance as at 31 December 2020		£3,265,102	£3,265,102	£2,377,452	£2,377,452
Balance at 1 January 2021		3,265,102	3,265,102	2,377,452	2,377,452
Profit for the year		206,918	206,918	209,780	236,800
<b>Balance as at 31 December 2021</b>		<b>£3,472,020</b>	<b>£3,472,020</b>	<b>£2,587,232</b>	<b>£2,614,252</b>

The Accounting Policies and Notes on pages 13 to 24 form part of these Financial Statements.

	Note	2021	2020
<b>Cash from Operating Activities</b>	15	<b>344,431</b>	<b>861,208</b>
Taxation paid		-	-
		<hr/>	<hr/>
<b>Net cash generated from operating activities</b>		<b>£344,431</b>	<b>£861,208</b>
		<hr/>	<hr/>
<b>Cash flow from investing activities</b>			
Purchase of tangible assets		(125,935)	(203,894)
Purchase of fixed asset investments		(479,140)	(3,466,317)
Proceeds from disposal of fixed asset investment		459,247	3,288,531
Interest received		127	1,195
Dividends received		14,407	80,515
		<hr/>	<hr/>
<b>Net cash from investing activities</b>		<b>£(131,294)</b>	<b>£(299,971)</b>
		<hr/>	<hr/>
<b>Cash flow from financing activities</b>			
Bank charges		(1,371)	(820)
		<hr/>	<hr/>
<b>Net cash from financing activities</b>		<b>£(1,371)</b>	<b>£(820)</b>
		<hr/>	<hr/>
<b>Net increase in cash and cash equivalents</b>		<b>211,766</b>	<b>560,417</b>
Cash and cash equivalents at the beginning of the year		1,615,044	1,054,627
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>		<b>£1,826,810</b>	<b>£1,615,044</b>
		<hr/>	<hr/>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		311,425	138,209
Short term deposits (included in current asset investments)		1,299,870	1,464,744
Cash held at stockbrokers		215,515	12,091
		<hr/>	<hr/>
<b>Cash and cash equivalents</b>		<b>£1,826,810</b>	<b>£1,615,044</b>
		<hr/>	<hr/>

The Accounting Policies and Notes on pages 13 to 24 form part of these financial statements.

**1. General information**

British Property Federation (“the Company”) and its subsidiary (together “the Group”) develop partnerships with the UK and Scottish Governments and other decision making bodies, to encourage the development of policies and regulations that will enable the industry to grow and thrive.

The Company is a private Company limited by guarantee and is incorporated and domiciled in England. The address of its registered office is 5th Floor, St Albans House, 57 – 59 Haymarket, London, SW1Y 4QX.

**2. Statement of compliance**

The Group and individual financial statements of British Property Federation have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, “The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland” (“FRS 102”) and the Companies Act 2006.

**3. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of Preparation**

These consolidated and separate financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Group and Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The Company has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual profit and loss account.

**(b) Going concern**

The Group’s forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facilities. After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

**(c) Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with. The Company has taken advantage of the exemption from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company’s cash flows.

### 3. Summary of significant accounting policies (continued)

#### (d) Basis of consolidation

The Group consolidated financial statements include the financial statements of the Company and its subsidiary undertaking made up to 31 December 2021.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

#### (e) Tangible Assets

Tangible assets are stated at cost (or deemed cost), less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

##### (i) Depreciation and residual values

Depreciation is calculated, using the straight-line method, to allocate the cost to their residual values over their estimated useful lives, as follows:

Leasehold improvements	– over the period of the lease
Furniture, fittings and office equipment	– 4 years
Computer equipment	– 3 years
CRM system	- 7 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

##### (ii) Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Other operating (losses)/gains'.

#### (f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Group and value added taxes.

Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

The Group recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Group retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to the each of Group's sales channels have been met, as described below.

##### (i) 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.

**3. Summary of significant accounting policies (continued)***(ii) Other operating income*

Other operating income comprises rental income and revenue in providing the Federation's annual conference and other events. Revenue is recognised in the accounting period in which the events are held. Income received in the current year relating to future years is credited to deferred income.

*(iii) Dividend income*

Dividend income is recognised when the right to receive payment is established.

**(g) Employee benefits**

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

*(i) Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

*(ii) Defined contribution pension plans*

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

*(iii) Annual bonus plan*

The Group operates an annual bonus plan for employees. An expense is recognised in the profit and loss account when the Group has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

**(h) Taxation**

The current tax charge is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**(i) Leased assets**

At inception the Group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

**3. Summary of significant accounting policies (continued)***(i) Operating leased assets*

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

**(k) Investments - Company***(i) Investment in subsidiary company*

Investment in the subsidiary company is held at cost less accumulated impairment losses.

**(l) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

**(m) Provisions and contingencies***(i) Provisions*

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

**(o) Financial instruments**

The Group has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

*(i) Financial assets*

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**(p) Related party transactions**

The Group discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

**4. Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Key accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

*Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

## Cost recharges

Costs are recharged from, and charged to, BPF Commercial Limited based on an estimation by management of the use of resources, predominantly driven by time incurred on the activities of each entity.

