



Investment
Property Forum



Report & Accounts 2010

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Management Board & Executive

Executive

Executive Director
Sue Forster

Membership & Marketing Director
Vivienne Wootten (until July 2009)

Research Director
Louise Ellison

Accounts Manager
Jenny Hooper

Education & Research Manager
Frankie Clay

Events Manager
Suleen Syn

Events Manager
Ingrid Styles (until July 2009)

Membership Co-ordinator
Pat Johnson

IPF Management Board

President
Sir David Clementi

Chairman
Peter Pereira Gray

Vice Chairman
John Gellatly

Honorary Treasurer
Philip Ingman

Board Members

Andrew Brazier
Stephen Brown
Chris Carter Keall
Phil Clark
Toby Courtauld
Ian Cullen
Sue Forster
John Gellatly
Amanda Howard
Andrew Hynard
Guy Morrell
Fiona Morton
Rosalind Rowe
Michael Stancombe
Mark Titcomb
Neil Turner
Ian Womack

Past Chairmen

Adrian Wyatt
Adrian White
Michael Boggis
Richard Catling
Ramsay Mason
Andrew Graham
John Whalley (deceased)
Phillip Nelson
Mark Burton
Edward Luker
Stuart Beevor
Rupert Clarke
Martin Moore
Rob Bould
Steven Fogel
Ian Marcus
Andy Martin
Paul McNamara
Ian Womack
Peter Freeman
Andrew Hynard

Life Members

Stuart Beevor
Rob Bould
Robert Clarke
Andrew Graham
Michael Mallinson
Ian Marcus
Andy Martin
John McLachlan
Paul McNamara
Fiona Morton
Phillip Nelson
Sir Idris Pearce
John Plender
Sir John Ritblat
Karen Sieracki
John Story
Ian Womack
Adrian Wyatt

Honorary Members

Louis Armstrong – RICS
Roger Bootle – Capital Economics
Andrea Carpenter – INREV
Phillip Charls – EPRA
Sir David Clementi – IPF President
Sir Robert Finch – Property Industry Alliance
Andrew Goodbody –
Association of Property Bankers
Will Goodhart – CFA Society of the UK
Paul Herrington – Association of British Insurers
Simon Jones –
Institute of Actuaries Property Committee
Richard Kauntze – British Council for Offices
William Kistler – Urban Land Institute
Andrew Main Wilson – Institute of Directors
John Cartwright – Association of Real Estate Funds
Liz Peace – British Property Federation
William Jackson – FIABCI
William Seabrooke –
Cambridge International Land Institute
Steven Wechsler – NAREIT

Report from the Chairman



It has been a great honour to serve as Chairman of the Investment Property Forum over this last year, a time of significant change and challenge for the property investment community.

When I succeeded Andrew Hynard as Chairman in June 2009, UK commercial property capital values, according to IPD, had fallen around 45% from their peak in July 2007 and rental values were falling more

rapidly than at any time over the previous 15 years.

Thankfully, the market has recovered some of its poise, having added back some 20% in the last 12 months. Many, including me, now argue that property broadly represents fair value whilst real bond yields, my preferred benchmark for the assessment of worth, are at almost unprecedented lows. The medium level secure and predictable income stream which comes from property remains a healthy contributor to broader investment portfolios, especially whilst we witness such extremes of volatility in other equity and debt markets. As markets respond to the various challenges facing government, corporate and consumer sectors, we should watch carefully for any changes to the term structure of interest rates as a leading indicator for the future health of our industry.

Against that June 2009 backdrop, my priorities for 2009-10 were to:

- ensure that the Forum's finances remained sustainable for the long term;
- build the IPF 'brand' so that the benefits of membership were widely understood;
- explore the role the Forum has to play in supporting a vibrant institutional residential investment market; and to
- investigate the potential for alliances with similar organisations that could benefit our members, without compromising our independence, quality or integrity.

The report below provides an update as to the progress that has been made in achieving these priorities, together with details of other developments in the Forum's activities during the year.

Finances and Membership

The Forum has benefited from the wise stewardship of earlier Management Boards and our long-standing Honorary Treasurer, Andy Martin, with the reserves that were built up under his tenure. Andy stepped down from the Management Board in June 2009 but has been ably succeeded by Philip Ingman.

