IPE Limited

ABN 48 107 843 381

Appendix 4D – Half-Yearly Report

For the half-year ended 31 December 2013

1. Reporting period:

This report is for the reporting period from 1 July 2013 to 31 December 2013 and the corresponding period is from 1 July 2012 to 31 December 2012.

2. Results for announcement to the market:

	Up/(Down)	%	$
Revenue from ordinary activities ($'000)	Up	71%	4,981
Profit from ordinary activities after tax attributable to members ($'000)	Up	86%	3,140
Net profit for the period attributable to members ($'000)	Up	86%	3,140

Dividend information

Cents per share	% Franked	Record Date	Payment Date
3.50	100%	5 July 2013	19 July 2013
3.00	100%	18 November 2013	5 December 2013

(DRP currently not in operation)

Refer to attached narrative for explanation of results in the current period.

3. Net tangible assets (NTA):

	Dec 2013 (per share)	Dec 2012 (per share)
NTA after tax	$0.465	$0.492

This report is based on the Half-Yearly Financial Report which has been subject to review by the Company's auditors. All the documents comprise the information required by Listing Rule 4.2A. This information should be read in conjunction with the most recent Annual Report and any public announcements made by IPE Limited (or under its former name of ING Private Equity Access Limited) during the period in accordance with its continuous disclosure obligations.

IPE Limited

ABN 48 107 843 381

21 February 2014

The Board of Directors of IPE Limited presents its results for the half year ended 31 December 2013:

Review

Introduction

Net profit after tax	$3.14 million
Net assets	$63.56 million
Net tangible asset backing (post tax)	$0.465 per share
Debt	nil
Debt facility limit	$7 million
Cash	$3.1 million
Dividends paid	3.50 cents per share (July) 3.00 cents per share (December)
Number of private equity funds	16
Number of underlying investments	60
Undrawn commitments	$6.5 million

It was a good six months for the portfolio and the Company. Against a background of relatively stable financial markets, the private equity sector was active with a range of sales taking place, valuations improving and confidence from the debt markets enabling the re-capitalisation of many companies. These conditions provided the Company with improved profits and strong cash inflows, bolstering its cash reserves and enabling the payment of another dividend.

The Company was originally established by a member of the ING Group but over recent years that Group has been restructuring and splitting up its organisation. As a consequence, it became appropriate to change the Company's name. At the AGM held on 31 October shareholders approved a name change from ING Private Equity Access Limited to IPE Limited.

Financial results

The half year produced an increased profit of $3.14 million compared with $1.69 million in the prior corresponding period. The drivers of the change were a flow of distributions from the portfolio and an improvement in unrealised valuations (net of any changes due to the realisation of assets).

Net Tangible Assets ("NTA") per share at 31 December was $0.444 pre-tax ($0.4495 at 30 June) and $0.465 post-tax ($0.472 at 30 June). The small change was the net result of improvements in unrealised values reduced by the payment of the 3.00 cents per share dividend in December (the dividend paid in July was included as a provision in the June NTA).

The cash for the December dividend came from a number of funds and a range of differing transaction styles. There were sales of investments and re-financings that provided the Company with sufficient cash

to fund its portfolio obligations and enough of a surplus to fund another dividend payment. At the time of declaring the dividend the debt facility was undrawn and private equity commitments had also significantly declined so it was pleasing to be able to pay the second dividend within a six month period and again with significant tax benefits attached (100% franked). The balances of both the franking account and LIC gains account are now very low so the Company may not be able to attach tax benefits to any further dividends or other cash payments paid over the course of this financial year but nevertheless will continue to return cash to shareholders when it is feasible and prudent to do so.

Capital management

At 31 December 2013 the Company had $6.5 million ($11.1 million at 30 June) of undrawn private equity commitments, available for new investments and other fund requirements. The majority of that $4.6 million reduction was funded by cash inflows during the period but the Company did utilise $2 million of its debt facility (expiry in July 2014) as bridging for a short time. At period end, debt was again back to zero, the same as at 30 June. The cash balance at period end was $3.1 million.

