

International Valuation Standards Seminar Financial Reporting Requirements

Friday, 18 March 2005 from 1.30pm – 6pm
Menzies Hotel, 14 Carrington Street, Sydney

THE AUSTRALIAN PROPERTY INSTITUTE in association with the International Valuation Standards Committee is proud to present a seminar on the application of the harmonised International Valuation Standards. The seminar will pay particular attention to the valuation of assets for financial reporting purposes on or after 1 January 2005.

API Members and interested property professionals are invited to attend this landmark event. Not only does this seminar provide a unique opportunity to meet leading property professionals from around the world, it also provides an ideal opportunity to obtain essential information on the harmonisation of Australian Valuations Standards with International Valuation Standards and International Accounting Standards.

The seminar will include presentations by the following property professionals:

Welcome and Introduction

John Edge (UK) IVSC Chairman

Presentation on Application of International Valuation Standards

John Dunckley (NZ)
Chris Thorne (UK)
Bob Connolly (AUS)

Presentation on Plant & Machinery Valuations

Roy Farthing (AUS)

Presentation on Business Valuations

Vern Blair (USA)

International Panel

John Edge (Moderator)

Closing Presentation

Clyde Eastaugh (API National President)

The seminar will conclude with a cocktail function from 5pm – 6pm.

Registration Information

The cost of attending this seminar is:
\$88 (including GST) for members
\$99 (including GST) for non – members.

API members will be issued three CPD points for attending.

For more information or to book your attendance to this event please contact:

API National Office
6 Campion Street
Deakin ACT 2600
Telephone: 02 6282 2411
Facsimile: 02 6285 2194
Email: national@api.org.au

A registration form to attend the *International Valuation Standards Seminar: Financial Reporting Requirements* can be found on the API national website under the menu heading "Events and Awards" at <http://www.api.org.au>

IVSC Standards Board Meeting

AUSTRALIAN PROPERTY INSTITUTE members are also invited to observe the International Valuation Standards Committee (Standards Board) meetings on 19 and 20 March 2005.

PropertyPro Version 2.1

PROPERTYPRO VERSION 2.1, the upgraded version of PropertyPro Version 2, was successfully released in early October. Members that are currently utilising Version 2 are reminded that a patch is available for Version 2.1 on the Prowess Development website, www.prowessdev.com.au. PropertyPro Version 2.1 is compatible with Microsoft Office/ Windows 2000 and XP.

Web enabled user licence (Web service licence)

The Australian Property Institute in association with Prowess Development (PropertyPro developers), is currently trialling a web – enabled version of PropertyPro Version 2.1, which will be available to Members early this year. PropertyPro Version 2.1 web service licence will enable the valuer to access the central PropertyPro Version 2.1 database containing all their valuation data from any remote location that has access to the internet. This gives the valuer greater flexibility to load data and extract reports without needing to go to the office.

To use the web service licence the valuer will need to have the web service software installed on their web server and the client application installed on their laptop computer.

Requirements for the web service include the following:

- ♦ Internet Information Server (IIS) 5 or above
- ♦ Dedicated IP address
- ♦ A designated DNS address database server
- ♦ The client computer must have an internet connection to an ISP to use the Web Service remotely.

For further information about any of these requirements please contact your local IT provider.

The web user licence is available in the same five types of licences as the base version of PropertyPro, allowing Members to purchase the licence type that best suits their company's requirements. The licence types are single user, 2–5 user, 6–10 user, 11 plus user and the unlimited user licence.

Existing PropertyPro Version 2.0 and 2.1 users can acquire the web enabled module for the following amounts:

Pricing Structure for PropertyPro Version 2.1 Web enabling software

(For users who have already purchased PropertyPro Base Version 2.0 or 2.1)

Licence Type	Cost (inc GST)
Single web enabled licence	\$1100
2–5 web enabled licence	\$1700
6–10 web enabled licence	\$2600
11 + web enabled licence	\$7200

Pricing Structure for Initial purchase of Web enabled PropertyPro Version 2.1

Licence Type	Cost <i>(inc GST & first year support and maintenance)</i>
Single web enabled licence	\$1650
2–5 web enabled licence	\$2800
6–10 web enabled licence	\$4600
11 + web enabled licence	\$10,445

Annual Support and Maintenance after the first year will be \$550 for each licence type.