Notwithstanding the reserves, the Management Board agreed that we should seek to run a balanced budget for the year, despite the pressures that this would present. I am pleased to report that despite our expectations of dipping into reserves, we end the year with a small surplus, which we will use to further the aims of the Forum in future years. As the economic climate becomes clearer we will become more confident that this can be deployed appropriately.

...we end the year with a small surplus, **which we will use to further the aims of the Forum** in future years.

Given the economic climate, it was not surprising that the Forum's membership fell back a little from the high of over 1,900 in the previous year, though I am pleased to report that this decrease was not as large as expected, thanks to the great efforts of the Executive and the Membership Committee, chaired by Chris Carter Keall, and with special thanks to the Regional Boards in the Midlands, the North and Scotland, under the chairmanships of Adrian Watson, Andrew Quinlan and Fiona Morton, including her successor Graham Sanders, respectively.

Their efforts were supported by the decision of the Management Board to continue providing the comprehensive programme of seminars and lectures free of charge to members. Despite the pressures, we also decided to hold the annual membership subscription at £185 and continue the discounted rate for those members who were between jobs in these uncertain times. We know this has been appreciated.

On the Executive front, we said goodbye to Vivienne Wootton and Ingrid Styles during the year and we are grateful to them for their contribution to the Forum over the years and wish them well in their future endeavours.

Life Members

I was delighted to announce at the Annual Lunch in January that the Forum had decided to bestow life membership on two members of the Management Board retiring this year. Both Ian Womack and Fiona Morton have made an invaluable contribution to the Forum and the wider property industry and we are delighted to retain their involvement with us and I would like to offer them my grateful thanks for all that they have done.

Education and Allegiances

Our seminar and lecture programme, organised by the London-based CPD Group, chaired by Charles Follows, and the Regional Boards, provided a large number of events on a wide range of topics. This year, we ran joint events with the Industrial Agents Society (IAS) and CFA Society of the UK for the first time – fixtures that are back in the diary for 2010-11. We also saw a number of specialist seminars run by members and their respective organisations on behalf of the Forum.

The Forum was pleased to **negotiate discounted fees for members** on a range of educational events and courses provided by other organisations...

The Forum was pleased to negotiate discounted fees for members on a range of educational events and courses provided by other organisations, including Investment Property Databank (IPD) and the College of Estate Management (CEM) in Reading. Furthermore, in February 2010, the Institute of Continuing Professional Development (CPD Institute) agreed to offer Forum members free membership of the CPD Institute for one year and a 50% discount on renewal for year two. This provides access to the CPD Foundation's comprehensive and wide-ranging property-based lecture programme. We are pleased to have formed this allegiance and are exploring further ways in which we can boost benefits for members through allegiances with others who are like minded in their outlook and ambitions.

In September 2009, the responsibility for running the Investment Education Programme (IEP) transferred from the Cambridge International Land Institute to the Institute of

Continuing Education, a department of the University of Cambridge. We are delighted that a world-class university is now supporting the Programme and look forward to seeing it develop further with the support of the IPF Academic Group, an amalgam of the Academic Committee and Academic Faculty, chaired by John Story. More than 500 people have now completed at least one of the modules in the IEP, and over 150 people have been awarded the IPF Diploma for completing all seven modules in the Programme.

Part 1 of the IEP, coupled with the online module, Property as an Asset Class, gained accreditation by Financial Services Skills Council (FSSC) as an Appropriate Exam. Achieving this accreditation for property professionals is down to the work of the 'Routes to Authorisation' Group that I have chaired for several years. As always, it has been a great team effort and I should particularly like to thank Phil Clark, Philip Ingman and Sue Forster, our Executive Director, for all their efforts.