Undrawn commitments were also reduced by the cancellation of a small proportion as managers re-assessed their funds' requirements after the end of their investment programmes. With all programmes now completed (except for follow on activity) the current balance of outstanding commitments of $6.5 million (as at 21 February 2014) is likely to be drawn on a very gradual basis and further cancellations are expected as time passes and produces more certainty on fund needs.

Over the next few months the Company will again review its capital requirements and discuss with its lender the appropriate size and conditions of an ongoing debt facility, balancing the need to service its obligations and a desire to efficiently return cash to shareholders.

Private Equity Portfolio

The Company's private equity fund portfolio continues to include 16 funds managed by 11 different private equity groups.

There was a healthy level of activity in the portfolio over the six months. Strength in the financial markets provided the confidence needed for progress with sales activity, operational improvements, debt re-negotiations and new investment.

More than $12 million flowed back to the Company from its investments which only required about $4 million in funding. The most cash generative exit was the sale of Guardian Childcare by Wolseley Partners II but Pacific Equity Partners ("PEP") also provided significant cash returns through the recapitalisations of many investments. PEP was able to utilise favourable conditions for debt markets in both the USA and Australia to re-finance eight of its portfolio companies and return cash to investors. It also used the period to position two companies for exit with the well-received listing of Veda Advantage (PEP retained all of its equity stake for future sell-down) and a partial sell down of Link Administration Holdings to other institutional investors. In other activity, Catalyst sold Ezibuy and announced the sale of Global Television to an offshore buyer (settlement took place in late January) while Wolseley also sold Next Media and ended the year with the refinancing of Blue Star.

There were only three new investments added to the portfolio as a couple of funds completed their portfolios before their investment periods expired. NBC Capital III added Statseeker and Smart Campus Group while Wolseley Partners II created the Nexus Day Hospital Group to aggregate opportunities in that sector. Three businesses received follow-on funding. Only one fund, Pacific Equity Partners IV, was still able to invest in new opportunities at 31 December but has since advised that it will not be adding further

new investments to its portfolio. Thus the Company's underlying portfolio has been completed except for follow-on opportunities that may create additional value.

The Company has entered calendar 2014 in a promising position. Unrealised valuations at period end reflected the strength in the listed markets and the IPO market still appears receptive to well run businesses. There has been regular speculation in the press about IPOs for a number of businesses in the portfolio. It is possible that some of those could proceed but markets are fickle and private equity funds do not rely on the IPO market as the only exit mechanism for their investments – it can involve a long and uncertain process and other exit mechanisms generally offer greater certainty. Nevertheless we do expect exit activity to be the dominant and rewarding feature of the Company's portfolio over the next 12 months which should enable the payment of more cash to shareholders.

There are still 60 companies in the underlying private equity funds, providing well diversified exposure across a range of industry sectors.

To keep up to date with the Company's portfolio, investors are encouraged to visit the website at www.ipelimited.com.au which contains links to the funds and, from those sites, to most of the underlying portfolio companies.

Sydney, 21 February 2014

Summary of private equity funds

Portfolio holdings at 31 December 2013 are outlined below:

Fund name	Investment stage focus	Fund size $m	Committed $m	Capital drawn $m	Capital to be drawn $m	Cash back $m
Archer Capital Fund 3	Buyout	397.0	6.6	6.5	0.1	11.6
Archer Capital Fund 4	Buyout	1,312.4	9.7	8.9	0.8	9.4
Catalyst Buyout Fund 1	Buyout	390.0	8.0	8.0	-	2.9
CM Capital Venture Trust 4	Venture Capital	153.5	8.0	7.4	0.6	0.4
Direct Capital Partners III	Expansion/Buyout	57.1	7.0	6.7	0.3	7.1
HPEF II	Expansion/Buyout	180.5	8.0	7.9	0.1	4.4
Ironbridge Capital 2003/4 Fund	Buyout	450.0	5.0	4.8	0.2	3.8
NBC Private Equity Fund II	Expansion/Buyout	98.6	6.0	6.0	-	0.4
NBC Private Equity Fund III	Expansion/Buyout	101.2	10.0	9.8	0.2	3.8
Pacific Equity Partners Fund III	Buyouts	1,254.0	7.9	7.5	0.4	5.0
Pacific Equity Partners Fund IV	Buyouts	3,661.0	9.0	7.2	1.8	1.8
Propel Private Equity Fund II	Expansion/Buyout	70.8	3.4	3.4	-	5.2
Quadrant Private Equity No. 1	Expansion/Buyout	265.0	8.0	7.9	0.1	8.4
Quadrant Private Equity No. 2	Expansion/Buyout	480.0	9.6	8.8	0.8	13.0
Wolseley Partners Fund I	Expansion/Buyout	107.4	8.0	8.0	-	2.3
Wolseley Partners Fund II	Expansion/Buyout	235.0	10.0	8.8	1.2	3.0
Totals			**124.1**	**117.6**	**6.5**	**82.5**

