Multiplex Diversified Property Fund
Financial report
For the period ended
24 June 2010

Multiplex Diversified Property Fund

ARSN 123 879 630

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Directors of Brookfield Multiplex Capital Management Limited
F. Allan McDonald
Brian Motteram
Barbara Ward
Russell Proutt
Tim Harris

Company Secretary of Brookfield Multiplex Capital Management Limited
Neil Olofsson

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Introduction
The Directors of Brookfield Multiplex Capital Management Limited (ABN 32 094 936 866), the Responsible Entity of Multiplex Diversified Property Fund (ARSN 123 879 630) (Fund), present their report together with the financial report of the Consolidated Entity, being the Fund and its subsidiaries (together referred to as the Consolidated Entity), as at and for the period 1 July 2009 to 24 June 2010 and the Independent Auditor's Report thereon. Comparative information in this financial report is presented for the financial year 1 July 2008 to 30 June 2009. The Fund was constituted on 8 February 2007.

Responsible Entity
The Responsible Entity of the Fund is Brookfield Multiplex Capital Management Limited (BMCML) which has been the Responsible Entity since inception of the Fund. BMCML is a wholly owned subsidiary of Brookfield Multiplex Limited. The registered office and principal place of business of the Responsible Entity and the Fund is Level 22, 135 King Street, Sydney NSW 2000.

Wind-up of the Fund
The Board of Directors of BMCML, as Responsible Entity of the Fund, has concluded that it is in the best interests of investors to terminate and wind-up the Fund and distribute assets of the Fund to investors. Accordingly, on 19 February 2010, the Board resolved to terminate and wind-up the Fund. This decision was reached after considering issues such as current economic conditions, the Fund's ability to raise additional capital to achieve true diversification and liquidity requirements of investors. The Fund was terminated on 24 June 2010.

Directors
The following persons were Directors of the Responsible Entity at any time during or since the end of the financial period:

Name	Capacity
F. Allan McDonald (appointed 1 January 2010)	Non-Executive Independent Chairman
Brian Motteram (appointed 21 February 2007)	Non-Executive Independent Director
Barbara Ward (appointed 1 January 2010)	Non-Executive Independent Director
Russell Proutt (appointed 1 January 2010)	Executive Director
Tim Harris (appointed 17 March 2010)	Executive Director
Peter Morris (Director 14 April 2004 – 1 January 2010)	Non-Executive Independent Chairman
Robert McCuaig (Director 31 March 2004 – 1 January 2010)	Non-Executive Independent Director
Mark Wilson (Director 27 August 2008 – 1 January 2010)	Executive Director
Brian Kingston (Director 27 August 2008 – 17 March 2010)	Executive Director

Information on Directors
F. Allan McDonald, Non-Executive Independent Chairman
Allan was appointed the Non-Executive Independent Chairman of Brookfield Multiplex Capital Management Limited on 1 January 2010 and also performs that role for Brookfield Multiplex Funds Management Limited. Allan has had extensive experience in the role of Chairman and is presently associated with a number of companies as a consultant and Company Director. Allan's other directorships of listed companies are Astro Japan Property Management Limited (responsible entity of Babcock & Brown Japan Property Trust) (appointed November 2004), Billabong International Limited (appointed July 2000), and Ross Human Directions Limited (appointed April 2000). During the past 3 years, Allan has also served as a director of the following listed companies: Multiplex Limited (December 2003 to October 2007 – delisted December 2007).

Brian Motteram, Non-Executive Independent Director
Brian has in excess of 33 years of experience working in the area of finance and accounting. He has worked with international accounting firms, in his own private practice, and during the last 19 years in private enterprise in both the mining and property industries. He spent 8 years (from 1996 to 2004) as an executive of a Perth-based property company in the position of Chief Financial Officer and, later, as Financial Director. There are no listed companies of which Brian has served as a director during the past 3 years.

Barbara Ward, Non-Executive Independent Director
Barbara was appointed as a Non-Executive Independent Director of Brookfield Multiplex Capital Management Limited on 1 January 2010 and also performs that role for Brookfield Multiplex Funds Management Limited. Barbara has gained extensive business and finance experience through her role as Chief Executive Officer of Ansett Worldwide Aviation Services, as General Manager Finance for the TNT Group and as a Senior Ministerial Advisor. Barbara is Chairman of Country Energy, and a Director of Qantas Airways Limited (appointed June 2008). During the past 3 years Ms Ward has also served as a Director of Multiplex Limited (December 2003 to October 2007 – delisted December 2007), Lion Nathan Limited (February 2003 to October 2009 and Allco Finance Group Limited (April 2005 to January 2008).

Information on Directors continued

Russell Proutt, Executive Director

Russell Proutt is the Chief Financial Officer of Brookfield Australia and was appointed as an Executive Director of Brookfield Multiplex Capital Management Limited on 1 January 2010. Russell joined Brookfield Asset management, the parent company of Brookfield Multiplex Capital Management Limited, in 2006 and has held various senior management positions within Brookfield, including managing the Bridge Lending Fund, mergers and acquisitions involving subsidiaries as well as transactions involving Brookfield's restructuring fund, Tricap Partners.

Tim Harris, Executive Director

Tim Harris is the Chief Financial Officer of Brookfield Multiplex Group and was appointed as an Executive Director of Brookfield Multiplex Capital Management Limited on 17 March 2010. Tim joined the organisation in February 2009, prior to which he held various senior finance positions with the Westfield Group. Tim has also worked for Lion Nathan Australia, Southcorp Wines and The Walt Disney Company in London. Tim is a fully qualified Chartered Accountant having trained with Ernst & Young in London.

Information on Company Secretary

Neil Olofsson

Neil has over 14 years international company secretarial experience including having worked at KPMG, Clifford Chance and Schroder Investment Management prior to joining Brookfield Multiplex Group Company Secretariat.

Directors' interests

The following table sets out each Director's relevant interest in the units, debentures, rights or options over such instruments, interests in registered schemes and rights or options over such instruments issued by the entities within the Consolidated Entity and other related bodies corporate as at the date of this report:

Director	Multiplex Diversified Property Fund units held
F. Allan McDonald (appointed 1 January 2010)	–
Brian Motteram (appointed 21 February 2007)	–
Barbara Ward (appointed 1 January 2010)	–
Russell Proutt (appointed 1 January 2010)	–
Tim Harris (appointed 17 March 2010)	–
Peter Morris (Director 14 April 2004 – 1 January 2010)	–
Robert McCuaig (Director 31 March 2004 – 1 January 2010)	–
Mark Wilson (Director 27 August 2008 – 1 January 2010)	–
Brian Kingston (Director 27 August 2008 – 17 March 2010)	–

No options are held by/have been issued to the Directors.