Research

The IPF Research Programme, sponsored by 24 leading organisations (see table), plays a key role in improving the awareness, understanding and efficiency of property as an investment. The Research Steering Group, under the chairmanship of John Gellatly, and now Andrew Smith, who we have welcomed to the Management Board, together with the Forum's Research Director, Louise Ellison, have commissioned some major reports this year and a number of thought leadership pieces under the IPF Short Papers Programme, as listed below:

Main reports

- Investment Allocation Decision Drivers in the institutional real estate and unlisted investor universe
- Depreciation of Office Investment Property in Europe
- Evaluation of Investment Vehicles in Urban Regeneration: a scoping study
- Green Leases – The Landlord and Tenant Relationship as a Driver of more Sustainable Property Occupation, Management and Ownership
- The Development of a Sustainable Property Investment Index – ISPI
- The Treatment of Covenant Strength by the Property Industry

...a research programme, which is increasingly recognised **as second to none** in the UK.

IPF Research Programme Sponsoring Organisations

Addleshaw Goddard • Aviva Investors
The British Land Company PLC • Credit Suisse • Deloitte
DLA Piper LLP • DTZ • GIC Real Estate • Grosvenor
GVA Grimley • Hammersons PLC • Helical Bar PLC
Investment Property Databank • Kenmore Investments Ltd
Knight Frank LLP • Land Securities PLC
LaSalle Investment Management
Legal & General Property Ltd • Nabarro
Prudential Property Investment Managers Ltd
Quintain Estates & Development PLC
Scottish Widows Investment Partnership
Standard Life Investments Ltd • Strutt & Parker

Short papers

- Issues in Property Investment Valuation
- The Evolution of the Market for Indirect Investment in Commercial Property
- Re-pricing property risk
- UK Real Estate Debt – A problem for the borrowers and the banks
- UK Real Estate Debt – An update
- Robustness of property income
- The IPF UK Consensus Forecast and the Returns Implied by Property Derivative pricing: Evolution, Record and Influence

All the papers have been well received; particularly the short paper series, which seeks to address relevant industry issues in a digestible form.

We have expanded the list of regular survey publications to include a quarterly commercial property market monitor. Our regular survey publications now include:

- Survey of IFA attitudes to commercial property as an asset
- IPF UK Consensus Forecast
- IPF European Consensus Forecast
- Quarterly Commercial Property Market Monitor (in conjunction with Lloyds Banking Group)

The Forum is most grateful to the contributors to each of these for their continuing support.

Copies of all these reports and others are disseminated as widely as possible. Members may download the full reports from the Forum website for free and copies of the summary reports are also available free of charge to non-members.

Given the financial climate we decided to extend the current research programme for 12 months, and we are grateful to our sponsors and the IPF Educational Trust for the financial support which enabled this to happen. We will be returning to our current sponsors and other potential financiers in the summer to raise further support for the renewal of a research programme, which is increasingly recognised as second to none in the UK. We very much hope to maintain the levels of support we have received in previous years, and we welcome the opportunity to engage in a dialogue with you about the future of our research programme.

Special Interest Groups

The Forum's Special Interest Groups have been established to provide a focus for emerging interests within the investment property industry. The Sustainability Interest Group, chaired by Miles Keeping, and the Property Derivatives Interest Group (PDIG), chaired by Nick Scarles, continue to provide a programme of briefings and lectures on their respective areas. January 2010 saw the update of PDIG's guide to **Getting into Property Derivatives**, followed by the publication of **Trading Property Derivatives** two months later. Both have been extremely well received, and PDIG was nominated by one leading publication for a European industry award, which is a great credit to all involved.

The other three Special Interest Groups also made a significant contribution this year, with the Indirect Property Funds Group, under the chairmanship of Phil Clark, contributing to the both the Research Programme and Forum seminars. The International Group, chaired by Michael Stancombe, also contributed ideas to the seminar programme and organised a Forum seminar at MIPIM in March 2010.

The Residential Investment Group, focused on the potential for substantive institutional investment in the private rented sector (PRS), was also busy working with other members of the Property Industry Alliance (PIA), AREF and the Council of Mortgage Lenders, to make an important and detailed response to a recent Government consultation on the PRS. We understand that this report has been exceptionally well received and I would hold it up as a leading example of the strength the industry can show when it brings together its industry experts in a collaborative initiative. I was delighted to see the Forum playing a leading role in that response and am grateful to all from the Forum side who contributed so much.