To purchase the web enabled module, members should complete the order form on the Institute's website www.api.org.au (under Resources).

For further information on purchasing the upgrade from the base version to the web-enabled version please contact National Office on 02 6282 2411.

PropertyPro Version 2.1 Handheld Mobile Solution

The PropertyPro Version 2.1 handheld mobile solution is currently being developed and is envisaged to be available for Members in early 2005. The handheld mobile solution is a portable device that allows valuers to collect valuation information in the field away from the office and then return that information for finalisation of the valuation report without the need to re-enter data.

Members who have purchased PropertyPro Version 2.0 or 2.1 should note that the web service licence and handheld mobile solution are additional components for PropertyPro Version 2.1 and are not included in the upgrade agreement. For further information please contact the API National Office on 02 6282 2411.

Members requiring assistance with PropertyPro Version 2 should, in the first instance, refer to the Frequently Asked Questions section on the Prowess Development website www.prowessdev.com/propertyprosupportportal and should this not provide information to resolve your problem then contact Prowess Development via email for technical support at propertypro_support@prowessdev.com

API National Education Awards Trust

Peter Barrington Gold Medal Award

Purpose

The Peter Barrington Award was established in 1985 as an endowment by the Hammerson Group of Companies in recognition of the contribution to the property profession by Peter Barrington. The purpose of the award is to encourage research and excellence in the study of land economy through the presentation of a major work in support of an approved academic program.

Eligibility

The Award is open to all students undertaking a course of study in a property professional field at an Australian academic institution. Submissions from other academic faculties (e.g. accounting, law, business administration) shall also be accepted for consideration where the subject matter of the research is considered to be relevant to the advancement of land economy.

Judging

Judging of entries for the Peter Barrington Gold Medal Award shall be by nomination of three prominent land economy practitioners, appointed by the Chairman of the National Professional Board of the Trustee, to form a Panel. The members of the Panel shall judge the entries, giving due consideration to the contribution of the work to the advancement in the knowledge or practice of land economy.

Format

The entry shall be a thesis or paper which has been prepared as a component part of the course of study undertaken by the student. The entry is to be nominated for consideration by the educational institution in which the course is undertaken.

The entry shall be in a bound written form together with a copy of the text on computer disk in a format to be advised on acceptance of the work. A cover sheet shall be provided recording the details of the author, a brief summary of the thesis and a supporting statement from the educational institution concerned.

The work shall be submitted to the Chairperson,
National Professional Board
Australian Property Institute
6 Champion Street, Deakin ACT 2600
No later than **31 March** in the year after the work was completed.

Award

The winner shall be awarded an inscribed gold medallion, a framed certificate, and a cheque to the value of A\$1000. This award shall be presented at an Institute sponsored function. The date of presentation shall be at the discretion of the Chairperson, National Professional Board

Ronald Collier Memorial Prize

Purpose

To encourage young practitioners to contribute to the advancement of the profession through the conduct of applied research of matters relevant to valuation.

Eligibility

The Award is open to all practitioners of valuation under 30 years of age as at 31 December in the year in which the paper was written. The Award shall be promoted throughout Australia by the Trustee, including in the Australian Property Journal. The Journal is distributed widely through the property market and to subscribers in the financial markets, accounting and legal professions, and to universities and public libraries throughout Australia.

Judging

Judging of entries for the Ronald Collier Memorial Award shall be by nomination of three prominent valuation practitioners, appointed by the Chairman of the National Professional Board of the Trustee, to form a Panel. The members of the Panel shall judge the entries, giving due consideration to the contribution of the work to the advancement in the knowledge or practice of valuation.