Directors' meetings

	Board Meetings		Audit Committee Meetings[1]		Board Audit Committee Meetings[2]		Board Risk and Compliance Committee Meetings[3]	
Director	A	B	A	B	A	B	A	B
F. Allan McDonald	8	8	N/A	N/A	1	1	1	1
Brian Motteram	17	18	2	2	1	1	1	1
Barbara Ward	6	6	N/A	N/A	1	1	1	1
Russell Proutt	6	6	N/A	N/A	N/A	N/A	N/A	N/A
Tim Harris	6	6	N/A	N/A	N/A	N/A	N/A	N/A
Peter Morris	10	10	2	2	N/A	N/A	N/A	N/A
Robert McCuaig	10	10	2	2	N/A	N/A	N/A	N/A
Mark Wilson	10	10	N/A	N/A	N/A	N/A	N/A	N/A
Brian Kingston	10	12	N/A	N/A	N/A	N/A	N/A	N/A

A – Number of meetings attended.
B – Number of meetings held during the time the Director held office during the year.
1 – Audit Committee Meetings were in existence until January 2010, when it was disbanded.
2 – Board Audit Committee Meetings were established from January 2010.
3 – Board Risk and Compliance Committee Meetings were established from January 2010. Compliance and Risk Committee Meetings were in existence prior to January 2010, when it was disbanded, and comprised of external members only.

Committee meetings

There were no Board committee meetings held during the period other than those stated above.

Principal activities
Prior to the termination of the Fund, the principal activities of the Fund and Consolidated Entity were investments in listed and unlisted property securities in Australia. There were no significant changes in the nature of the Fund and Consolidated Entity's activities prior to termination.

Review of operations
During the period prior to termination, the Consolidated Entity continued to hold investments in 1 listed and 2 unlisted property securities. It should be noted that in this report, the current period relates to the period ended 24 June 2010 while the comparative period relates to the full year ended 30 June 2009.

The Consolidated Entity recorded a net loss of $9,451,306 for the period ended 24 June 2010 (2009: $32,920,546). The reported net loss of $9,451,306 includes $3,105,955 share of net loss from equity accounted investments (2009: share of net loss of $30,559,100).

Interests of the Responsible Entity
Fee payments
The following fees were paid to BMCML out of the Fund's assets during the financial year:
– Management fees incurred by the Fund during the year were $86,334 (2009: $118,216)
– Expense recovery fees incurred by the Fund during the year were $41,745 (2009: $96,646)

Investments held
The following interests were held in the Consolidated Entity during the period:
– Brookfield Multiplex Funds Management Limited, as custodian for Brookfield Multiplex Property Trust, holds nil units of the Fund at the reporting date (2009: 54,351,427 units or 66.5%).
– Brookfield Multiplex Capital Pty Limited holds nil units of the Fund at the reporting date (2009: 3,232,057 units or 4.0%).

Significant changes in the state of affairs
In the opinion of the Directors, there were no significant changes in the state of affairs of the Consolidated Entity that occurred during the financial period ended 24 June 2010 other than those disclosed in this report or in the financial report.

Events subsequent to reporting date
Other than previously disclosed in this report, there were no matters or circumstances which have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Fund or Consolidated Entity, the results of those operations, or the state of affairs of the Fund or Consolidated Entity.

Environmental regulation
The Consolidated Entity has systems in place to manage its environmental obligations. Based upon the results of inquiries made, the Responsible Entity is not aware of any significant breaches or non-compliance issues during the period covered by this report.

Distributions
Distributions paid/payable to unitholders were as follows:

	Cents per unit	Total amount $	Date of payment
June 2010 distribution	0.39288	320,970	24 June 2010
Total distributions for the period ended 24 June 2010	**0.39288**	**320,970**	
December 2008 distribution	1.34600	1,097,557	30 January 2009
September 2008 distribution	1.75960	1,394,359	24 October 2008
Total distributions for the year ended 30 June 2009	**3.10560**	**2,491,916**	

As part of the wind-up process, the Fund made an initial return on capital to unitholders on the 28 April 2010 of 0.2975 cents per unit or $24,301,751. The return on capital was by way of a cash distribution of $15,633,515 and an in-specie distribution of the investment assets held by the Fund of $8,668,236. A final distribution of $320,970 and return on capital of $386,399 was paid to unitholders upon wind-up of the Fund on 24 June 2010.

Indemnification and insurance premiums
Under the Fund's Constitution, the Responsible Entity's officers and employees are indemnified out of the Fund's assets for any loss, damage, expense or other liability incurred by it in properly performing or exercising any of its powers, duties or rights in relation to the Fund.

Neither the Fund nor any controlled entity has indemnified any auditor of the Consolidated Entity.

No insurance premiums are paid out of the Fund's assets in relation to cover for the Responsible Entity, its officers and employees, the Compliance Committee or auditors of the Fund. The insurance premiums are paid by the Responsible Entity.

Auditor's independence declaration under Section 307C of the *Corporations Act 2001*

The auditor's independence declaration is set out on page 8 and forms part of the Directors' Report for the period ended 24 June 2010.

Signed in accordance with a resolution of the Directors made pursuant to Section 298(2) of the *Corporations Act 2001*.

Dated at Sydney this 24th day of June 2010.