We will continue to engage as appropriate in all these areas and will develop further special interest groups as appropriate.

Property Industry Alliance (PIA)

In addition to the PRS consultation, the Forum continues to work alongside its fellow members of the PIA, namely the British Council for Offices (BCO), British Council of Shopping Centres (BCSC), the British Property Federation (BPF), and the RICS. During the year, the PIA's first, and most able Chairman, Sir David Clementi, was succeeded as the Chairman of the Alliance by Sir Robert Finch, whom we welcome and wish well.

The PIA Debt Group... made a major presentation to the Bank of England Property Forum in July 2009.

The PIA Debt Group, co-chaired by Phil Clark and John Gellatly and comprising senior people drawn from banks, property companies, funds and surveying practices, made a major presentation to the Bank of England Property Forum in July 2009, outlining the substantial level of debt outstanding on UK commercial property and the likely timescale for refinancing this, including CMBS.

The PIA Research Committee has commissioned an update to the popular Property Data report established in 2009. This publication provides a useful overview of key data on role of commercial property within the UK economy.

The Green Property Alliance has brought the PIA member organisations together with a wider group of stakeholders to work on the development of a standard set of metrics for the measurement and monitoring of sustainability within existing commercial buildings.

This year also saw the launch of the results from the third Occupier Satisfaction Index (OSI), commissioned by the PIA and CoreNet Global UK and conducted by RealService and IPD Occupiers. The Index measures occupier satisfaction across the UK office, industrial, and retail sectors on issues such as building quality, value for money, lease flexibility and style of conducting business. This year's survey found that occupiers acknowledge the gradual improvements in lease flexibility, partnerships and landlord responsiveness but want landlords to make cost control a greater priority.

Thanks

I should like to thank the Management Board for its support during my time in office, particularly given the challenges presented by the difficult market this year. My special thanks go to Ian Womack, Fiona Morton and Mark Titcomb, who will be stepping down from the Board this year. All three have contributed an enormous amount to the Forum during their terms of office. We are delighted to welcome Andrew Smith, Max Sinclair and Chris Ireland as first-class replacements, each of whom I am sure will make an exceptional contribution in due course.

My thanks also go to all the members of the committees and groups for the time and effort they have expended on behalf of the Forum. Without them, we would not be able to provide the seminars, lectures, and social events etc. that are a key part of the Forum's offering to members. The Acknowledgements section at the end of this report lists all those committee and group members who have given so much.

Also listed are all the event sponsors, the organisations that have generously hosted events on our behalf and the individuals that have been speakers, panellists and chairmen at our events. A big thank you to each of you.

Last, but by no means least, I should like to thank the Executive; led so ably by Sue Forster, together with Louise Ellison, Frankie Clay, Jenny Hooper, Pat Johnson and Suleen Syn, for providing first-class support to all the Forum's boards, committees and working groups and for making sure that everything runs smoothly. Overall it was the busiest of years for the Executive and I am grateful for all that they have done in maintaining the Forum's standing as the critical provider of independence and objectivity in education and research, and for providing information, ideas and networking opportunities for its members and wider market participants in the property investment industry.

In closing, I wish my successor, John Gellatly, all the very best for his coming year in office, along with Phil Clark, who was appointed Vice Chairman in January. I hope the market is less challenging during their tenure but I know that their experience and enthusiasm will ensure that the Forum continues to prosper, whatever the economic, financial and political outlook.

We are in good health, with an excellent Management Board, a strong Executive, a growing reputation, a robust membership, and looking forward to the challenges of a new year.

Peter Pereira Gray

Chairman

June 2010

Report of the Treasurer



2009-10 has again proved to be a difficult year for the industry and hence for your Forum. With redundancies and cut backs in the industry, this has had a direct effect in the Forum's membership numbers and the attendance levels at our events. These are, of course, the only two substantial income generators for the Forum and we thus started the year with a very cautious budget,

anticipating a fall off in membership and a further fall in the attendance levels at all events.

