



Investment
Property Forum



Report & Accounts 2013

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Management Board & Executive

IPF Management Board

Sir David Clementi
President

Amanda Howard
Chairman

Andrew Smith
Vice Chairman

Philip Ingman
Honorary Treasurer

Board Members

Andrew Brazier
Toby Courtauld
Chris Ireland
Peter Pereira Gray

Chris Carter Keall
Sue Forster
Noel Manns
Max Sinclair

Paul Clark
Susan Geddes
Guy Morrell
Michael Stancombe

Phil Clark
Andrew Hynard
Chris Morrish
Jonathan Thompson

Past Chairmen

Adrian Wyatt
Ramsay Mason
Mark Burton
Martin Moore
Andy Martin
Andrew Hynard

Adrian White
Andrew Graham
Edward Luker
Rob Boulton
Paul McNamara
Peter Pereira Gray

Michael Boggis
John Whalley (deceased)
Stuart Beevor
Steven Fogel
Ian Womack
John Gellatly

Richard Catling
Phillip Nelson
Rupert Clarke
Ian Marcus
Peter Freeman
Phil Clark

Life Members

Stuart Beevor
John Gellatly
Andy Martin
Phillip Nelson
Karen Sieracki

Rob Boulton
Andrew Graham
John McLachlan
Sir Idris Pearce
John Story

Robert Clarke
Michael Mallinson
Paul McNamara
John Plender
Ian Womack

Ian Cullen
Ian Marcus
Fiona Morton
Sir John Ritblat
Adrian Wyatt

Executive

Sue Forster
Executive Director

Pam Craddock
Research Director

Frankie Traylor
Associate Director

Jenny Hooper
Accounts Manager

Suleen Syn
Educational Events Manager
(until April 2012)

Georgina Martin
Educational Events Manager
(from May 2012)

Barbara Hobbs
Events Manager

Cheryl Collins
Membership Manager

Report of the Chairman

It has been a great honour to serve as Chairman of the Investment Property Forum over the past 12 months, a period that has continued to be dominated by major financial and economic issues, not least in the eurozone.

Last year, my predecessor, Phil Clark, outlined in his report the details of the new IPF Vision, replacing that produced in the more upbeat period of 2005-06. Our two 'top' priorities now are, firstly, to enhance the understanding of how property is financed and funded, including a core focus on bank debt, equity capital flows, the need to engage more fully with the banking sector, and gain a greater understanding of the role of property derivatives. Secondly, we will focus on being more proactive in both identifying the potential effects on the market of proposed legislation and regulation and engaging with the appropriate other industry organisations, government departments and internationally to ensure that any impacts are properly appreciated at an early stage. In order to achieve this, the IPF has established a Regulation & Legislation Working Group, chaired by Ros Rowe, charged with monitoring Westminster, the EU and globally for any proposals that may impact the property industry.

Three other priorities are identified in the Vision. These are to enhance the understanding of sustainability issues, the increasing internationalisation of property and the residential property investment market.

This year, the focus has been on actually delivering the Vision. At the core of this is the Forum's ability to provide strategic direction and thought leadership. Following discussions during last summer and autumn, the Management Board concluded that our current governance structure should be altered to allow greater time and focus on major issues for the IPF and the wider industry and to enable more people who are included in the IPF's various committees and working groups to play a part in management of the IPF's affairs. Since then, the organisation has been working towards establishing a director-level Operational Board and a larger, separate Strategy Advisory Group. The Annual General Meeting on 20 June 2013 will be asked to approve changes to the IPF's articles of association so that this change can be formalised.

The IPF's capacity to develop and communicate new initiatives arising from the Vision has also been enhanced by the appointment of Paul McNamara, a former IPF Chairman, as a part-time consultant in October 2012. He has already been actively involved in a number of responses to government and other consultations.

Membership

I am delighted to report that membership has reached 2,065, the highest ever and an increase of nearly 100 members since last year. This increase is largely due to the combined efforts of the

Membership Committee, chaired by Chris Carter Keall, and the regional boards in the Midlands, the North and Scotland, together with the new Next Generation Group, led by Stewart Womersley, which is aimed at people with 5-15 years' experience in the industry. This 4.9% growth in the number of members means that we were able to hold the annual membership subscription at £195, with the 50% discounted rate for those members who are between jobs remaining in place.



The Next Generation Group now has over 300 members and the committee has organised a number of events this year including informal discussion sessions on the senior debt and CMBS markets and the increasing interest from insurance companies in the debt market, a drinks reception in September, seminars (including one on alternative property sectors), site visits and an informal 'not-at-MIPIM' breakfast. The Midlands Next Generation Group held its first event recently – a breakfast discussion on the future for fund management – in April 2013.