Russell Proutt
Director
Brookfield Multiplex Capital Management Limited

Statement of Comprehensive Income

Multiplex Diversified Property Fund

For the period ended 24 June 2010

		Consolidated		Fund	
	Note	Period ended 24 June 2010 $	Year ended 30 June 2009 $	Period ended 24 June 2010 $	Year ended 30 June 2009 $
Revenue and other income					
Distribution income from property trusts		30,813	99,412	–	977,189
Distribution income from controlled entities		–	–	30,792	99,443
Interest income		472,300	703,832	472,290	703,801
Gain on disposal of property trusts		–	–	1,129,196	–
Total revenue and other income		**503,113**	**803,244**	**1,632,278**	**1,780,433**
Expenses					
Share of net loss of investments accounted for using the equity method	4	3,105,955	30,559,100	–	–
Impairment expense	4,8	5,966,954	2,949,438	–	32,071,559
Management fees		86,334	118,216	86,334	118,216
Loss on disposal of property trusts		699,367	–	–	–
Other expenses		95,809	97,036	95,809	97,045
Total expenses		**9,954,419**	**33,723,790**	**182,143**	**32,286,820**
Net (loss)/income		**(9,451,306)**	**(32,920,546)**	**1,450,135**	**(30,506,387)**
Other comprehensive income					
Change in reserves of investments accounted for using the equity method	12	1,728,433	7,964,231	–	–
Change in fair value of available for sale financial assets	12	447,470	(8,029,136)	1,129,196	–
Change in reserves due to disposal of investments	12	743,610	–	(1,129,196)	–
Other comprehensive income/(loss) for the period		**2,919,513**	**(64,905)**	**–**	**–**
Total comprehensive (loss)/income for the period		**(6,531,793)**	**(32,985,451)**	**1,450,135**	**(30,506,387)**
Net (loss)/income attributable to unitholders		**(9,451,306)**	**(32,920,546)**	**1,450,135**	**(30,506,387)**
Total comprehensive (loss)/income attributable to unitholders		**(6,531,793)**	**(32,985,451)**	**1,450,135**	**(30,506,387)**

The Statement of Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

Statement of Financial Position

Multiplex Diversified Property Fund

As at 24 June 2010

		Consolidated		Fund	
	Note	24 June 2010 $	30 June 2009 $	24 June 2010 $	30 June 2009 $
Assets					
Current assets					
Cash and cash equivalents		–	15,727,667	–	15,727,667
Trade and other receivables	7	–	39,302	–	62,910
Total current assets		**–**	**15,766,969**	**–**	**15,790,577**
Non-current assets					
Investments – available for sale	8	–	5,152,696	–	2,605,836
Investments accounted for using the equity method	4	–	10,660,108	–	–
Investments in controlled entities	9	–	–	–	5,129,109
Total non-current assets		**–**	**15,812,804**	**–**	**7,734,945**
Total assets		**–**	**31,579,773**	**–**	**23,525,522**
Liabilities					
Current liabilities					
Trade and other payables	10	–	38,859	–	38,890
Total current liabilities		**–**	**38,859**	**–**	**38,890**
Total liabilities		**–**	**38,859**	**–**	**38,890**
Net assets		**–**	**31,540,914**	**–**	**23,486,632**
Equity					
Units on issue	11	–	78,143,101	–	78,143,101
Reserves	12	–	(2,919,513)	–	–
Undistributed losses	13	–	(43,682,675)	–	(54,656,470)
Total equity		**–**	**31,540,913**	**–**	**23,486,631**

The Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

Statement of Changes in Equity

Multiplex Diversified Property Fund

For the period ended 24 June 2010

Consolidated	Attributable to unitholders of the Fund			
	Ordinary units $	Undistributed losses $	Reserves $	Total equity $
Opening equity 1 July 2009	**78,143,101**	**(43,682,675)**	**(2,919,513)**	**31,540,913**
Change in reserves of investments accounted for using the equity method	–	–	1,728,433	**1,728,433**
Change in fair value of available for sale financial assets	–	–	447,470	**447,470**
Change in reserves due to disposal of investments			743,610	**743,610**
Income recognised directly in equity	**–**	–	**2,919,513**	**2,919,513**
Net loss for the period	**–**	**(9,451,306)**	**–**	**(9,451,306)**
Total comprehensive loss for the period	**–**	**(9,451,306)**	**2,919,513**	**(6,531,793)**
Transactions with unitholders in their capacity as unitholders:				
Units redeemed	(78,143,101)	53,454,951	–	**(24,688,150)**
Distributions paid	–	(320,970)	–	**(320,970)**
Total transactions with unitholders in their capacity as unitholders	**(78,143,101)**	**53,134,981**	–	**(25,009,120)**
Closing equity 24 June 2010	**–**	**–**	–	**–**

Consolidated	Attributable to unitholders of the Fund			
	Ordinary units $	Undistributed losses $	Reserves $	Total equity $
Opening equity 1 July 2008	**72,667,175**	**(8,270,214)**	**(2,854,607)**	**61,542,354**
Change in reserves of investments accounted for using the equity method	–	–	7,964,231	**7,964,231**
Change in fair value of available for sale financial assets	–	–	(8,029,136)	**(8,029,136)**
Loss recognised directly in equity	**–**	**–**	**(64,905)**	**(64,905)**
Net loss for the period	**–**	**(32,920,546)**	**–**	**(32,920,546)**
Total comprehensive loss for the period	–	**(32,920,546)**	**(64,905)**	**(32,985,451)**
Transactions with unitholders in their capacity as unitholders:				
Units issued	6,434,289	–	–	**6,434,289**
Units redeemed	(1,218,062)	–	–	**(1,218,062)**
Reinvested distributions	259,699	–	–	**259,699**
Distributions paid	–	(2,491,916)	–	**(2,491,916)**
Total transactions with unitholders in their capacity as unitholders	**5,475,926**	**(2,491,916)**	–	**2,984,010**
Closing equity 30 June 2009	**78,143,101**	**(43,682,675)**	**(2,919,513)**	**31,540,913**

Statement of Changes in Equity
Multiplex Diversified Property Fund
For the period ended 24 June 2010

Fund	Attributable to unitholders of the Fund			
	Ordinary units $	Undistributed (losses)/ profits $	Reserves $	Total equity $
Opening equity 1 July 2009	**78,143,101**	**(54,656,470)**	**–**	**23,486,631**
Change in reserves of investments accounted for using the equity method	–	–	–	**–**
Change in fair value of available for sale financial assets	–	–	1,129,196	**1,129,196**
Change in reserves due to disposal of investments			(1,129,196)	**(1,129,196)**
Income recognised directly in equity	**–**	**–**	**–**	**–**
Net gain for the period	**–**	**1,450,135**	**–**	**1,450,135**
Total comprehensive loss for the period	**–**	**1,450,135**	**–**	**1,450,135**
Transactions with unitholders in their capacity as unitholders:				
Units redeemed	(78,143,101)	53,527,305	–	**(24,615,796)**
Distributions paid	–	(320,970)	–	**(320,970)**
Total transactions with unitholders in their capacity as unitholders	**(78,143,101)**	**53,206,335**	**–**	**(24,936,766)**
Closing equity 24 June 2010	**–**	**–**	**–**	**–**