**5. Operating and administrative expenses**

	<b>Group</b>	
	<b>2021</b>	<b>2020</b>
<b>Administration and overheads</b>		
Employment costs (see note 6)	1,791,837	1,840,650
Other employee costs	101,447	127,042
Operating costs	318,847	337,415
Auditors remuneration – audit services	18,246	18,294
Auditors remuneration – tax advisory services	4,116	2,398
Depreciation	101,830	60,397
<b>Premises costs</b>		
Rent – operating lease charge	113,159	178,934
Service charge	76,267	51,430
Business rates	98,432	103,333
<b>Advocacy and member services</b>		
Consultant, research and information	48,726	48,648
Subscriptions and membership of other bodies	42,429	40,476
Event costs and meetings	14,497	47,552
Website and publications	29,904	1,833
	—————	—————
	<b>£2,759,737</b>	<b>£2,858,402</b>
	=====	=====

**6. Employment costs**

Staff costs consist of:

	<b>2021</b>	<b>2020</b>
Wages and salaries	1,413,359	1,473,256
Social security costs	177,100	162,811
Pension contributions	201,377	204,583
	<u>          </u>	<u>          </u>
	£1,791,837	£1,840,650
	<u>          </u>	<u>          </u>

	<b>2021</b>	<b>2020</b>
Average number of employees during the year (calculated on a monthly basis)	No.	No.
Full time	23	25
	<u>      </u>	<u>      </u>

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

**Directors**

The Directors' emoluments were as follows:

	<b>2021</b>	<b>2020</b>
Aggregate emoluments	£286,085	£230,266
	<u>          </u>	<u>          </u>

One director (2020: one) was a member of a defined contribution schemes.

**Highest Paid Director**

Total amount of emoluments (excluding pension contributions)	252,548	220,270
Company pension contributions to money purchase schemes	33,537	9,996
	<u>          </u>	<u>          </u>
	£286,085	£230,266
	<u>          </u>	<u>          </u>

**Key management compensation**

Key management includes the Directors and members of senior management. The compensation, including employer's national insurance, paid or payable to key management for employee services is shown below:

	<b>2021</b>	<b>2020</b>
Salaries and other short-term benefits	612,207	579,302
Post-employment benefits	75,098	136,927
	<u>          </u>	<u>          </u>
<b>Total key management compensation</b>	£687,305	£716,229
	<u>          </u>	<u>          </u>

## 7. Interest receivable and similar income

	2021	2020
Other interest – short term deposits	127	1,194
Income from fixed asset investments and dividends	14,407	80,515
	<u>£14,534</u>	<u>£81,709</u>

## 8. Taxation

## (a) Tax expense included in profit and loss

## Current tax:

	2021	2020
UK Corporation tax on profits for the year	-	-
	<u>-</u>	<u>-</u>
Total current tax	-	-
	<u>-</u>	<u>-</u>

## Tax on profit on ordinary activities

£	-	£-
	<u>-</u>	<u>-</u>

## (b) Reconciliation of tax charge

The tax assessed for the period is lower (2020: lower) than the standard effective rate of corporation tax in the UK for the year ended 31 December 2021 of 19% (2020: 19%). The differences are explained below:

	2021	2020
Profit multiplied by the standard effective rate of tax in the UK of 19% (2020: 19%)	39,314	1,507
<b>Effects of:</b>		
Income not subject to tax	(76,390)	(57,808)
Unrecognised deferred tax	37,076	48,216
Expenses not deductible	-	8,085
	<u>£-</u>	<u>£-</u>
<b>Tax charge for the year</b>	<u>£-</u>	<u>£-</u>

## 9. Tangible fixed assets

<b>Group</b>					
<b>Cost</b>	<b>CRM</b>	<b>Computer</b>	<b>Furniture fittings and office equipment</b>	<b>Leasehold improvements</b>	<b>Total</b>
At beginning of year	470,086	138,744	116,802	113,177	838,809
Additions	109,967	15,968	-	-	125,935
Disposals	-	(763)	-	-	(763)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Cost at end of year	580,053	153,949	116,802	113,177	963,981
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>					
At beginning of year	47,009	127,929	116,620	113,177	404,735
Provision for year	88,841	12,807	182	-	101,830
Disposals	-	(763)	-	-	(763)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	135,850	139,973	116,802	113,177	505,802
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>					
At 31 December 2021	£444,203	£13,976	£-	-	£458,179
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	£423,077	£10,815	£182	-	£434,074
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**Company**

The Company had no tangible assets at 31 December 2021 (2020: £nil).

