BAYFIELD

In partnership with:
Selesgroup



Understanding Property Accounts
Building your business acumen

In-house training: One day

You already understand the key transactions within property (rent, service charge, debt, valuation etc), however, do you understand how these transactions are accounted for in a set of financial statements.?

This course will show you an insightful way to read a set of property accounts under International Financial Reporting Standards (IFRS). The 1-day course includes essential topics related to the realms of accounting, finance, and real estate investment, which will help delegates have more comprehensive understanding of property companies.

Delegates leave this course with an understanding of how to read, question and understand property financial reports. This course goes further to help delegates to obtain skills on examining the fundamental value of a property company by conducting a wide range of finance analysis tools.

What would be the learning outcomes?

- Recognise the underlying principles of accounting and the nature of property reporting
- Uncover key information in property company accounts that will provide you with a better understanding of the property or portfolio.
- Empower yourself to ask relevant questions when reviewing accounts.
- Understand what key information needs to be provided to accountants so as to ensure accounts are accurately prepared.
- Key ratio analysis of accounts and understanding funding and where the cash is going

Who will benefit from this course?

- Directors and managers in property companies or related industry
- Fund managers
- Real estate investors
- Financial analysts
- All keen Professionals
- Surveyors
- People interested in learning about the real estate sector reporting

Course Outline

DAY ONE

The basics of accounting

- Cash vs accrual
- Assets, liabilities and equity
- IFRS, FRS102, UKGAAP, USGAAP, LUXGAAP??
- Group accounting – the structure chart, JV's and the effect on reporting

Introduction to financial statements

- Balance sheet
- Income statement
- Cash flow statement
- Notes to the accounts
- Audited vs non-audited
- Directors responsibilities

Property

- Classification and valuation
- Freehold vs leasehold
- Completion statements

Leases

- Basic accounting
- Rent incentives
- Rental uplifts, rent reviews

Debt

- Different types of debt
- Loan related costs
- Interest
- Hedging - Swaps and Caps
- Loan covenants
- Interest on development loans

Tax and VAT

- A basic introduction to VAT and property tax

General property related trancactions

- A summary of general day-to-day transactions detailing the basic accounting and where to locate the transactions in a set of financial statements
- Includes: Service charge, surrender premiums, rent guarantees, dilapidations, rent deposits, non-recoverable expenditure, management fees etc

EPRA, AREF, INREV Net asset values

- Understanding property sector specific net asset values
- The differences between these net asset values and the accounting net asset value

Ratio analysis

- Applying ratio analysis to property accounts

Case study: Dissecting a listed REIT's financial statements, using all that we've learnt, bringing the numbers to life in a real REIT

Contact us

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