Fund	Attributable to unitholders of the Fund			
	Ordinary units $	Undistributed losses $	Reserves $	Total equity $
Opening equity 1 July 2008	**72,667,175**	**(21,658,167)**	**–**	**51,009,008**
Loss recognised directly in equity	**–**	**–**	**–**	**–**
Net loss for the period	**–**	**(30,506,387)**	**–**	**(30,506,387)**
Total comprehensive loss for the period	**–**	**(30,506,387)**	**–**	**(30,506,387)**
Transactions with unitholders in their capacity as unitholders:				
Units issued	6,434,289	–	–	**6,434,289**
Units redeemed	(1,218,062)	–	–	**(1,218,062)**
Reinvested distributions	259,699	–	–	**259,699**
Distributions paid	–	(2,491,916)	–	**(2,491,916)**
Total transactions with unitholders in their capacity as unitholders	**5,475,926**	**(2,491,916)**	**–**	**2,984,010**
Closing equity 30 June 2009	**78,143,101**	**(54,656,470)**	**–**	**23,486,631**

The Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

Statement of Cash Flows

Multiplex Diversified Property Fund

For the period ended 24 June 2010

	Note	Consolidated Period ended 24 June 2010 $	Consolidated Year ended 30 June 2009 $	Fund Period ended 24 June 2010 $	Fund Year ended 30 June 2009 $
Cash flows from operating activities					
Cash receipts in the course of operations		32,057	2,521,432	32,057	2,521,432
Cash payments in the course of operations		(221,012)	(222,333)	(221,002)	(222,333)
Interest received		510,358	727,492	510,348	727,492
Net cash flows from operating activities	15	**321,403**	**3,026,591**	**321,403**	**3,026,591**
Cash flows from investing activities					
Proceeds from sale of investments		291,814	–	291,814	–
Net cash flows from investing activities		**291,814**	**–**	**291,814**	**–**
Cash flows from financing activities					
Proceeds from issue of units		–	6,434,289	–	6,434,289
Redemption of units		(16,019,914)	(1,218,062)	(16,019,916)	(1,218,062)
Distributions paid to unitholders		(320,970)	(3,731,634)	(320,970)	(3,731,634)
Net cash flows from financing activities		**(16,340,884)**	**1,484,593**	**(16,340,884)**	**1,484,593**
Net (decrease)/increase in cash and cash equivalents		(15,727,667)	4,511,184	(15,727,667)	4,511,184
Cash and cash equivalents at beginning of period		**15,727,667**	11,216,483	**15,727,667**	11,216,483
Cash and cash equivalents at end of period		**–**	**15,727,667**	**–**	**15,727,667**

The Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

1 Reporting entity

Multiplex Diversified Property Fund (Fund) is an Australian registered managed investment scheme under the *Corporations Act 2001*. Brookfield Multiplex Capital Management Limited (BMCML), the Responsible Entity of the Fund, is incorporated and domiciled in Australia. The consolidated financial statements of the Fund are presented as at and for the period 1 July 2009 to 24 June 2010, as the Fund was terminated on 24 June 2010. The consolidated financial statements of the Fund comprise the Fund and its subsidiaries (together referred to as the Consolidated Entity) and the Consolidated Entity's interest in associates. Comparative information in this financial report is presented for the financial year 1 July 2008 to 30 June 2009. The Fund was constituted on 8 February 2007.

2 Basis of preparation

a Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial reports of the Consolidated Entity and the Fund (financial statements) comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Boards (IASB), to the extent that they apply on a non-going concern basis.

The financial statements were authorised for issue by the directors on this 24 day of June 2010.

b Basis of measurement

The Board of Directors of BMCML, as Responsible Entity of the Fund has concluded that it is in the best interests of investors to terminate and wind-up the Fund and distribute assets of the Fund to investors. Accordingly on 19 February 2010, the Board resolved to terminate and wind-up the Fund. This decision has been reached after considering issues such as current economic conditions, the Fund's ability to raise additional capital to achieve true diversification and liquidity requirements of investors. The Fund was terminated on 24 June 2010.

Consequently the going concern basis of preparation is not appropriate and the financial statements have been prepared on a non-going concern basis for the period ended 24 June 2010.

The financial statements are presented in Australian dollars, which is the Fund's presentation currency. The Fund's functional currency is Australian dollars.

c Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is provided in investments accounted for using the equity method (Note 4) and investments – available for sale (Note 8).

d Financial statement presentation

The Consolidated Entity and Fund have applied the revised AASB 101 *Presentation of Financial Statements*, which became effective on 1 January 2009. The revised standard requires the separate presentation of a statement of comprehensive income and a statement of changes in equity. All non-owner changes in equity must now be presented in the statement of comprehensive income. As a consequence, the Consolidated Entity and Fund had to change the presentation of their financial statements. Comparative information has been re-presented so that it conforms with the revised standard.

Previous primary statement:	Current primary statement:
Income Statement	Statement of Comprehensive Income
Balance Sheet	Statement of Financial Position
Statement of Changes in Equity	Statement of Changes in Equity
Cash Flow Statement	Statement of Cash Flows

3 Significant accounting policies

As a result of the Responsible Entity's decision to wind-up the Fund, the going concern basis of preparation is not appropriate and the financial report has been prepared on a non-going concern basis for the period ended 24 June 2010. The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements, with the exception of all assets and liabilities for the current financial period.

a Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Fund and its subsidiaries. Control is achieved where the Fund has the power to govern the financial and operational policies of an entity so as to obtain benefits from its activities.

The results of the subsidiaries acquired or disposed of during the year are included in the consolidated Statement of Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Consolidated Entity.

All intra-group transactions, balances, income and expenses, including unrealised profits arising from intra-group transactions, are eliminated in full in the consolidated financial statements. In the separate financial statements of the Fund, intra-group transactions (common control transactions) are generally accounted for by reference to the existing carrying value of the items. Where the transaction value of common control transactions differs from their carrying value, the difference is recognised as a contribution by or distribution to equity participants by the transacting entities.

In the Fund's financial statements, investments in controlled entities are carried at cost less impairment, if applicable.