I am pleased to say that the final accounts for the year show a slightly better picture than we feared at the start of the year and, excluding the research budget, we have managed to generate a small surplus of £29,893 rather than the loss we had budgeted. However, this has not come about easily and it did mean some hard decisions needed to be taken to keep costs down. I am very pleased we have not had to dip into our reserves, even in such difficult times.

...the final accounts **show a slightly better picture** than we feared at the start of the year...

With these cost savings and considerable effort by the Executive, the Board and the membership, ticket sales came in above budget and membership numbers have not fallen by as much as expected. We have continued with the free seminars and workshops for members and the reduced annual membership fee for members who are made redundant.

In the coming year, we have set a budget that still reflects the difficult economic climate but also sets the scene for the ongoing financial health of the Forum. Membership numbers are our core source of income and a new membership drive has been instigated, not just to boost this income but also to broaden our membership, looking at private equity, CMBS, wealth managers, hedge funds etc. as ongoing participants in our market. We also want to increase the number of younger members to ensure we have succession planning and a vibrant Forum for many years to come.

...we believe we have **maintained the level of services** to members...

We have also reluctantly had to increase subscriptions to £195 for the new financial year but this is the first increase in two years and represents less than an inflation rise over the period. Through the efforts of the Executive, we believe we have maintained the level of services to members despite staffing changes and have also streamlined some aspects such as online payments for events and membership.

With regard to the Research Programme, the budget reflected a planned underspend this year to part fund a further 12-month extension of the Programme to the end of March 2011. The planned underspend has been achieved, producing a surplus of £117,067.

In my first year as Honorary Treasurer I inherited a sound financial base and I am pleased to say we have produced figures better than expected a year ago and have now set the scene for the coming years to ensure your Forum has a long, expanding and fruitful life. However, I call upon all members to assist in supporting their Forum, not only by supporting events, workshops and lectures, but also by proposing at least one new member each.

Philip Ingman
Honorary Treasurer

June 2010

Acknowledgements

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

Mark Alexander	Ciaran Carvalho	Scott Howie	Fiona Morton	Ben Sanderson
David Allen	Charles Cattell	Catherine Hughes	Malcolm Naish	Nicholas Scarles
Andrew Appleyard	Mark Charlton	Andrew Hynard	Philip Nell	Julian Schiller
Suzanne Ashwell	Hugo Clark	Philip Ingman	Jeremy Newsum	William Seabrooke
Stuart Atkinson	Philip Clark	David Jackson	Brenna O’Roarty	Angela Sheahan
Asli Ball	Peter Clarke	Max Johnson	Andrew Osborne	Bryan Sherriff
Colin Barber	Kelly Cleveland	Pat Johnson	Robert Page	Gary Sherwin
Richard Barkham	Stewart Cowe	Geraint Jones	Philip Parnell	Karen Sieracki
Andrew Baum	Neil Crosby	Xavier Jongen	Rawle Parris	Tim Sketchley
Werner Baumker	Ian Cullen	Peter Kasch	Alan Patterson	Andrew Smith
Phil Bayliss	Mark Daley	Miles Keeping	Jose Pellicer	David Smith
Roy Beckett	Richard Donnell	Tony Key	Mark Pendower	Michael Stancombe
Rachel Bhaskaran	Bob Dyson	Kultar Khangura	Peter Pereira Gray	Eva Steiner
Ashley Blake	Roddy Elliott	Mark Kildea	Chris Perkins	Julian Stocks
Claudine Blamey	Charles Fairhurst	Richard Kolb	Andrew Pettit	Maggie Stoker
Richard Bloxham	James Fairweather	Lynette Lackey	Stephanie Pfeifer	John Story
Gerald Blundell	Paul Findlay	Colin Lizieri	Andrew Quinlan	Neil Sturmeay
Shaun Bond	Richard Fisk	Phil Ljubic	Grant Rawlinson	Stuart Tait
Philip Booth	Charles Follows	Deborah Lloyd	Raj Rehan	Chris Taylor
Sylvia Bowden	Andrew Franck Steier	Mark Long	Iain Reid	Juliet Thomas
Andrew Brazier	Malcolm Frodsham	Bryan MacGregor	Dominic Reilly	Nick Thompson
Anne Breen	John Gellatly	Ian Marcus	Andrew Richardson	Mark Titcomb
David Brierley	Jeffrey Gillbanks	Jeremy Marsh	Ben Roberts	Matt Tombs
Christopher Brigstocke	Robin Goodchild	Julia Martin	Paul Robinson	Neil Turner
Alessandro Bronda	Mark Hancock	Patrick McAllister	Simon Robinson	Cathryn Vanderspar
James Bryer	Patrick Hanlon	James McDonald	Jeremy Robson	Maarten Vermeulen
Mark Bunney	Andrew Hann	Shelagh McKibbin	Steve Robson	Kenny Waitt
Graham Burnett	Nick Harris	Paul McNamara	Will Robson	Adrian Watson
Mark Callender	Andrew Hawkins	Karen McNicholls	Gary Rouse	Henrie Westlake
Simon Carter	Geoffrey Hill	Alan Meakin	Ros Rowe	Pamela Young
Christopher Carter Keall	Darren Hobson	Guy Morrell	Graeme Rutter	Tony Yu
John Cartwright	Amanda Howard	Michael Morris	Graham Sanders	