Format

The entry shall be in the form of a 2000 to 3000 word paper on a valuation related topic and should demonstrate a high degree of applied research. The entry shall be in written form together with a copy of the text on computer disk in a format to be advised on acceptance of the work.

The work shall be submitted to the Chairperson,
National Professional Board
Australian Property Institute
6 Champion Street Deakin ACT 2600
No later than **31 March** in the year after the work was completed.

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Award

The winner shall be awarded an inscribed gold medallion, a certificate and shall be invited to attend a major industry conference to be determined by the Trustee. The Award shall provide for registration fees, travel and accommodation up to the value of A\$2000 and is not to exceed the amount approved by the Trustee, any amounts in excess of the Grant shall be the responsibility of the winner. This award shall be presented at an Institute sponsored function. The date of presentation shall be at the discretion of the Chairperson, National Professional Board.

Harry Thomas Memorial Award

Purpose

To secure an esteemed professional to present a lecture on a subject relevant to the property professions.

Eligibility

There shall be no restriction on the professional qualifications or membership of the speaker. However, the subject matter of the lecture shall be relevant to the property industry and contribute to the advancement of the property professions.

Format

The subject of the lecture shall be the choosing of the selected speaker, but should encompass issues relevant to the property industry. It shall be presented at an annual conference.

The speaker shall provide a typed copy of the lecture for distribution and/or publication by the Trustee. Where possible the material should be provided on disk in an approved format. The speaker shall provide copies of any materials used to present the lecture, including overhead transparencies.

Material shall be submitted to the Chairperson
National Professional Board
Australian Property Institute
6 Champion Street Deakin ACT 2600
by the time specified by the Trustee.

Selection

The speaker shall be nominated by the Trustee.

Costs

The Award shall fund the costs of the speaker to the extent determined by the Chairperson, National Professional Board. The Institute may choose to supplement the amount granted by the Chairperson of the National Professional Board, should that amount not fully defray costs incurred by the speaker.

API Research Trust Fund

Introduction

The Research Trust Fund was established to support rigorous research in the property related disciplines and to make the results of such research available to persons interested in these fields.

Objectives of the Fund

The purpose of the Trust is to facilitate the undertaking of rigorous applied research in property related disciplines. It is expected that the research activities, to the greatest extent practicable, are to be of value to members of the Australian Property Institute and other persons interested in the fields of valuation, land economy and other property professional areas.

Further, the API may make known to persons interested in the property fields the results of the research, and will make generally available the benefits of any patents or other rights acquired by the Institute from the research.

All correspondence should be directed to:

Deputy National Director
Australian Property Institute
6 Champion Street, Deakin ACT 2600
Telephone: 02 6282 2411
Facsimile: 02 6285 2194
Email: national@api.org.au

Application procedure

Written applications from individuals and organisations who wish to be considered for the award of a grant from the Trust should be completed and forwarded to the National Director, Australian Property Institute by **31 March** each year.

Grants

- ♦ As a guide, a typical grant would be in the range \$5,000–10,000
- ♦ Grants will be made for a fixed period.
- ♦ All applicants are advised in writing of the outcome of their application.
- ♦ All unsuccessful applicants will receive written advice citing the reasons for the decision, at the time they are advised of the outcome of their application.

The decision of the Research Committee is final and no correspondence will be entered into.

For more information about the API National Education Awards Trust or the API Research Trust Fund please contact:

Wendy Martin
Communication & Membership Officer
Australian Property Institute, National Office
Telephone: 02 6282 2411
Email: wmartin@api.org.au

New API National Website

API MEMBERS are advised that the new API national website is now ready to view at <http://www.api.org.au>.

The website has been designed to be userfriendly and easy to navigate around. Information on any topic is accessible within two mouse clicks. The website's menus are arranged under the following headings:

- About API
- API Divisions
- API Membership
- Member's Area
- Careers & Education
- Events & Awards
- International
- Business & Employment
- News and Info
- Resources & Links
- API Admin

Access to API Divisional websites is easily gained by clicking the mouse over your region on the map of Australia.