* numbers subject to rounding

Summary of new investments in the period

Fund	Company	Description
NBC Private Equity Fund III	Statseeker	Designs, develops, sells, supports monitoring software
	Smart Campus Group	Vocational and higher education provider for IT sector
Wolseley Partners Fund II	Nexus Day Hospital Group	Day hospital operator focused on the ophthalmology sector

In addition to the new investments, only three existing investments received follow-on funding.

Summary of realisations

Fund	Company	Total return as a multiple of cost
Catalyst Buyout Fund 1	Ezibuy	1.6x
CM Capital Venture Trust 4	Adgent Pathway Therapeutics	0.0x 0.0x
Direct Capital Partners III	Shears & Mac	0.0x
HPEF II	Bras-n-Things	0.4x
NBC Private Equity Fund II	BCP	0.0x
Quadrant Private Equity No 2	Summerset Retirement Villages	2.6x
Wolseley Partners Fund I	Next Media	0.9x
Wolseley Partners Fund II	Guardian Childcare	2.3x

Summary of 20 largest private equity exposures
(as a percentage of the Company's total assets as at 31 December 2013).

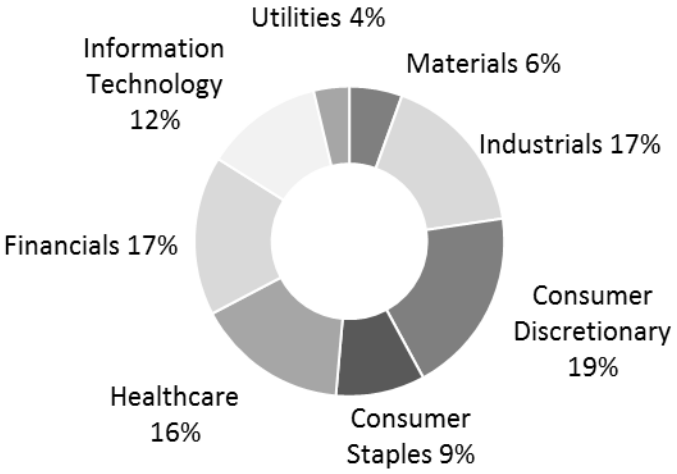
Fund	Date settled	Company	Percentage
PEP III & IV	Jul 07	Veda Advantage (ASX: VED)	7.0%
Quadrant 2	Jul 10	iSentia	5.9%
Wolseley II	Nov 12	Blue Star	5.1%
PEP III	Sep 06	Link Administration	3.5%
Catalyst I	Jan 07	Global Television	3.3%
Wolseley I & II	Apr 07	Cox Gomyl	3.3%
Co-investment	Jun 07	Vitaco	3.1%
PEP IV	Jan 10	Energy Developments (ASX: ENE)	2.9%
Quadrant 1	Mar 06	Seniors Money	2.9%
Archer 4	Jun 11	Healthe Care Australia	2.5%
Direct Capital III	Nov 05	NZ Pharmaceuticals	2.3%
HPEF II	Feb 07	Endeavour Learning Group	2.3%
NBC III	Oct 13	Smart Campus Group	2.3%
Wolseley II	Jul 10	Abergeldie Group	2.3%
NBC III	Dec 12	Fusion Food / Degani	2.3%
Propel II	Nov 04	The PAS Group	2.2%
PEP IV	Jun 08	American Stock Transfer	2.2%
PEP IV	Aug 12	Spotless Group	2.2%
PEP IV	Jan 12	SCA Hygiene Australasia	2.1%
CM Capital 4	Jun 07	Osprey Medical	1.9%
		Total (rounded)	61.4%

Summary of vintages (calendar year)

Number of underlying companies that were acquired in a particular year (excluding realisations).