Associates

Associates are all entities over which the group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Refer to Note 3i for further details.

b Revenue recognition

Revenues are recognised at the fair value of the consideration received for the sale of goods and services, net of the amount of Goods and Services Tax (GST), rebates and discounts.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Consolidated Entity and the revenue can be reliably measured. The following specific criteria for the major business activities must also be met before revenue is recognised. Where amounts do not meet these recognition criteria, they are deferred and recognised in the period in which the recognition criteria are met.

Dividends and distributions

Revenue from dividends and distributions is recognised when the right of the Consolidated Entity or the Fund to receive payment is established, which is generally when they have been declared.

Interest revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

Gains and losses on available for sale financial assets

Listed and unlisted investments are classified as being available for sale and are stated at fair value, with any resulting gain or loss recognised directly in equity in the Statement of Financial Position, except for impairment losses, which are recognised directly in the Statement of Comprehensive Income. Where these investments are derecognised, the cumulative gain or loss previously recognised directly in equity in the Statement of Financial Position is recognised in the Statement of Comprehensive Income.

c Expense recognition

Management fees

A base management fee calculated on the gross value of assets is payable to the Responsible Entity. The fee is payable by the Fund quarterly in arrears.

Other expenditure

Expenses are recognised by the Consolidated Entity on an accruals basis.

3 Significant accounting policies continued

d Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an expense item.

Receivables and payables are stated with the amount of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

e Income tax – funds

Under current income tax legislation, the Fund is not liable for Australian income tax provided that the taxable income is fully distributed to unitholders each year. The Fund fully distributes its taxable income each year, calculated in accordance with the Trust Constitution and applicable legislation to unitholders who are presently entitled to income under the Constitution.

Tax allowances for buildings, plant and equipment are distributed to unitholders in the form of a tax deferred component of the distributions.

f Cash and cash equivalents

For purposes of presentation in the Statement of Cash Flows, cash includes cash balances, deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

g Trade and other receivables

Trade debtors and other receivables are stated at their amortised cost using the effective interest rate method less any identified impairment losses. Impairment charges are brought to account as described in Note 3(k). Non-current receivables are measured at amortised cost using the effective interest rate method.

h Available for sale financial assets

Listed and unlisted investments are classified as being available for sale. Available for sale financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent to initial recognition they are measured at fair value, with any resulting gain or loss recognised directly in equity. Where there is evidence of impairment in the value of the investment, usually through adverse market conditions, the impairment loss will be recognised directly in the Statement of Comprehensive Income. Where listed and unlisted investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the Statement of Comprehensive Income.

i Associates

The Consolidated Entity's investments in associates are accounted for using the equity method of accounting in the consolidated financial report. An associate is an entity in which the Consolidated Entity has significant influence, but not control, over their financial and operating policies.

Under the equity method, investments in associates are carried in the consolidated Statement of Financial Position at cost plus post-acquisition changes in the Consolidated Entity's share of net assets of the associates. After application of the equity method, the Consolidated Entity determines whether it is necessary to recognise any additional impairment loss with respect to the Consolidated Entity's net investment in the associates. The consolidated Statement of Comprehensive Income reflects the Consolidated Entity's share of the results of operations of the associates.

When the Consolidated Entity's share of losses exceeds its interest in an associate, the Consolidated Entity's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Consolidated Entity has incurred legal or constructive obligations or made payments on behalf of an associate.

Where there has been a change recognised directly in the associate's equity, the Consolidated Entity recognises its share of changes and discloses this in the consolidated Statement of Changes in Equity.

Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Consolidated Entity's interest in the associate. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Gains and losses are recognised when the contributed assets are consumed or sold by the associate.

3 Significant accounting policies continued

j Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

Non-derivate financial instruments are recognised initially at fair value plus, for instruments not at a fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Consolidated Entity becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Consolidated Entity's contractual rights to the cash flows from the financial assets expire or if the Consolidated Entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchase and sales of financial assets are accounted for at trade date, i.e. the date that the Consolidated Entity commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Consolidated Entity's obligations specified in the contract expire or are discharged or cancelled.

Accounting policies for cash and cash equivalents (Note 3f), trade and other receivables (Note 3g) and trade and other payables (Note 3l) are discussed elsewhere within the financial statements.

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

k Impairment

Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flow of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available for sale financial asset is calculated by reference to its current fair value.

Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the Statement of Comprehensive Income. Any cumulative loss in respect of an available for sale financial asset recognised previously in equity is transferred to the Statement of Comprehensive Income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available for sale financial assets that are debt securities, the reversal is recognised in the Statement of Comprehensive Income. For available for sale financial assets that are equity securities, the reversal is recognised directly in equity.

Non-financial assets

The carrying amount of the Consolidated Entity's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists then the asset's recoverable amount is estimated.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

l Trade and other payables

Payables are stated at amortised cost using the effective interest rate method and represent liabilities for goods and services provided to the Consolidated Entity or Fund prior to the end of the financial period and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

3 Significant accounting policies continued

m Distributions

A provision for distributions is recognised in the Statement of Financial Position if the distribution has been declared prior to balance date. Distributions paid and payable on units are recognised as a reduction in equity. Distributions paid are included in cash flows from financing activities in the Statement of Cash Flows.

n Units on issue

Issued and paid up units are recognised as changes in equity at the fair value of the consideration received by the Consolidated Entity, less any incremental costs directly attributable to the issue of new units.

	Consolidated	
	24 June 2010 $	30 June 2009 $
4 Investments accounted for using the equity method		
Multiplex Acumen Property Fund	**–**	**10,660,108**
Share of profit in the period from investments accounted for using the equity method as follows:		
Multiplex Acumen Property Fund		
Share of net (loss)/profit of associate before investment property revaluations	(2,257,118)	(16,709,990)
Share of net (loss)/profit of associate – fair value adjustments related to property revaluations	(848,837)	(5,417,952)
Share of movement in reserves of associate	–	(8,431,158)
Impairment expense recognised during the period	–	–
Total share of associate's loss	**(3,105,955)**	**(30,559,100)**

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by the Consolidated Entity, is as follows.

	24 June 2010 $	30 June 2009 $
Current assets	–	5,987,992
Non-current assets	–	205,028,852
Total assets	–	**211,016,844**
Current liabilities	–	75,465,085
Non-current liabilities	–	10,299,346
Total liabilities	–	**85,764,431**
Revenues	–	10,817,286
Expenses	–	(114,175,132)
Net loss	–	**(103,357,846)**

Impairment

As detailed in Note 2, the Board of Directors of the Responsible Entity resolved on 19 February 2010 to terminate and wind-up the Fund. Prior to termination, the Fund and the Consolidated Entity owned 21.41% of Multiplex Acumen Property Fund (MPF). The holdings in MPF were transferred to investors on 28 April 2010 as a part of the initial return on capital to unitholders via an in-specie distribution.