Event hosts:

London

Addleshaw Goddard	Hammonds
Allen & Overy	Herbert Smith
Berwin Leighton Paisner	ING REIM
CMS Cameron McKenna	Knight Frank
Dechert	LG
Deloitte	Lovells
Drivers Jonas	Nabarro
Freshfields Bruckhaus Deringer	Reed Smith
Grosvenor	Schroders

Regions

Addleshaw Goddard	Highcross Strategic Advisers
Argent	Innes England
Atisreal	McGrigors
DLA	Morton Fraser
DTZ	Nottingham Trent University
Dundas & Wilson	Pinsent Masons
Grant Thornton	Savills
HBJ Gately Wareing	The Royal Bank of Scotland

Conference, lecture and seminar chairmen, speakers and panellists:

Mike Alderton	John Gellatly	Alan Patterson
Nick Axford	Bill Gloyn	Jose Luis Pellicer
Richard Barkham	Alison Goldthorp	Peter Pereira Gray
Robert Barrie	Robin Goodchild	Graham Prothero
Tim Bellman	Mark Goodey	Kevin Pullen
Peter Best	Rebecca Graham	Michael Reevey
Petra Blazkova	Michael Haddock	Iain Reid
Andrew Blower	John Hammond	Jonathan Rhodes
Anthony Bolton	Jason Harding	Will Robson
Chris Brigstocke	Mike Hussey	David Roden
Ben Broadbent	Andrew Hutchinson	Paul Rostas
Mike Brown	Anatoly Kaletsky	Francis Salway
Simon Carter	Miles Keeping	Nick Scarles
Ciaran Carvalho	Venn King	Isabelle Scemama
Alice Chapple	Lee Manning	Angela Sheahan
Miranda Cockburn	Stephen Marshall	Karen Sieracki
Kevin Cooper	Stuart Martin	Max Sinclair
William Cooper	Ian Mason	Ashley Smith
Ian Coull	Bill Maxted	Andy Smith
Neil Crosby	Charlie Mayfield	Chris Turner
Christina Cudworth	Pat McAllister	Mike Turner
Ian Cullen	Paul McNamara	Neil Turner
Maurice Dalton	Adam McTavish	Neil Varnham
Jonathan de Mello	Harm Meijer	Alex Vaughan
Mark Disney	John Mulqueen	Hans Vrensen
Chris Edwards	Lord Myners	Charles Walker
Fredrik Elwing	Paul Omerod	Nigel Warwick
Lisa Fitch	Nick Orbell	Steve Williams
Lars Flåøyen	Robert Page	Stewart Womersley
Charles Follows	Peter Paguley	Andrew Yates
Quentin Freeman	Alistair Parker	
Stephen Gale	Philip Parnell	

Much of the success of the IPF is down to **the hard work and commitment from our many boards, committees and working groups.**

Event sponsors:

Abstract Land	Langham Hall
AEGON Asset Management	Lloyds TSB Corporate Markets
Argent Group	Miller Developments
BDO Stoy Hayward	Nationwide Commercial
Chase & Partners	Nottingham Trent University
First Title	Rider Levett Bucknall
King Sturge	Santander
Knight Frank	Valad Property Group