## 10. Investments – fixed assets

	2021	2020
Equity Investments	-	1,046
Multi asset funds	3,388,629	2,771,527
Liquidity fund	49,879	250,000
Cash held at stockbrokers	-	12,091
	<u>          </u>	<u>          </u>
Total investments	£3,438,508	£3,034,664
	<u>          </u>	<u>          </u>

Movements in fixed asset investments during the year were as follows

	2021	2020
As at 1 January	3,034,664	3,083,037
Additions	479,140	3,466,317
Disposals and redemptions	(459,247)	(3,288,531)
Movement in cash held at stockbrokers	203,423	(194,156)
Net gain/(loss) on revaluation	180,528	(32,003)
	<u>          </u>	<u>          </u>
As at 31 December	£3,438,508	£3,034,664
	<u>          </u>	<u>          </u>

## 11. Debtors

	Group		Company	
	2021	2020	2021	2020
Trade debtors	2,988	16,295	1,819	13,326
Loan to subsidiary company	-	-	2,633,006	2,633,006
Prepayments and other debtors	116,136	196,206	50,092	75,072
Amounts due from subsidiary	-	-	382,973	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	£119,124	£213,201	£3,067,890	£2,721,404
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The loan to BPF Commercial Limited is unsecured, interest free, has no fixed date of repayment and is repayable upon demand.

## 12. Current asset investments

		<b>Group</b>	<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Short term deposits	£1,299,870	£1,464,744	£1,299,870	£1,464,744
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

## 13. Creditors: amounts falling due within one year

		<b>Group</b>	<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Trade creditors	147,079	125,356	111,725	78,450
Amounts due to subsidiary	-	-	-	54,490
Other taxation and social security	72,613	78,573	72,613	78,573
Accruals and other creditors	215,323	191,040	168,890	110,530
Deferred income	1,680,071	1,584,821	1,680,072	1,584,821
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	£2,115,086	£1,979,790	£2,033,300	£1,906,864
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

## 14. Provisions for liabilities

		<b>Group</b>	<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Provision for dilapidations	£40,000	£40,000	£-	£-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

As part of the Group's property leasing arrangements there is an obligation to repair damages which incur during the life of the lease, such as wear and tear. The cost is charged to profit and loss as the obligation arises.

## 15. Notes to the statement of cash flows

Reconciliation of surplus to net cash inflow from operating activities:

	<b>2021</b>	<b>2020</b>
<b>Surplus for the financial year</b>	206,918	7,934
Adjustment for:		
Tax on profit on ordinary activities	-	-
Interest and investment income	(14,534)	(81,709)
Bank charges	1,371	820
(Gain)/Loss on sale of and movement in value of investments	(180,528)	32,003
	<u>£13,227</u>	<u>(£40,952)</u>
	<b>2021</b>	<b>2020</b>
<b>Operating surplus/(deficit)</b>	13,227	(40,952)
Depreciation of tangible assets	101,830	60,397
Working capital movements:		
Decrease in debtors	94,078	88,406
Increase in creditors	135,296	753,357
	<u>£344,431</u>	<u>£861,208</u>
<b>Cash flow from operating activities</b>	<b>£344,431</b>	<b>£861,208</b>

Analysis of changes in net debt

	<b>At 1 January 2021</b>	<b>Cash flows</b>	<b>At 31 December 2021</b>
Cash at bank and in hand	138,209	173,216	311,425
Short-term deposits	1,464,744	(164,874)	1,299,870
Cash held at stockbrokers	12,091	203,424	215,515
<b>Total</b>	<u>£1,615,044</u>	<u>£211,766</u>	<u>£1,826,809</u>

Cash held at stockbrokers represents cash held for future investments, but is available at relatively short notice if needed by the Group.

**16. Capital and other commitments****Group**

The Group had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	<b>2021</b>	<b>2020</b>
Payments due		
Not later than one year and not later than five years	50,000	75,000
Later than one year and not later than five years	-	-
	<u>50,000</u>	<u>75,000</u>
	<u>£50,000</u>	<u>£75,000</u>

**Company**

The Company had capital commitments of £NIL as at 31 December 2021 (2020: £NIL).

**17. Related party transactions**

The Company's only related party transactions were with a wholly owned subsidiary and so have not been disclosed. The Company has provided a letter of support to the Directors of BPF Commercial Limited confirming ongoing support for that company to enable it to meet its liabilities for a period of at least 12 months from the date of approval of the financial statements.

Melanie Leech is a Trustee of LandAid Charitable Trust. In the year ended 31 December 2021, £22,201 of office rental and service charge income was received from the Trust (2020: £37,652).

**18. Controlling parties****Group and Company**

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 £1) to the Company's assets if it should be wound up whilst the member is a member or within one year of ceasing to be a member.

**19. Subsidiaries and related undertakings**

The related undertakings whose results or financial performance principally affect the figures shown in the consolidated financial statements are as follows:

<b>Name</b>	<b>Country of incorporation</b>	<b>Nature of business</b>	<b>Interest</b>
BPF Commercial Limited	UK	Managing events and working capital	100% Ordinary Shares

The above subsidiary is included in the consolidation.