In the Fund's stand alone financial statements, the investment in MPF is classified as an available for sale investment in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. During the period, the investment was assessed for impairment in accordance with the requirements of AASB 139. An impairment expense of nil was recognised in the Statement of Comprehensive Income of the Fund (2009: $32,071,559). Refer to Note 8 for further details.

In the Consolidated Entity's 24 June 2010 financial statements, the investment in MPF, which was held as an investment accounted for using the equity method in accordance with AASB 128 *Investments in Associates* at 30 June 2009, was measured at fair value. Fair value was determined based on the closing bid price of the security prior to the in specie distribution made on 28 April 2010.

4 Investments accounted for using the equity method continued

The movement between the carrying value of the equity accounted investment at 1 July 2009 and the fair value of the investment at 28 April 2010 has been recognised as an impairment expense at 24 June 2010 in the Statement of Comprehensive Income. The breakdown of the movement in the carrying value of the equity accounted investments is set out below:

Investments accounted for using the equity method	24 June 2010 $	30 June 2009 $
Carrying amount at beginning of period	10,660,108	42,214,748
Share of net loss of investment accounted for using the equity method	(3,105,955)	(30,559,100)
Changes of reserves balances of investment accounted for using the equity method	1,728,433	(18,351)
Distributions received	–	(977,189)
Impairment expense recognised in the period	(5,547,554)	–
Disposal of investments	(3,735,032)	–
Carrying amount at end of period	**–**	**10,660,108**

5 Auditors' remuneration

Prior to the decision to wind-up the Fund, the Responsible Entity paid all expenses, including audit fees, on behalf of the Fund and Consolidated Entity. These fees were not paid out of the assets of the Fund or Consolidated Entity. The Fund and Consolidated Entity paid an expense recovery fee to the Responsible Entity as a contribution towards these expenses. Fees in relation to compliance plan audits are borne by the Responsible Entity.

Subsequent to the decision to wind-up the Fund in accordance with the Fund's PDS and Constitution, all wind-up costs incurred as part of the termination process are borne by the Fund and not the Responsible Entity. Accordingly, this includes remuneration of $6,900 paid to Deloitte, the auditors of the Fund and Consolidated Entity.

A summary of fees incurred by both the Responsible Entity on behalf of the Fund and Consolidated Entity and the Fund itself are provided below.

	Consolidated		Fund	
	Period ended 24 June 2010 $	Year ended 30 June 2009 $	Period ended 24 June 2010 $	Year ended 30 June 2009 $
Auditors of the Fund				
Audit and review of financial reports	11,700	26,000	11,700	26,000
Non-audit services	–	2,400	–	2,400
Total auditors' remuneration	**11,700**	**28,400**	**11,700**	**28,400**

During the period, the auditor of the Consolidated Entity and Fund changed from KPMG to Deloitte Touche Tohmatsu (Deloitte).

6 Distributions

	Cents per unit	Total amount $	Date of payment
June 2010 distribution	0.39288	320,970	24 June 2010
Total distributions for the period ended 24 June 2010	**0.39288**	**320,970**	
December 2008 distribution	1.34600	1,097,557	30 January 2009
September 2008 distribution	1.75960	1,394,359	24 October 2008
Total distributions for the year ended 30 June 2009	**3.10560**	**2,491,916**	

As part of the wind-up process, the Fund made an initial return on capital to unitholders on the 28 April 2010 of 0.2975 cents per unit or $24,301,751. The return on capital made via a cash distribution of $15,633,515 and an in-specie distribution of the investment assets held by the Fund of $8,668,236. A final distribution of $320,970 and return on capital of $386,399 was paid to unitholders upon wind-up of the Fund on 24 June 2010.

	Consolidated 24 June 2010 $	30 June 2009 $	Fund 24 June 2010 $	30 June 2009 $
7 Trade and other receivables				
Distributions receivable from controlled entities	–	–	–	23,608
Interest receivable	–	38,058	–	38,058
Other	–	1,244	–	1,244
Total trade and other receivables	**–**	**39,302**	**–**	**62,910**

Details of related party transactions are included in Note 16.

	Consolidated 24 June 2010 $	30 June 2009 $	Fund 24 June 2010 $	30 June 2009 $
8 Investments – available for sale				
Listed investments				
Listed investments at cost	–	–	54,462,229	54,462,229
Impairment	–	–	(51,856,393)	(51,856,393)
Change in fair value of available for sale investments	–	–	1,129,196	–
Disposal of investments	–	–	(3,735,032)	–
Total listed investments	**–**	**–**	**–**	**2,605,836**
Unlisted investments				
Unlisted investments at cost	7,625,114	8,102,134	4,933,193	–
Impairment	(3,148,206)	(2,949,438)	–	–
Change in fair value of available for sale investments	447,470		–	–
Disposal of investments	(4,924,378)	–	(4,933,193)	–
Total unlisted investments	**–**	**5,152,696**	**–**	**–**
Total investments	**–**	**5,152,696**	**–**	**2,605,836**

Reconciliation of the carrying amount of impairment prior to the disposal of investments is set out below:

	Consolidated Period ended 24 June 2010 $	Year ended 30 June 2009 $	Fund Period ended 24 June 2010 $	Year ended 30 June 2009 $
Investments – available for sale (listed property trusts)				
Carrying amount as at beginning of period	–	–	(51,856,393)	(22,757,870)
Impairment recognised in the period	–	–	–	(29,098,523)
Total	**–**	**–**	**(51,856,393)**	**(51,856,393)**
Investments – available for sale (unlisted property trusts)				
Carrying amount as at beginning of period	(2,949,438)	–	–	–
Reduction in impairment due to disposal of investments	220,632	–	–	–
Impairment recognised in the period	(419,400)	(2,949,438)	–	–
Total	**(3,148,206)**	**(2,949,438)**	**–**	**–**

8 Investments – available for sale continued

Reconciliation of the impairment expense is set out below:

	Consolidated Period ended 24 June 2010 $	Consolidated Year ended 30 June 2009 $	Fund Period ended 24 June 2010 $	Fund Year ended 30 June 2009 $
Investments – available for sale				
Impairment recognised – listed property trusts	–	–	–	(29,098,524)
Impairment recognised – unlisted property trusts	(419,400)	(2,949,438)	–	–
Investments – controlled entities	–	–	–	
Impairment recognised – investment in controlled entities	–	–	–	(2,973,035)
Reduction in impairment due to disposal of investments	–	–	–	–
Net impairment expense recognised in the Statement of Comprehensive Income	**(419,400)**	**(2,949,438)**	**–**	**(32,071,559)**

Impairment expense

The Consolidated Entity recognised an impairment loss in the current period in accordance with accounting standards of $419,400 in relation to its available for sale investments (2009: $2,949,438). The Fund recognised an impairment loss in the current period in relation to its available for sale assets of nil (2009: $29,098,523). The Fund recognised in the current period an impairment loss in relation to its investments in controlled entities of nil (2009: $2,973,000). Further information related to investments in controlled entities can be found in Note 9 of the financial statements.