Members in London continue to benefit from the informal IPF/Property Week Investment Network events that were established last year and we hope to encourage more networking and discussion by all members through the three IPF LinkedIn Groups set up for all members, the Next Generation and Investment Education Programme Alumni respectively.

In late 2012/early 2013, the Forum undertook a survey to gauge members' views on the services we offer. The response rate was over 21%. It was pleasing to find that 92% of members responding said that the services received from the IPF were good or excellent and 99% regarded the current subscription fee as at least 'reasonable' value for money. The survey respondents were also invited to suggest what else the IPF should be doing for its membership and/or the property industry generally. The ideas put forward will be considered during this coming year.

IPF Research Programme

The IPF Research Programme underpins much of the Forum's activities and outputs. The delivery of objective and high-quality market analysis that addresses both fundamental and topical issues, of relevance to IPF members and the wider property industry, whilst maintaining stringent standards of quality and robustness, remains a crucial function of the IPF.

IPF Research Programme 2011-15 Sponsoring Organisations

Aberdeen Asset Management	Jones Lang LaSalle
Aviva Investors	Kames Capital
Berwin Leighton Paisner	LaSalle Investment Management
BNP Paribas Real Estate	Legal & General Property
The British Land Company	Nabarro
CoStar UK	Prudential Property Investment Managers
Deloitte	Real Capital Analytics
GIC Real Estate	Scottish Widows Investment Partnership
Grosvenor Group	Standard Life Investments
Hammerson	Strutt & Parker
Investment Property Databank	
Hypothekebank Frankfurt	

We thank the 22 organisations listed who are providing financial support to the Programme for a period of four years from May 2011.

The Programme is run by the Research Steering Group, under the chairmanship of Alan Patterson, together with the Forum's Research Director, Pam Craddock.

The IPF produces a number of regular reports throughout the year, including:

- The quarterly UK Consensus Forecasts of rental and capital value growth and total returns
- The twice yearly Consensus of European prime office market rents
- Survey of IFA Attitudes to Property as an Investment (three times a year)
- Annual Survey of Lending Intentions (with the Association of Property Lenders)
- Quarterly Commercial Property Market Monitor (in conjunction with Lloyds Banking Group).

In addition to the regular surveys, the following reports from the Programme (listed in chronological order) were published during 2012-13:

Short Papers Programme

- Institutional Attitudes to Investment in UK Residential Property
- Implications of the Eurozone Crisis for the UK Real Estate Market and UK Investors
- A Decade of Fund Returns (commissioned under the 2006-2009 Programme)
- Constructing an Effective Rental Value Index

Full Reports

- Costing Energy Efficiency Improvements in Existing Commercial Buildings
- Reassessing the Accuracy of UK Commercial Property Forecast
- The Future of Property Forecasting
- The Role of Property in the UK Economy

The Forum thanks all contributors to the research projects for their on-going support, including those who have served on Project Steering Groups.

All completed research reports are freely available for members to download from the IPF website.

Education

The programme of seminars and workshops in London, organised by the CPD Group, chaired by Charles Follows, and those in the regions, organised by their respective Boards, provided a large number of events on a wide range of topics.

This year, we ran joint events with a number of industry organisations including the Association of Property Lenders (APL), the British Property Federation (BPF), the Industrial Agents Society (IAS), the Property Industry Alliance (PIA), the Society of Property Researchers (SPR) and, for the first time, the Leisure Property Forum. We also ran three quarterly update breakfasts jointly with IPD, the fourth one being a webinar, as it coincided with the London Olympics.

We have renewed our agreement with IPD to continue jointly running our annual Property Investment Conference. Francis Salway kindly chaired the event in November 2012, when we had keynote presentations from Pippa Malmgren and Hamish McRae.

A further benefit of membership of the Forum, which we are pleased to continue to provide, are the discounted fees for members on a range of educational events and services provided by other organisations. This year, the Journal of Property Research agreed to offer IPF members significantly discounted personal subscription rates for hard copy and/or online.

The IPF Investment Education Programme (IEP), run by the Institute of Continuing Education (ICE), a department of the University of Cambridge, has enjoyed another successful year, with 15 professionals completing the full IPF Diploma. More than 600 people have now completed at least one of the modules in the IEP, and nearly 200 people have been awarded the IPF Diploma for completing all seven main modules in the Programme. The latter were all invited to the IPF IEP Alumni event in September. The updated IEP online introductory module, Introduction to Property Investment, is now available on the ICE website and the IEP continues to develop under the direction of the joint IPF/Cambridge University Programme Advisory Committee, with the support of the IPF Academic Group, chaired by John Story.