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
3	2	10	16	8	3	4	6	5	3

Industry sector exposure at period end



IPE Limited

(formerly known as ING Private Equity Access Limited)

ABN 48 107 843 381

Interim Financial Report: 31 December 2013

Directors' Report

The Directors submit their report for the half-year ended 31 December 2013.

Directors

The names and details of the Company's Directors in office during the half-year and until the date of this report are as follows:

Director Name	Position	Appointment Date
Geoff Brunsdon	Independent, Non-Executive Director and Chairman	3 February 2004
Jon Schahinger	Managing Director	3 February 2004
Don Stammer	Independent, Non-Executive Director	3 February 2004

Review and results of operations

During the reporting period, the Company engaged in its principal activity, holding long term investments in private equity funds, the results of which are enclosed in the attached financial statements.

At the Annual General Meeting held on 31 October 2013 shareholders approved a change in the Company name from ING Private Equity Access Limited to IPE Limited.

Operating Results for the Period

It was a good six months for the portfolio and the Company. With a background of relatively stable financial markets the private equity sector was active with a range of sales taking place, valuations improving and confidence from the debt markets enabling the re-capitalisation of many companies. These conditions provided the Company with improved profits and strong cash inflows, bolstering its cash reserves and enabling the payment of another dividend.

During the period, the Company made a net profit for the period of $3,140,489 after providing for income tax (2012: net profit: $1,690,380).

Earnings per share for the reporting period based on the weighted average number of ordinary shares	2013	2012
Basic earnings per share (cents per share)	2.30	1.24
Diluted earnings per share (cents per share)	2.30	1.24

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company that occurred during the financial half-year.

Dividends

Dividends paid or declared by the Company since the end of the previous financial year were:

Declaration date	Cents per share	Total amount $'000	Payment date
19 June 2013	3.50	4,787	19 July 2013
31 October 2013	3.00	4,097	5 December 2013

Matters subsequent to the end of the financial half-year

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company.

Rounding

The amounts contained in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) as available to the Company under ASIC Class Order 98/100. The Company is an entity to which the Class Order applies.

Auditor's independence declaration

A statement of independence has been provided by our auditor, Grant Thornton, and is attached to the Directors' Report on the following page.

Signed in accordance with a resolution of the Directors.

Geoff Brunsdon

Chairman

Sydney

21 February 2014

Grant Thornton

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Auditor's Independence Declaration
To The Directors of IPE Limited (formerly known as ING Private Equity Access Limited)

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of IPE Limited for the half-year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b No contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

G S Layland
Director - Audit & Assurance

Sydney, 21 February 2014

Statement of Financial Position

As at	31 December 2013 $'000	30 June 2013 $'000
Current assets		
Cash and cash equivalents	3,140	5,322
Receivables	10	20
Prepayments	59	35
Total current assets	**3,209**	**5,377**
Non-current assets		
Unlisted private equity investments	57,718	60,878
Deferred tax assets	3,880	4,627
Total non-current assets	**61,598**	**65,505**
Total assets	**64,807**	**70,882**
Current liabilities		
Payables and other liabilities	260	131
Provision for dividend	-	4,787
Borrowings	-	-
Current tax liabilities	988	1,445
Total current liabilities	**1,248**	**6,363**
Non-current liabilities		
Deferred tax liabilities	1	4
Total non-current liabilities	**1**	**4**
Total liabilities	**1,249**	**6,367**
Net assets	**63,558**	**64,515**
Equity		
Issued capital	73,005	73,005
Accumulated loss	(9,447)	(8,490)
Total equity	**63,558**	**64,515**

The above Statement of financial position should be read in conjunction with the accompanying notes to the financial statements set out on pages 16 to 21.

Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December	2013 $'000	2012 $'000
Revenue		
Dividend and distribution revenue	4,768	2,148
Net increase in fair value of investments	172	742
Expenses		
Management fees	(270)	(281)
Directors' fees	(48)	(48)
Other expenses	(154)	(225)
Results from operating activities	**4,468**	**2,336**
Finance income	41	28
Finance expenses	(67)	(102)
Net finance expense	**(26)**	**(74)**
Profit before income tax	**4,442**	**2,262**
Income tax expense	(1,302)	(572)
Other comprehensive income for the period	-	-
Total comprehensive income for the period	**3,140**	**1,690**

Earnings per share (EPS)	December 2013	December 2012
EPS based on the weighted average number of ordinary shares (cents per share)		
Basic and diluted earnings per share for the half year	2.30	1.24

The above Statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the financial statements set out on pages 16 to 21.

Statement of Changes in Equity

For the half-year ended 31 December 2013	Issued Capital $'000	Accumulated Losses $'000	Total $'000
At 30 June 2013	**73,005**	**(8,490)**	**64,515**
Total comprehensive income for the period			
Profit for the period	-	3,140	3,140
Total comprehensive income for the period	**-**	**3,140**	**3,140**
Transactions with owners, recorded directly in equity			
Dividends declared and paid	-	(4,097)	(4,097)
Total transactions with owners	**-**	**(4,097)**	**(4,097)**
At 31 December 2013	**73,005**	**(9,447)**	**63,558**

For the half-year ended 31 December 2012	Issued Capital $'000	Accumulated Losses $'000	Total $'000
At 30 June 2012	**73,005**	**(4,464)**	**68,541**
Total comprehensive income for the period			
Profit for the period	-	1,690	1,690
Total comprehensive income for the period	**-**	**1,690**	**1,690**
Transactions with owners, recorded directly in equity			
Dividends declared and paid	-	(3,073)	(3,073)
Total transactions with owners	**-**	(3,073)	(3,073)
At 31 December 2012	**73,005**	**(5,847)**	**67,158**

The above Statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements set out on pages 16 to 21.

Statement of Cash Flows

For the half-year ended 31 December	2013 $'000	2012 $'000
Cash flows from operating activities		
Dividends and distributions received	4,768	2,148
Interest received	51	42
Interest paid	(7)	-
Taxes paid	(1,014)	(173)
Payments to suppliers and Directors	(429)	(699)
Net cash flows from operating activities	**3,369**	**1,318**
Cash flows from investing activities		
Proceeds from sale of listed private equity investments	-	5
Proceeds from sale of unlisted private equity investments	-	15
Purchases of unlisted private equity investments	(4,471)	(5,272)
Proceeds from capital returned on unlisted private equity investments	7,838	2,299
Loans to shareholders of co-investments	(41)	-
Proceeds of loans to shareholders of co-investments	-	94
Net cash flows from/(used in) investing activities	**3,326**	**(2,859)**
Cash flows from financing activities		
Proceeds from debt drawdown	2,000	2,000
Repayment of debt facility	(2,000)	-
Dividends paid	(8,877)	(3,073)
Net cash flows used in financing activities	**(8,877)**	**(1,073)**
Net decrease in cash & cash equivalents held	**(2,182)**	**(2,614)**
Add opening cash and cash equivalents brought forward	5,322	2,929
Cash and cash equivalents at end of the period	**3,140**	**315**

The above Statement of cash flows should be read in conjunction with the accompanying notes to the financial statements set out on pages 16 to 21.

1. Corporate Information

The half-year financial report of IPE Limited for the period ended 31 December 2013 was authorised for issue in accordance with a resolution of the Board of Directors on 21 February 2014.

IPE Limited is a Company limited by shares incorporated in Australia which are publicly traded on the Australian Stock Exchange.

Prior to 31 October 2013, the Company was known as ING Private Equity Access Limited. The name change to IPE Limited was approved by shareholders at the Annual General Meeting held on that date.