	Fund 24 June 2010 Ownership %	Fund 24 June 2010 $	Fund 30 June 2009 Ownership %	Fund 30 June 2009 $
9 Investments in controlled entities				
Multiplex Diversified UPT Domestic Investments Trust	–	10	100	10
Carrying amount – Multiplex Diversified UPT Domestic Investments Trust (refer below)		**10**		**10**
Multiplex Diversified UPT International Investments Trust	–	8,102,144	100	8,102,144
Provision for impairment		(2,973,045)		(2,973,045)
Carrying amount – Multiplex Diversified UPT International Investments Trust		**5,129,099**		**5,129,099**
Disposal of investments		(5,129,109)		–
Investments in controlled entities		**–**		**5,129,109**

	Consolidated 24 June 2010 $	Consolidated 30 June 2009 $	Fund 24 June 2010 $	Fund 30 June 2009 $
10 Trade and other payables				
Management fees payable	–	26,907	–	26,907
Amounts owed to controlled entities	–	–	–	20
Expense recovery fees payable	–	11,952	–	11,963
Total trade and other payables	**–**	**38,859**	**–**	**38,890**

Details of related party transactions are included in Note 16.

	Fund			
	24 June 2010 $	24 June 2010 Units	30 June 2009 $	30 June 2009 Units
11 Units on issue				
Ordinary units				
Opening balance	78,143,101	81,695,808	72,667,175	72,963,140
Units issued	–	–	6,434,289	10,627,881
Units redeemed	(78,143,101)	(81,695,808)	(1,218,062)	(2,380,785)
Units issued via the distribution reinvestment plan (DRP)	–	–	259,699	485,572
Closing balance	**–**	**–**	**78,143,101**	**81,695,808**

In accordance with the Fund's constitution, each unitholder is entitled to receive distributions as declared from time to time and are entitled to one vote at unitholder meetings. In accordance with the Fund's constitution, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund.

As a result of the Responsible Entity's decision to wind-up the Fund, unitholders redeemed their units in the Fund by way of return on capital distributions made by the Fund in the form of both cash and in-specie distribution of investment assets.

12 Reserves

Reserves

A summary of reserves balances is as follows:

	Consolidated		Fund	
Reserves	24 June 2010 $	30 June 2009 $	24 June 2010 $	30 June 2009 $
Available for sale reserve	–	–	–	–
Foreign currency translation reserve	–	(2,919,513)	–	–
Hedging reserve	–	–	–	–
Total reserves	**–**	**(2,919,513)**	**–**	**–**

Available for sale reserve

Movements in the available for sale reserve during the current period and comparative year were as follows:

	Consolidated		Fund	
	Period ended 24 June 2010 $	Year ended 30 June 2009 $	Period ended 24 June 2010 $	Year ended 30 June 2009 $
Opening balance	–	(120,310)	–	–
Fair value movement in relation to unlisted investments	447,470	(2,995,992)	–	–
Fair value movements in relation to listed investments	–	(7,982,582)	1,129,196	(29,098,523)
Share of movement of reserves of investments accounted for using the equity method	1,825,947	8,149,446	–	–
Impairment recognised on available for sale assets	–	2,949,438	–	29,098,523
Movement in reserves due to disposal of investments	(2,273,417)	–	(1,129,196)	–
Closing balance	**–**	**–**	**–**	**–**

Refer to Note 8 for further details regarding impairment losses.

Foreign currency translation reserve

Movements in the carrying value of the foreign currency translation reserve during the period were as follows.

	Consolidated		Fund	
	Period ended 24 June 2010 $	Year ended 30 June 2009 $	Period ended 24 June 2010 $	Year ended 30 June 2009 $
Opening balance	(2,919,513)	(3,137,308)	–	–
Share of movement in reserves of investments accounted for using the equity method	(97,514)	217,795	–	–
Movement in reserves due to disposal of investments	3,017,027	–	–	–
Closing balance	**–**	**(2,919,513)**	**–**	**–**

12 Reserves continued

Hedge reserve

Movements in the hedge reserve were as follows:

	Consolidated Period ended 24 June 2010 $	Consolidated Year ended 30 June 2009 $	Fund Period ended 24 June 2010 $	Fund Year ended 30 June 2009 $
Opening balance	–	403,010	–	–
Share of movement in reserves of investments accounted for using the equity method	–	(403,010)	–	–
Closing balance	**–**	**–**	**–**	**–**

13 Undistributed losses

Movements in undistributed losses during the current period and comparative year were as follows.

	Consolidated Period ended 24 June 2010 $	Consolidated Year ended 30 June 2009 $	Fund Period ended 24 June 2010 $	Fund Year ended 30 June 2009 $
Opening balance	(43,682,675)	(8,270,214)	(54,656,470)	(21,658,167)
Net loss	(9,451,306)	(32,920,546)	1,450,135	(30,506,387)
Distributions paid to unitholders	(320,970)	(2,491,916)	(320,970)	(2,491,916)
Closing balance prior to cancellation of units on issue	**(53,454,951)**	**(43,682,675)**	**(53,527,305)**	**(54,656,470)**

14 Financial instruments

As a result of the wind-up of the Fund, the Fund and Consolidated Entity has no assets at the period end date of 24 June 2010. Therefore, no additional sensitivity analysis has been prepared.