The ninth IPF Property Investment half-day conference in Scotland took place in June. The 90 delegates considered whether 2012 offered 'Reasons to be Cheerful or Tearful'.

Other events

As in previous years, the IPF held formal lunches and dinners in London and the Midlands region. There was also a members' dinner in the Northern Region in October and members of the Scotland Board organised a joint dinner with the Scottish Property Federation in Glasgow at the end of April 2012.

The second Alastair Ross Goobey Memorial Lecture took place in June 2012. The event, in memory of a past IPF President, was chaired by our current President, Sir David Clementi, and the keynote speaker was Paul Tucker, Deputy Governor, Financial Stability at the Bank of England. The panel was equally prestigious, comprising: Paul Brundage, Oxford Properties; Ian Cheshire, Kingfisher plc; and Stephen Hester, RBS.

Special Interest Groups

The Forum's five Special Interest Groups, together with the Real Estate Lending Forum (formerly the Property Banking Forum), continue to provide a focus for emerging interests within the industry. Their activities include: identifying key areas for research and engaging with the IPF Research Programme; the origination of guides and other information; the provision of seminars and workshops for IPF members and other interested parties; and engagement with the wider industry and government on their areas of specialisation.

In addition to running several breakfast events, the Residential Investment Group, chaired by Robin Goodchild, continued consulting, both formally and informally, with government following the Sir Adrian Montague Review in March 2012. The first survey of institutional investors and fund managers carried out as part of the Review was repeated during March and April this year and the results make an interesting comparison with those of 2012.

Members of the IPF/IIGCC Sustainability Interest Group, chaired by Miles Keeping, have also been actively engaged with government, including Miles chairing the Green Deal Non-Domestic Working Group, which advised the Department of Energy & Climate Change (DECC). Sustainability events this year covered regulatory and valuation changes, addressing climate change adaption and a briefing on the government consultation regarding the CRC Energy Efficiency Scheme – to which the IPF responded in June 2012. In addition, members of the Group helped specify the research project to be undertaken by the Green Property Alliance (GPA), at 'Energy and carbon incentives and penalties affecting the built environment: how effective are they?'. The IPF is now represented on the GPA Research Steering Group for this project, which is being partially funded by the IPF Research Programme.

The International Group, chaired by Michael Stancombe, ran a global outlook seminar, focusing on Asia in May, and worked with the SPR to organise the Outlook for CEE Property seminar in September. The Group also ran a panel session for the main programme in the Investment Locations Forum at Expo Real and, more recently, organised a seminar looking at the property valuation regimes in

France and Germany compared with that in the UK. A summary of this seminar will be included in the July edition of Investment Property Focus. The Group has now agreed to share a stand with IPD Germany at Expo Real in October 2013 and I hope that as many IPF members as possible will make contact with us there.

The Indirect Investment Group, under the chairmanship of Graeme Rutter, has increased in size with the addition of two new members. The Group contributed towards the IPF's joint response with AREF and BPF to the ESMA consultation, 'Guidelines on sound remuneration policies under the AIFMD' in September and ran two well-received seminars as well as contributing articles to the recent edition of Investment Property Focus.

This year saw the launch of the Property Futures Portfolio Game, developed over the course of six months by the Property Derivatives Interest Group (PDIG), which is chaired by Paul Ogden. The Game ran over an eight-week period and incorporated two breakfast briefings (week 2 and week 6) and a wrap-up event. Over 30 teams of fund managers participated for the full duration. PDIG intends to modify the Game and run it again within the next 12 months.

The Real Estate Lending Forum ('REL'), a joint APL and IPF Group chaired by Max Sinclair, undertook a review of the format and content of its annual Lending Intentions survey and decided to conduct the 2013 survey primarily through an online questionnaire, with selective in-depth interviews with a range of lender types. The results were presented at a joint APL/IPF seminar in February and the final report was published in May.

Working Groups

The IPF has a number of working groups at any one time, some of which are long-standing, for example the Global Investment Performance Standards (GIPS) Group, which also represents the IPF on the UK Investment Performance Committee (UKIPC), and the Routes to Authorisation Group, which successfully gained recognition for the first part of the IEP as a Key 2 Appropriate Examination under the Managing Investments activity.

More recently, the IPF set up the Regulation & Legislation Group, which as the name suggests is responsible for identifying and monitoring proposed regulation and legislation that could impact the property industry. This Group, under the chairmanship of Ros Rowe, has been actively engaged in responding to UK government and EU consultations during the year.