Financial Statements

Investment Property Forum (a company limited by guarantee)

Year ended 31 March 2010

Principal Officers, Advisors and Addresses

Company Secretary
S B Forster

Registered Office
Emerald House
East Street
Epsom
Surrey KT17 1HS

Independent Auditors
BDO LLP
Emerald House
East Street
Epsom
Surrey KT17 1HS

Solicitors
Nabarro
Lacon House
Theobald's Road
London WC1X 8RW

Bankers
National Westminster Bank PLC
1-4 Berkeley Square House
Berkeley Square
London W1A 1SN

Company Number
2763992

Report of the Directors

The directors submit their report together with the audited financial statements for the year ended 31 March 2010.

Principal activity

The Forum's objective is to improve the awareness, understanding and efficiency of property as an investment, for its members and other interested parties, including government, by:

- Undertaking research and special projects;
- Providing education; and
- Encouraging discussion and debate.

Results

The income and expenditure account is set out on page 13 and shows the results for the year.

The company is prevented by its constitution from distributing any excess of income over expenditure.

Directors

The following directors have served throughout the year.

P Pereira Gray (Chairman)	P Ingman
A Brazier	G Morrell
S Brown	F Morton
P Clark	R Rowe
T Courtauld	M Stancombe
I Cullen	M Titcomb
J Gellatly	N Turner
A Howard	I Womack
A Hynard	

The following directors have served during the year:

M Brown	N Tyrrell
P Freeman	S Forster
A Martin	C Carter Keall

Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The directors are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this directors' report advantage has been taken of the small companies' exemption.

On behalf of the board.

P Pereira Gray
Director

10 June 2010

Report of the Independent Auditors

To the members of Investment Property Forum

We have audited the financial statements of Investment Property Forum for the year ended 31 March 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 and the directors' report in accordance with the small companies' regime.

Nigel Burbidge (senior statutory auditor)

For and on behalf of
BDO LLP, statutory auditor
Epsom
Surrey
United Kingdom

10 June 2010

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Income and Expenditure Account

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Income				
Subscriptions	303,506	–	303,506	323,116
Bank interest receivable	14,320	1,377	15,697	34,375
Social events	239,485	–	239,485	379,876
Education	55,661	–	55,661	87,874
Research	–	331,312	331,312	324,050
Other income	354	–	354	8,718
	<u>613,326</u>	<u>332,689</u>	<u>946,015</u>	<u>1,158,009</u>
Expenditure				
Social events	156,595	–	156,595	265,123
Education	14,871	–	14,871	23,714
Research	–	216,517	216,517	355,657
Administration and salaries	353,419	–	353,419	442,424
Professional and audit fees	14,038	–	14,038	17,461
Bank charges	6,431	–	6,431	5,633
Website and publications	23,203	–	23,203	41,266
Irrecoverable VAT	14,876	–	14,876	23,654
	<u>583,433</u>	<u>216,517</u>	<u>799,950</u>	<u>1,174,932</u>
Surplus income over expenditure and retained surplus for year	29,893	116,172	146,065	(16,923)
Transfer between funds	(4,977)	4,977	–	–
Retained surplus after transfer	24,916	121,149	146,065	(16,923)
Retained surplus brought forward	536,823	119,157	655,980	672,903
Surplus carried forward	<u>561,739</u>	<u>240,306</u>	<u>802,045</u>	<u>655,980</u>

All amounts relate to continuing activities.

All recognised gains and losses are included in the income and expenditure account.

The notes on pages 15 and 16 form part of these financial statements.

Balance Sheet for the year ended 31 March 2010

	Note	2010 £	2010 £	2009 £	2009 £
Fixed assets					
Tangible assets	4		–		476
Current assets					
Debtors	5	47,750		104,582	
Cash at bank and in hand		1,007,429		647,768	
		<u>1,055,179</u>		<u>752,350</u>	
Creditors: amounts falling due within one year					
	6	<u>253,134</u>		<u>96,846</u>	
Net current assets			<u>802,045</u>		<u>655,504</u>
Total assets less current liabilities			<u>802,045</u>		<u>655,980</u>
Reserves					
Unrestricted funds					
General funds			548,823		523,907
Designated funds	8		12,916		12,916
			<u>561,739</u>		<u>536,823</u>
Restricted funds	7		240,306		119,157
			<u>802,045</u>		<u>655,980</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved by the board, signed on its behalf by and authorised for issue 10 June 2010.