Each API Division will have its own website integrated to the national website to provide API members and website visitors with seamless entry to



regional news and information they may be seeking on API events, conferences, seminars etc. in their area.

The national website also offers API members and interested parties with advertising opportunities in the areas of Business and Employment at very competitive rates.

To visit the API national website go to:
<http://www.api.org.au>

The 2nd API/NZPI Joint Conference 2006

24–26 May 2006, Cairns, Queensland, Australia

PLANS FOR THE 2ND joint API/NZPI Property Conference are currently underway for 2006.

The conference will be held over two days at the Convention Centre in Cairns, Queensland, on 24–26 May 2006.

Cairns boasts excellent facilities for the joint property conference. Located in far North Queensland, Cairns has much to offer visitors and tourists with its tropical rain forests and Great Barrier Reef activities.

An exciting line up of speakers from Australia and overseas is being arranged for the 2006 API/NZPI Conference.

The 2006 Property Conference will build on the success of the 2004 joint API/NZPI Property Conference held in Queenstown, New Zealand, where 37 speakers presented and more than 675 property professionals attended the conference's busy program and themed dinner.



The 2006 Property Conference dinner will host the inaugural National Excellence in Property Award – destined to be a defining presentation in the Australian property calendar.

More information about the joint API/NZPI Property Conference will be made available on the API national website at <http://www.api.org.au> and in the next issue of API E-news.

To register your interest in attending the joint API/NZPI Property Conference in 2006 contact:

Australian Property Institute
National Office
Telephone: 02 6282 2411
Email: national@api.org.au

Technical Notes

News Alert from the International Valuation Standards Committee

The IVSC has released 'preliminary final drafts' of:

- ♦ **International Valuation Application 1, Valuation for Financial Reporting; and**
- ♦ **International Valuation Guidance Note 8, The Cost Approach for Financial Reporting - (DRC)**

On 1 January 2005, many companies, including listed companies throughout the European Union, will have to produce their financial statements in accordance with International Financial Reporting Standards (IFRSs), the IVSC has updated its own parallel standards for the valuation of fixed assets.

IVSC Chairman John Edge explains, "It is less than twelve months since we learned that the International Accounting Standards Board (IASB) had made a number of significant changes to the accounting standards concerned with real estate and other fixed assets as part of its own improvements project ahead of 2005. We have therefore had a very busy few months making the necessary revisions to International Valuation Standards in consultation with valuation institutes, regulators, accountants and valuation users around the world."

The two standards most affected by the revised International Financial Reporting Standards are International Valuation Application 1, *Valuation for Financial Reporting*, and International Valuation Guidance Note 8, *The Cost Approach for Financial Reporting – (DRC)*. To allow maximum preparation time, the IVSC has made available the two documents as 'preliminary final drafts' on its webpage at www.ivsc.org

'Preliminary final' means that there may be some final changes made in the process of preparing the printed versions. If any such changes are made, a

revised version will be published on the web site. The printed version of the new edition of the International Valuation Standards will be available for purchase during January 2005.

Although the revisions by the International Accounting Standards Board to International Accounting Standards 16, 17 and 40 have removed some of the anomalies that previously existed, there remains a lack of clarity as to the underlying assumptions that should be made when making fair value assessments of fixed assets for different purposes. This is recognised by accountants, and both IASB and Financial Accounting Standards Board (FASB) in the USA currently have parallel projects on fair value measurement.

Mr Edge says, "IVSC welcomes these initiatives and is keen to assist the accounting standard boards in both identifying the practical issues that can influence fair value in a particular context and then to clarify what assumptions should be made to achieve the required accounting objectives."

The outcome of these projects is likely to mean further revisions to IFRSs and IVS in the future.

For further details please contact:

Marianne Tissier
Executive Director, IVSC
Telephone: +44 (0)1442 879306
Email: mtissier@ivsc.org

Printed copies of the seventh edition International Valuation Standards (2005) will be available during late early February 2005.

An ordering facility for the new edition will shortly be available via the IVSC website at www.ivsc.org