Other IPF working groups cover matters such as Solvency II, content and format for the IPD/IPF annual conference, requirements as to functionality for the proposed new IPF website and database and updates of the 'Readiness for Sale' publication and the IPF's publication, 'Understanding Commercial Property Investment: a Guide for Financial Advisors', the latter to be published early in 2014.

This coming year, the IPF celebrates its 25th anniversary. A special working group has been working on a programme of events and other initiatives to mark the occasion, including a party on 27

November, to which all members will be invited. Further details of this and the other parts of the 25th anniversary programme will be announced shortly.

Property Industry Alliance (PIA)

The Forum continues to work alongside its fellow members of the PIA, comprising the Association of Real Estate Funds (AREF), the British Council for Offices (BCO), British Council of Shopping Centres (BCSC), the British Property Federation (BPF), and the RICS. This year saw two further organisations join the PIA, namely the Association of British Insurers (ABI) and the Urban Land Institute (ULI).

The PIA members collaborate as a whole or in groups, as appropriate. Collectively, the PIA published the popular pocket-sized, Property Data report (through the PIA Research Group) and the PIA OSS Group undertook the sixth annual Occupier Satisfaction Survey, the results of which were published in autumn 2012. The Forum regularly consults with other PIA members, e.g. prior to submitting responses to government and other consultations, and this year members of the Forum have participated in the Distressed Town Centre Taskforce, established and chaired by the BCSC.

The other PIA groups covering debt, REITs and sustainability issues (this being with other stakeholders including the UK Green Building Council as the Green Property Alliance (GPA)) were also active during the year.

European Real Estate Forum (EREF)

The IPF is co-operating increasingly with other European associations outside the UK, e.g. the Solvency II research published in 2011 was undertaken jointly with EPRA, INREV, BVI and ZVI, as well as ABI and BPF. To formalise these links, the CEOs of the IPF and 12 other European property organisations formed EREF in September 2012. The Group collaborated on the letter sent in December to the EC Director General of Internal Markets and Services regarding the inclusion of property in the proposed review of capital requirement calibrations under Solvency II and the organisations have been liaising regarding the implementation of the Alternative Investment Fund Managers Directive (AIFMD).

Other initiatives

In May, the IPF published the second edition of 'Readiness for Sale', aimed at streamlining commercial property transactions. This was the result of a substantial update of the original 1996 publication and was undertaken by a working group chaired by Ciaran Carvalho.

This year also saw the award of the first Nick Tyrrell Memorial Prize – Martin Hoesli and Elias Oikarinen's research paper entitled 'Are REITs Real Estate? Evidence from International Sector Level Data' was chosen from the 18 submissions from around the globe. The IPF, INREV and the SPR established the Prize to acknowledge innovative and high-quality, applied research in real estate investment and to commemorate Nick Tyrrell's major contribution to the industry's

thought leadership. The prize-winning research will be presented at an IPF/INREV/SPR evening seminar on 24 September 2013.

Following the publication of the research paper, Constructing an Effective Rental Value Index, referred to earlier, the IPF has been undertaking an industry consultation, chaired by Paul McNamara, regarding how best to address the apparent inconsistencies in the rental data used in industry indices, which stem from the different methodologies used to calculate net effective rent from the headline rent. The conclusions from the various discussions and workshops involving all the stakeholders are due to be published by the end of 2013.

Thanks

I should like to thank the Management Board for its support during my time in office. Special thanks go to Phil Clark, Andrew Hynard, Peter Pereira Gray and Neil Turner who will be stepping down from the Board this year. All of them have made a huge contribution to the Forum during their terms of office.

The regional boards continue to do a great job in terms of recruiting new members and organising seminars and other events in their respective regions. This year saw a change of chairman in the Midlands and Scotland: in the former, Simon Robinson stepped down and was succeeded by Tim Hurdiss; and in the latter Stuart Tait succeeded Paul Finlay. Roy Beckett continues as chairman in the Northern region. My thanks go to all the regional board members and particularly to the retiring, serving and incoming chairmen.

Many thanks to all the members of the IPF committees and groups for giving so generously of their time and effort to the Forum. We rely heavily on them in order to provide the wide range of seminars, workshops, and social events etc. that are an essential part of the Forum's offering to members. The Acknowledgements section at the end of this report lists all those committee and group members.

Also listed are 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. We are very grateful to you.

Last, but absolutely not least, I should like to say a big thank you to the IPF Executive: Sue Forster, Pam Craddock, Frankie Traylor, Jenny Hooper, Cheryl Collins and Barbara Hobbs, together with Suleen Syn, who stepped down as Educational Events Manager, and her replacement Georgina Martin.