2. Summary of significant accounting policies

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position, and financing and investing activities of the Company as the full financial report. The half-year financial report should be read in conjunction with the annual financial report of IPE Limited as at 30 June 2013. It is also recommended that the half-year financial report be considered together with any public announcements made by the Company during the half-year ended 31 December 2013 in accordance with the continuous disclosure obligations arising under the Australian Stock Exchange Listing Rules and the *Corporations Act 2001*.

(a) Statement of compliance

These interim financial statements have been prepared in accordance with AASB 134: *"Interim Financial Reporting"*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30 June 2013.

(b) Basis of preparation

The half-year financial report has been prepared on a historical cost basis, except for the Company's private equity investments that have been measured at fair value.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated under the option available to the Company under ASIC class order 98/100. The Company is an entity to which the class order applies. For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(c) Changes in accounting policies

The accounting policies applied by the Company in the half-year financial statements are the same as those applied by the Company in its annual financial statements for the year ended 30 June 2013 except for the application of AASB 13: *Fair Value Measurement* as of 1 January 2013. AASB 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair valued. AASB 13 applies prospectively for annual periods beginning on or after 1 January 2013. AASB 134 requires particular AASB 13 disclosures in the interim financial statements which are provided in Note 9.

(d) Estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial report as at and for the year ended 30 June 2013.

3. Dividends

The following dividends were paid by the Company during the period:

Declaration date	Cents per share	Total amount $'000	Payment date
19 June 2013	3.50	4,787	19 July 2013
31 October 2013	3.00	4,097	5 December 2013

The following dividends were paid by the Company in the previous corresponding period:

Declaration date	Cents per share	Total amount $'000	Payment date
18 October 2012	2.25	3,073	9 November 2012

The Company's dividend reinvestment plan has been suspended.

No dividends have been declared since the end of the period.

4. Operating Segments

The Company has one operating segment: Investments in Private Equity. For this segment, the Managing Director reviews internal management reports in relation to the Company's private equity investments on at least a monthly basis.

Reportable segment information	Private Equity Investment Segment	
	December 2013 $'000	December 2012 $'000
External revenues	4,940	2,890
Interest expense	(8)	(9)
Reportable segment profit/(loss) before income tax	4,602	2,395
	December 2013 $'000	June 2013 $'000
Reportable segment assets	57,718	60,878
Reportable segment liabilities	-	-

Reconciliation of external revenues	December 2013 $'000	December 2012 $'000
Total revenue for reportable segment	4,940	2,890
Total revenue	**4,940**	**2,890**

Reconciliation of reportable segment profit	December 2013 $'000	December 2012 $'000
Total profit before income tax for reportable segment	4,602	2,395
Unallocated amounts:		
Non segment revenues	41	28
Other corporate expenses	(201)	(161)
Profit before income tax	**4,442**	**2,262**

Reconciliation of reportable segment assets	December 2013 $'000	June 2013 $'000
Total assets for reportable segment	57,718	60,878
Other assets	7,089	10,004
Total assets	**64,807**	**70,882**

Reconciliation of reportable segment liabilities	December 2013 $'000	June 2013 $'000
Total liabilities for reportable segment	-	-
Other liabilities	1,249	6,367
Total liabilities	**1,249**	**6,367**

Geographical segments

The Company's investments are domiciled in Australia and New Zealand (2012: Australia and New Zealand).

In presenting information on the basis of geographical segments, segment revenue and non-current assets are based on the geographical location of investments.

Revenues	December 2013 $'000	December 2012 $'000
Australia	4,817	2,562
New Zealand	123	328
Total revenue	**4,940**	**2,890**

Non-current investment assets	December 2013 $'000	June 2013 $'000
Australia	55,214	58,538
New Zealand	2,504	2,340
Total non-current investment assets	**57,718**	**60,878**

5. Income tax expense

Income tax expense is recognised based on the Company's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period. The Company's effective tax rate for the six months ended 31 December 2013 was 29% (2012: 25%).

6. Commitments

Estimated commitments contracted for, but yet to be called as at 31 December 2013 are $6.5 million (30 June 2013: $11.1 million).