15 Reconciliation of cash flows from operating activities

	Consolidated Period ended 24 June 2010 $	Consolidated Year ended 30 June 2009 $	Fund Period ended 24 June 2010 $	Fund Year ended 30 June 2009 $
Net (loss)/gain for the period	(9,451,306)	(32,920,546)	1,450,135	(30,506,387)
Adjustments for:				
Items classified as investing activities				
Distribution income from associate	–	977,179	–	–
Non cash items				
Share of associate's loss	3,105,955	30,559,100		–
Impairment expense	5,966,954	2,949,438		32,071,559
Loss/(gain) on disposal of property trusts	699,367	–	(1,129,196)	–
Operating profit before changes in working capital	**320,970**	**1,565,171**	**320,939**	**1,565,172**
Changes in assets and liabilities during the period				
Decrease in trade and other receivables	39,302	1,471,501	39,354	1,471,490
Decrease in trade and other payables	(38,869)	(10,081)	(38,890)	(10,071)
Net cash flow from operating activities	**321,403**	**3,026,591**	**321,403**	**3,026,591**

16 Related parties

Key management personnel

The Fund is required to have an incorporated Responsible Entity to manage the activities of the Fund and the Consolidated Entity. The Directors of the Responsible Entity are key management personnel of the Fund and the Consolidated Entity.

F. Allan McDonald (appointed 1 January 2010)
Brian Motteram (appointed 21 February 2007)
Barbara Ward (appointed 1 January 2010)
Russell Proutt (appointed 1 January 2010)
Tim Harris (appointed 17 March 2010)
Peter Morris (Director 14 April 2004 – 1 January 2010)
Robert McCuaig (Director 31 March 2004 – 1 January 2010)
Mark Wilson (Director 27 August 2008 – 1 January 2010)
Brian Kingston (Director 27 August 2008 – 17 March 2010)

The Responsible Entity is entitled to a management fee which is calculated as a proportion of gross assets attributable to unitholders. Refer below for further details related to the management fee and other fees the Responsible Entity is entitled to.

No compensation is paid to any of the key management personnel of the Responsible Entity directly by the Fund or Consolidated Entity.

Directors' interests

The Directors have no interest in the units, debentures, rights or options over such instruments, issued interests in registered funds and rights or options over such instruments issued by the companies within the Fund and other related bodies corporate as at the date of this report.

Responsible Entity's fees and other transactions

Management fee

A management fee based on the gross value of assets excluding investments in other Brookfield Multiplex products is payable to the Responsible Entity. The fee is payable by the Fund quarterly in arrears. The management fee expense for the period ended 24 June 2010 was $86,334 (2009: $118,216). At 24 June 2010, the management fee payable to the Responsible Entity was nil (2009: $26,904).

Expense recovery

An expense recovery fee based on the gross value of assets is payable to the Responsible Entity. The fee is payable by the Fund quarterly in arrears. Total expense recovery fees paid for the period ended 24 June 2010 by the Fund and Consolidated Entity were $41,745 (2000: $96,646). Subsequent to the decision to wind-up the Fund, it was determined that all wind-up costs incurred as part of the termination process was to be borne by the Fund and not the Responsible Entity. Accordingly, no further expense recovery fees were incurred by the Fund and Consolidated Entity.

Related party unitholders

Brookfield Multiplex Funds Management Limited, as custodian for Brookfield Multiplex Property Trust, holds nil units of the Fund at the reporting date (2009: 54,351,427 units or 66.5%).

Brookfield Multiplex Capital Pty Limited holds nil units of the Fund at the reporting date (2009: 3,232,057 units or 4.0%).

Unitholdings in other related parties

JP Morgan Nominees Australia Limited, as custodian for Brookfield Multiplex Capital Management Limited, as Responsible Entity for Multiplex Diversified Property Fund holds the following investments in related party entities:

- Multiplex Acumen Property Fund – nil units (2009: 43,430,615 units or 21.41%)
- Multiplex New Zealand Property Fund – nil units (2009: 4,345,251 units or 2.0%)

16 Related parties continued

Transactions with related parties

	Consolidated		Fund	
	Period ended 24 June 2010 $	Year ended 30 June 2009 $	Period ended 24 June 2010 $	Year ended 30 June 2009 $
Transactions with controlled entities				
Distribution income		–	30,792	99,443
Intercompany receivable	–	–	–	23,608
Intercompany payable	–	–	–	20
Transactions with associate				
Distribution income	–	977,189	–	–
Distributions receivable	–	–	–	–
Transactions with the Responsible Entity				
Management fees	86,334	118,216	86,334	118,216
Expense recovery fees	41,745	96,646	41,745	96,646
Management fees payable	–	26,907	–	26,907
Expense recovery fees payable	–	11,963	–	11,963
Transactions with related parties of the Responsible Entity				
Distribution income	–	86,905	-	977,189
Distributions paid	226,283	1,788,313		1,788,313
Distributions receivable	–	–	–	–
Investments in related parties (at fair value)				
- Multiplex Acumen Property Fund	–	–	–	2,605,836
- Multiplex New Zealand Property Fund	–	2,647,822	–	–
Investments in related parties (equity accounted)				
- Multiplex Acumen Property Fund	–	10,660,108	–	–
Distributions payable	–	–	–	–

Transactions with related parties are conducted on normal commercial terms and conditions. Distributions paid by the Consolidated Entity to related parties are made on the same terms and conditions applicable to all unitholders.

During the period, the Consolidated Entity sold units in Multiplex New Zealand Property Fund on an arm's length basis through the liquidity facility offered by Brookfield Multiplex Capital Management Limited, the Responsible Entity of both the Consolidated Entity and Multiplex New Zealand Property Fund. The Consolidated Entity sold 9.35% of its investment for a total consideration of $291,814 and recorded a net gain on disposal of $35,426.

As part of the wind-up process, $17,129,140 of the initial return on capital to unitholders on the 28 April 2010 and $272,411 of the final return on capital to unitholders on the 24 June 2010 were paid to Brookfield Multiplex Funds Management Limited and Brookfield Multiplex Capital Pty Limited by way of cash and in-specie distribution of investment assets.

17 Contingent liabilities and assets

No contingent liabilities or assets existed at 24 June 2010 (2009: nil).

18 Capital and other commitments

The Consolidated Entity had no capital or other commitments at 24 June 2010 (2009: nil).

19 Events subsequent to the reporting date

Other than previously disclosed in this report, there were no matters or circumstances which have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Fund or Consolidated Entity, the results of those operations, or the state of affairs of the Fund or Consolidated Entity.