In closing, I wish my successor, Andrew Smith, along with Max Sinclair, who was appointed vice Chairman in January, all the very best for the IPF's 25th anniversary year. I know that under their leadership the Forum will continue to prosper, whatever the financial and economic challenges ahead.

Amanda Howard

Chairman

20 May 2013

Report of the Treasurer

The continuing economic position and particularly the ongoing European crisis has continued to knock confidence of all concerned in the property market, consumers, investors and lenders and hence the members of our Forum have had another difficult year.

Despite this ongoing difficulty in our industry, I am very pleased to say that membership numbers have reached an all-time high due to the excellent effort of the Membership Committee, the board, the Executive and the Next Generation Group. Membership levels are key to a healthy Forum, so with 2,065 at the year end, up from 1,967, a net gain of nearly 100 members, we appear to be in good health.

We started the year with a budget to just beat break even, as usual. However, the outturn was substantially better than budgeted, due mainly to the increased membership levels but also through some cost savings in IPF operations and improved profits at several events including the annual IPD/IPF conference where a better than expected profit share was received. This should be a continuing annual benefit to the Forum thanks to a renegotiated agreement with IPD, resulting in additional income of around £50,000 per annum over the previous agreement.

The strenuous effort of the IPF Executive and the local boards, has again been the driver of the success of the educational and social events and should be much applauded. Income from educational events was also up on the previous years with a better than expected outturn for the Investment Education Programme, which this year had more participants than forecast, showing income up £22,000.

On the costs side, we came in below that budgeted at the start of the year. Some of this is purely timing but again, thanks to the IPF Executive for their efforts in running a very tight ship.

Overall a surplus of £147,795 was generated, which is an excellent result and £120,000 ahead of budget.

In the coming year, we have been able to set a budget that, although still reflecting the difficult economic climate, builds upon the success of last year and thus we are able to hold the level of member subscription for another year at £195. In these days of belt tightening we see this level of annual membership subscription, coupled with the benefit of free CPD, as a major attraction to facilitate the training and CPD regimes requested by our industry. We still wish to increase membership year on year. It really is your Forum and thus your role to bring in new members to broaden and enliven the membership, be that by attracting younger members or those from other parts of the investment universe.

This year was the second in the 2011-15 Research Programme. As reported last year, we have 22 sponsors providing a total commitment of £1.1m over the four-year period.

From my position as Treasurer, I am very pleased with the Forum's finances, both by way of revenue and capital reserves. Thanks must be given to the Executive, as well as the Management Board, committees, working groups and the Next Generation Group for their efforts over the year.