P Pereira Gray

Director

The notes on pages 15 and 16 form part of these financial statements.

Notes on the Financial Statements

1 Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention.

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 8).

Restricted funds are subject to restrictions on their expenditure imposed by the sponsors (see note 7).

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rate:

Office equipment -33% per annum

2 Company status

The company does not have a share capital and its liabilities are limited to the guarantee of the members up to a maximum of £1 each. At 31 March 2010 there were 1,837 members (2009 - 1,917 members).

3 Directors remuneration

The directors, with the exception of S Forster, do not receive any remuneration for their services as a director. S Forster's remuneration, from the date of her appointment during the year, is as follows:

	2010	2009
	£	£
Emoluments	70,250	—
Payments to defined contribution pension scheme	6,375	—
	<u>76,625</u>	<u>—</u>

4 Tangible Fixed Assets

	Equipment
	£
Cost	
At 1 April 2009	6,405
Additions	—
	<u>6,405</u>
At 31 March 2010	6,405
Depreciation	
At 1 April 2009	5,929
Provided for the year	476
	<u>6,405</u>
At 31 March 2010	6,405
Net book value	
At 31 March 2010	—
At 31 March 2009	<u>476</u>

5 Debtors

	2010	2009
	£	£
Amounts receivable within one year:		
Debtors	—	29,371
Other debtors and prepayments	47,750	67,996
Corporation tax recoverable	—	7,215
	<u>47,750</u>	<u>104,582</u>

6 Creditors

	2010	2009
	£	£
Amounts falling due within one year:		
Bank overdraft	—	44,492
Trade creditors	41,556	6,786
Deferred income	149,755	15,980
Other taxes and Social Security costs	11,394	7,945
Accruals and other creditors	50,429	21,643
	<u>253,134</u>	<u>96,846</u>

7 Restricted Funds

	Balance 2009 £	Income £	Expenditure £	Transfer Between Funds £	Balance 2010 £
Securitisation Fund	67,522	1,377	–	4,977	73,876
Research Programme fund	51,635	331,312	(216,517)	–	166,430
	<u>119,157</u>	<u>332,689</u>	<u>(216,517)</u>	<u>4,977</u>	<u>240,306</u>

The Securitisation Fund was established in 1999 following a donation from the Barkshire Committee. Funds held can only be used for financing securitisation initiatives and written approval of the Barkshire Committee is required before expenditure is made.

The Research Programme Fund was established in 2006 when the IPF launched the second phase of its research programme. Twenty four supporters each committed to support the programme for four years, paying a total of £45,000 each. The full amount has now been drawn down including £15,000 per sponsor during 2009-10. The money contained in the fund is therefore restricted to use to finance IPF research initiatives only. Twenty-two of the sponsors have agreed to commit a further £2,000 to the IPF Research Programme in 2010-11 as part of a package of measures to enable the Programme to be extended for twelve months to 31 March 2011.

8 Designated Funds

	Balance 2009 £	New Designations £	Utilised/ Released £	Balance 2010 £
Special projects	12,916	–	–	12,916

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 2009. The Management Board has allocated this sum to a designated fund for use to finance any special projects the IPF may wish to pursue from time to time. No monies were released during the year.

The IPF Research Programme has developed as an important provider of high quality independent research focused specifically on property investment. We can only continue to fulfil this role due to the support of our 24 research sponsors. We are very grateful to this group of companies for their support of the programme.

ADDLESHAW GODDARD



Deloitte.



PRUPIM





Investment
Property Forum



Investment Property Forum
New Broad Street House
35 New Broad Street
London EC2M 1NH

Tel: 020 7194 7920
Fax: 020 7194 7921
Email: ipfoffice@ipf.org.uk
www.ipf.org.uk