These long term commitments reflect the commitment in respect of future investments in current private equity investments held. Due to the inherent nature of private equity investments, the timeframe of these commitments cannot be predicted because capital can be called by investment managers at any time. Although these commitments may be called at any time, the investment funds that the Company has commitments with have all but completed their investment portfolios. Thus it is highly likely that future requests for funding will be only for modest amounts and scattered over the next few years.

Generally, drawdowns by a specific fund are substantially made over the 5 year period from first commitment to a fund. Consequently, it has been typical, particularly amongst later stage private equity funds, which form the bulk of the portfolio, for there to be realisations and consequential distributions from underlying funds before all drawdowns by these funds need to be met. This creates significant internal cash generation to meet outstanding commitments. It is also common for a private equity fund to terminate without having drawn down the full commitment, further reducing the actual commitment to be met.

The Directors expect the Company to finance the future drawdown of its outstanding commitments, if required, by one or a combination of the following options:

- Utilising cash on hand;
- Utilising distributions received by the Company as a result of realisations of assets by private equity investments;
- Utilising the current debt finance facility of the Company;
- Disposing of some private equity commitments in order to generate cash;
- Raising capital through a share placement or rights issue.

7. Contingent liabilities and contingent assets

(a) Contingent liabilities

There have not been any changes in contingent liabilities since the last reporting date. The contingent liabilities of the Company are nil. (June 2013: nil).

(b) Contingent assets

There have not been any changes in contingent assets since the last reporting date. The contingent assets of the Company are nil. (June 2013: nil).

8. Subsequent events

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company.

9. Fair value measurement of financial instruments

(a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group's financial assets and financial liabilities measured and recognised at fair value at 31 December 2013 and 31 December 2012 on a recurring basis are as follows:

31 December 2013	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets designated as fair value through profit or loss	-	-	57,718	57,718
	-	-	57,718	57,718

31 December 2012	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets designated as fair value through profit or loss	-	-	65,007	65,007
	-	-	65,007	65,007

(b) Measurement of fair value of financial instruments

The method and valuation technique used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

Unlisted private equity investments

The Company's investments are valued differently according to their differing legal structures:

- Investments in private equity trusts are valued by multiplying a unit price provided by the investment manager by the number of units the Company holds in the trust;
- Venture Capital Limited Partnerships (VCLP) are valued using a value of the VCLP assets provided by the investment manager of the partnership proportioned by the Company's share of VCLP assets under the partnership agreement; and
- Direct private equity investments are valued using a value of the direct investment provided by the investment manager of the investment, proportioned by the share of equity in the investment which the Company holds.

(c) Level 3 fair value measurements

The following table presents the changes in financial instruments classified within Level 3:

Reconciliation of Level 3 balances in the fair value hierarchy	2013 $'000	2012 $'000
Beginning balance at 30 June	60,878	61,402
Unrealised gains for the period recognised in the profit or loss	461	725
Purchases and calls paid for unlisted private equity investments	4,511	5,272
Capital returns from unlisted private equity investments	(7,838)	(2,299)
Proceeds received from repayment of investment loans	(294)	(93)
Foreign exchange loss on settlement of investment loans	-	
Ending balance at 31 December	57,718	65,007

There have been no transfers between the levels of the fair value hierarchy during the six months to 31 December 2013.

Directors' Declaration

In the opinion of the Directors of IPE Limited (the Company):

(a) the financial statements and notes set out on pages 11 to 21 are in accordance with the Corporations Act 2001, including:

  (i) giving a true and fair view of the Company's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

  (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Geoff Brunsdon

Chairman

Sydney
21 February 2014

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Independent Auditor's Review Report
To the Members of IPE Limited (formerly ING Private Equity Access Limited)

We have reviewed the accompanying half-year financial report of IPE Limited ("Company"), which comprises the statement of financial position as at 31 December 2013, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration.

Directors' responsibility for the half-year financial report

The directors of IPE Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the IPE Limited financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of IPE Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of IPE Limited is not in accordance with the Corporations Act 2001, including:

a giving a true and fair view of the Company's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

G S Layland
Director - Audit & Assurance

Sydney, 21 February 2014