Philip Ingman
Honorary Treasurer

May 2013

Acknowledgements

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

Matthew Abbott	Tim Coffin	Siobhan Godley	Martin McGann	Robert Short
Michael Acratopulo	Cheryl Collins	Andrew Goodbody	Shelagh McKibbin	Franco Sidoli
David Adler	John Condliffe	Robin Goodchild	Paul McNamara	Karen Sieracki
Catriona Allen	James Cooksey	Lindsey Hammond	Fraser McPhail	Max Sinclair
David Allen	Justin Cornelius	Andrew Hann	Guy Morrell	David Skinner
Jason Baggailey	Peter Cosmetatos	Stewart Hannah	Michael Morris	Vicky Skinner
Asli Ball	Toby Courtauld	Andrew Hawkins	Chris Morrish	Andrew Smith
Andrew Banks	Pam Craddock	Stuart Heath	Malcolm Naish	Andy Smith
Colin Barber	Paul Crosbie	Claire Higgins	Philip Nell	David Smith
Richard Barkham	Siobhan Cross	Geoffrey Hill	Alastair Ness	Michael Stancombe
Bill Bartram	James Cubitt	Amanda Howard	Steven Newlands	Julian Stocks
David Baskeyfield	Ian Cullen	Matthew Howard	Paul Ogden	John Story
Dan Batterton	Michael Daggett	Nicholas Howe	Andrew Osborne	Jason Stowe
Phillip Bayliss	John Dear	Scott Howie	Philip Parnell	Neil Sturmey
Jeremy Beckett	Peter Denton	Bill Hughes	Rawle Parris	Simon Summerby-Bent
Roy Beckett	Steven Devaney	Timothy Hurdiss	Kiran Patel	Oliver Swallow
Matthew Bird	Alex Dewey	Brian Hutcheson	Kitty Patmore	Stuart Tait
Ashley Blake	Andrew Dickman	Andrew Hynard	Alan Patterson	Clare Thomas
Claudine Blamey	Paula Dillon	Philip Ingman	Richard Payne	Juliet Thomas
Gerald Blundell	Helen Dixon	Christopher Ireland	Kate Pedersen	Bruce Thompson
Tatiana Bosteels	Richard Donnell	David Jackson	Richard Pellatt	Jonathan Thompson
Sylvia Bowden	Timon Drakesmith	Nicholas Jenkins	Mark Pendower	Mark Titcomb
Andrew Brazier	Paul Duffy	Max Johnson	Peter Pereira Gray	Michael Tremayne
Christopher Brigstocke	Bob Dyson	Peter Kasch	Christopher Perkins	Edward Trevillion
Michael Brodtkman	Stephen Elliott	Miles Keeping	Caroline Philips	Neil Turner
Adrian Brown	Louise Ellison	Kultar Khangura	Richard Quartermaine	Marieke Van Kamp
Anthony Brown	Charles Fairhurst	Peter Kirk	Andrew Quinlan	Cathryn Vanderspar
Justin Brown	James Fairweather	Richard Kolb	Iain Reid	Mark Vernon
Mark Callender	Andrew Fenlon	Lynette Lackey	Nina Reid	Kenneth Waitt
Jonathan Cantor	Paul Findlay	Stafford Lancaster	Dominic Reilly	John Wallace
Christopher Carter Keall	Linda Fletcher	Colin Lizieri	Paul Robinson	Adrian Watson
John Cartwright	Charles Follows	Philip Ljubic	Steve Robson	Andy Watson
Ciaran Carvalho	John Forbes	Oliver Lovat	Gary Rouse	Henrie Westlake
Sonia Chandaria	Sue Forster	Anne Lucking	Rosalind Rowe	Darren Williamson
Mark Charlton	Malcolm Frodsham	Simon Mallinson	Graeme Rutter	Steve Williamson
Ailish Christian	John Gardiner	Noel Manns	Graham Sanders	Stewart Womersley
Paul Clark	Susan Geddes	Ian Marcus	Ben Sanderson	Tony Yu
Philip Clark	John Gellatly	Philip Marsden	Lee Sheldon	
Peter Clarke	Robert Gibson	Julia Martin	Bryan Sherriff	
David Clementi	Jeffrey Gillbanks	Rob Martin	Ian Sherry	
Kelly Cleveland	William Gloyn	Jon Masters	Gary Sherwin	

Event sponsors:

Abstract Land	Chase & Partners	Dundas & Wilson	King's Cross	Lockton
Barclays	Deloitte	Jones Lang LaSalle	Langham Hall	Miller Developments
BDO	DLA Piper	Kames Capital	Lloyds Bank	Santander Corporate Banking
				VALAD

Event hosts:

Aberdeen Asset Management	Cobbetts	Herbert Smith	Nabarro
Addleshaw Goddard	The Cube	Hogan Lovells International	Norton Rose
Aegon	DAC Beachcroft	Peel	Nottingham Trent University
Allen & Overy	Deloitte Real Estate	Irwin Mitchell	Osborne Clarke
AXA Real Estate	DLA Piper UK	Jones Lang LaSalle	Pinsent Masons
Barclays Bank	DTZ	Land Securities	Reed Smith
Berwin Leighton Paisner	Dundas & Wilson	LG	Royal Bank of Scotland
Bruntwood	Eversheds	Linklaters	Schroders
Burges Salmon	Freeth Carthwright	Liverpool Cruise Terminal	Simmons & Simmons
Burness Paull & Williamsons	Freshfields	London Legacy Development Corporation	Stephenson Harwood
Cass Business School	GL Hearn	Maxwell Winward	Strutt & Parker
Central St Martins	Grosvenor Group	Mayer Brown International	University of Aberdeen
CIS Miller Street	GVA		

Conference and seminar chairmen, speakers and panellists:

Eric Adler	Paul Dennis-Jones	Stuart Heslop	Stuart Morley	Lord John Shipley
Kevin Aitchinson	Peter Denton	Stephen Hester	David Neil	Franco Sidoli
David Allen	John Dickie	Claire Higgins	Alistair Ness	Max Sinclair
Nigel Almond	Andrew Dickman	William Hill	Tom Newell	David Skinner
Martin Angel	Paula Dillon	Robert Houston	Paul Ogden	Michael Slade
Michael Bach	Bill Dinning	Amanda Howard	Brenna O’Roarty	David Smith
Toby Baines	Richard Donnell	Cathy Hughes	Duncan Owen	Martin Smith
Richard Barkham	Sally Doyle-Linden	Malcolm Hunt	Neil Parker	Otis Spencer
Giles Barrie	Michiel Dubois	Tim Hurdiss	Philip Parnell	Simon Stevenson
Mark Barrow	Tony Edgley	Duncan Innes	Alan Patterson	Keith Stone
Dan Batterton	Louise Ellison	Nick Ireland	Jose Pellicer	John Story
James Bauer	Frederik Elwing	Cath Jackson	Caroline Phillips	Craig Straw
Roy Beckett	Graham Emmett	Nicho Jenkins	Ian Pollitt	John Swinney
Gordon Black	Tom Eshelby	Glynn Jones	Carl Potter	David Symons
Ashley Blake	Rosemary Feenan	Miles Keeping	David Pringle	Chris Taylor
Nigel Bland	Paul Findlay	Jeremy Kelly	Jim Prower	Bruce Thompson
Gerry Blundell	Linda Fletcher	Michael Kenney	Patrick Pryce	Philip Tily
Andrew Brazier	Charles Follows	Michael Keogh	Dan Quan	Edward Trevillion
Michael Brodtman	John Forbes	Dermot Kiernan	Richard Quartermaine	Paul Tucker
Sally Bruer	Malcolm Frodsham	Stuart Kirkwood	Mark Rawstron	Kevin Turpin
Paul Brundage	PY Gerbeau	Anne Koeman	Tim Reade	Joe Valente
Jenny Buck	Bill Gething	Piet Kok	Philip Redding	John Walker
George Buckley	Bill Gloyn	Nick Leslau	Michael Reevey	Charlie Walker
Mike Burchell	Ian Goldsworthy	Ben Lloyd-Hughes	Paul Richards	Damian Waters
Ciaran Carvalho	Robin Goodchild	Jon Lovell	Matthew Richards	Craig Watkins
Ian Cheshire	Guy Grainger	Greg Mansell	Mike Riley	Matthew Webster
Marcus Cieleback	Derek Griffin	Philip Marsden	Tom Rogers	Steve Weiner
Phil Clark	Jonathan Guthrie	Rob Martin	Julian Rooth	Paul Weston
Sir David Clementi	Richard Gwilliam	Jon Masters	Samantha Rowntree	Michael White
Jeremy Cracknell	Michael Haddock	William Maunder-Taylor	Paul Royston	Ian Whittock
Pam Craddock	Ed Hammond	Bill Maxted	Graham Sanders	Paul Wilson
Richard Craddock	Walter Hampel	Tony McGough	Ben Sanderson	Geoff Yates
Adrian Crooks	Paul Harrington	Gary McNamara	Isabelle Scemama	
Siobhan Cross	James Havery	Fraser McPhail	David Scofield	
Ian Cullen	Nick Hayes	Dimitris Melas	Gareth Sellars	
Jason Dalby	Peter Hayes	Stuart Moncur	Claire Sheppard	

Financial Statements

Investment Property Forum (a company limited by guarantee)

Year ended 31 March 2013

Principal Officers, Advisors and Addresses

Company Secretary

S Forster

Registered Office

2 City Place

Beehive Ring Road

Gatwick

West Sussex

RH6 0PA

Independent Auditors

BDO LLP

2 City Place

Beehive Ring Road

Gatwick

West Sussex

RH6 0PA

Solicitors

Nabarro LLP

Lacon House

84 Theobald's Road

London

WC1X 8RW

Bankers

National Westminster Bank PLC

63-65 Piccadilly

London

W1J 0AJ

Company Number

2763992

Report of the Directors

The directors submit their report together with the audited financial statements for the year ended 31 March 2013.

Principal Activity

The Forum's objective 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 fellowship, discussion and debate amongst its members and the wider investment community.

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.

A Howard (Chairman)
A Brazier
S Brown (resigned 30 June 2012)
C Carter Keall
P J Clark
P S Clark
T Courtauld
I Cullen (resigned 30 June 2012)
S Forster
S Geddes
J Gellatly (resigned 30 June 2012)
A Hynard
P Ingman
C Ireland
N Manns (appointed 30 June 2012)
G Morrell
C Morrish (appointed 30 June 2012)
P Pereira Gray
R Rowe (resigned 30 June 2012)
M Sinclair
A Smith
M Stancombe
J Thompson (appointed 30 June 2012)
N Turner

Directors' Responsibilities

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 the 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 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.

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.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

On Behalf Of The Board

A Howard
Director

Date: 20 May 2013

To the members of Investment Property Forum

We have audited the financial statements of Investment Property Forum for the year ended 31 March 2013 which comprise the income and expenditure 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 and express an opinion on 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

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 2013 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.

Andrew Stickland (senior statutory auditor)

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

Date: 20 May 2013

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

Income and Expenditure Account for the year ended 31 March 2013

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Income				
Subscriptions	353,828	—	353,828	342,376
Bank interest receivable	18,316	1,048	19,364	17,794
Social events	310,579	—	310,579	305,708
Education	176,183	—	176,183	85,540
Research	—	262,500	262,500	222,000
Other income	—	—	—	516
	<u>858,906</u>	<u>263,548</u>	<u>1,122,454</u>	<u>973,934</u>
Expenditure				
Social events	201,635	—	201,635	197,541
Education	16,782	—	16,782	21,434
Research	—	233,788	233,788	244,632
Administration and salaries	415,945	—	415,945	391,110
Professional and audit fees	14,309	—	14,309	14,358
Bank charges	8,279	—	8,279	7,899
Website and publications	40,636	—	40,636	36,016
Irrecoverable VAT	13,525	—	13,525	1,258
	<u>711,111</u>	<u>233,788</u>	<u>944,899</u>	<u>914,248</u>
Surplus of income over expenditure and retained surplus for the year	147,795	29,760	177,555	59,686
Retained surplus brought forward	<u>679,537</u>	<u>46,360</u>	<u>725,897</u>	<u>666,211</u>
Surplus carried forward	<u>827,332</u>	<u>76,120</u>	<u>903,452</u>	<u>725,897</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 at 31 March 2013

Company Number 2763992	Note	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Tangible assets	5		—		—
Current assets					
Debtors	6	209,637		90,041	
Cash at bank and in hand		<u>1,094,626</u>		<u>1,048,062</u>	
		1,304,263		1,138,103	
Creditors: amounts falling due within one year					
	7	<u>400,811</u>		<u>412,206</u>	
Net current assets			<u>903,452</u>		<u>725,897</u>
Total assets less current liabilities			<u>903,452</u>		<u>725,897</u>
Reserves					
Unrestricted funds					
General funds			814,416		666,621
Designated funds	9		<u>12,916</u>		<u>12,916</u>
			827,332		679,537
Restricted funds	8		<u>76,120</u>		<u>46,360</u>
			<u>903,452</u>		<u>725,897</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 on 20 May 2013.

A Howard
Director

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

Notes on the Financial Statements for the year ended 31 March 2013

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 9).

Restricted funds are subject to restrictions on their expenditure imposed by the sponsors (see note 8).

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.

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 – 50% per annum

2 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 2013 there were 2,065 members (2012 – 1,969 members).

3 Surplus / (deficit) of income over expenditure

	2013 £	2012 £
This has been arrived at after charging:		
– depreciation	–	2,850
– auditors' remuneration	7,750	7,750

4 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, during the year is as follows:

	2013 £	2012 £
Emoluments	107,000	105,000
Payments to defined contribution pension scheme	9,700	9,500
	<u>116,700</u>	<u>114,500</u>

5 Tangible Fixed Assets

	Office Equipment £
Cost	
At 1 April 2012	5,700
Additions	–
Disposals	–
At 31 March 2013	<u>5,700</u>

Depreciation

At 1 April 2012	5,700
Provided for the year	–
At 31 March 2013	<u>5,700</u>

Net book value

At 31 March 2013	–
At 31 March 2012	–

6 Debtors

	2013 £	2012 £
Amounts receivable within one year:		
Other debtors and prepayments	204,837	90,041
VAT recoverable	4,800	–
	<u>209,637</u>	<u>90,041</u>

7 Creditors

	2013	2012
	£	£
Amounts falling due within one year:		
Trade creditors	38,808	25,567
Deferred income	264,378	271,823
Other taxes and social security costs	27,001	23,308
Accruals and other creditors	70,624	91,508
	<u>400,811</u>	<u>412,206</u>

8 Restricted Funds

	Balance 2012 £	Income £	Expenditure £	Transfer Between Funds £	Balance 2013 £
Research Programme Fund	<u>46,360</u>	<u>263,548</u>	<u>(233,788)</u>	<u>—</u>	<u>76,120</u>

The third IPF Research Programme began on 1 May 2011, with 22 sponsors each making an initial contribution of £10,000. These contributions rose to £12,500 each for the year 2012-13, in accordance with their respective sponsorship agreements.

9 Designated Funds

	Balance 2012 £	New Designations £	Utilised/ Released £	Balance 2013 £
Special projects	<u>12,916</u>	<u>—</u>	<u>—</u>	<u>12,916</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 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.

IPF Research Programme Sponsors

The IPF Research Programme is 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 22 research sponsors. We are very grateful to this group of companies for their support of the 2011-2015 Programme.

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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