

Multiplex Property Income Fund  
Interim financial report  
For the half year ended  
31 December 2017

# Multiplex Property Income Fund

ARSN 117 674 049

# Table of Contents

## Multiplex Property Income Fund

For the half year ended 31 December 2017

	Page
<b>Directory .....</b>	<b>3</b>
<b>Directors' Report.....</b>	<b>4</b>
<b>Auditor's Independence Declaration.....</b>	<b>6</b>
<b>Financial Statements .....</b>	<b>7</b>
Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income .....	7
Condensed Consolidated Interim Statement of Financial Position .....	8
Condensed Consolidated Interim Statement of Changes in Equity .....	9
Condensed Consolidated Interim Statement of Cash Flows .....	11
<b>Notes to the Condensed Consolidated Interim Financial Statements.....</b>	<b>12</b>
1 Reporting entity .....	12
2 Significant accounting policies .....	12
3 Estimates.....	12
4 Distributions and capital returns .....	13
5 Investments – available for sale .....	13
6 Units on Issue .....	14
7 Financial instruments .....	14
8 Related parties.....	15
9 Contingent liabilities and assets.....	15
10 Events subsequent to the reporting date .....	15
<b>Directors' Declaration .....</b>	<b>16</b>
<b>Independent Auditor's Review Report .....</b>	<b>17</b>

# Directory

## Multiplex Property Income Fund

For the half year ended 31 December 2017

### Responsible Entity

Brookfield Capital Management Limited  
Level 22, 135 King Street  
Sydney NSW 2000  
Telephone: +61 2 9322 2000  
Facsimile: +61 2 9322 2001

### Directors of Brookfield Capital Management Limited

F. Allan McDonald  
Barbara Ward  
Shane Ross

### Company Secretary of Brookfield Capital Management Limited

Men (Mandy) Chiang  
Neil Olofsson (Resigned 9 February 2018)

### Registered Office of Brookfield Capital Management Limited

Level 22, 135 King Street  
Sydney NSW 2000  
Telephone: +61 2 9322 2000  
Facsimile: +61 2 9322 2001

### Custodian

JP Morgan Chase Bank N.A. (Sydney Branch)  
Level 18, JPMorgan House  
85 Castlereagh Street  
Sydney NSW 2000

### Location of Share Registry

Boardroom (Victoria) Pty Limited  
Level 7, 333 Collins Street  
Melbourne VIC 3000

All correspondence to:

GPO Box 3993  
Sydney NSW 2001  
Telephone: 1300 737 760  
Facsimile: 1300 653 459  
International  
Telephone: +61 2 9290 9600  
Facsimile: +61 2 9279 0664  
[www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

### Auditor

Deloitte Touche Tohmatsu  
Grosvenor Place  
225 George Street  
Sydney NSW 2000  
Telephone: + 61 2 9322 7000  
Facsimile: + 61 2 9322 7001

# Directors' Report

## Multiplex Property Income Fund

For the half year ended 31 December 2017

### Introduction

The Directors of Brookfield Capital Management Limited (BCML) (ABN 32 094 936 866), the Responsible Entity of Multiplex Property Income Fund (ARSN 117 674 049) (Fund), present their report together with the condensed consolidated interim financial statements of the Consolidated Entity, being the Fund and its subsidiaries, for the six months ended 31 December 2017 and the Independent Auditor's Review Report thereon.

The Fund was constituted on 21 December 2005.

### Responsible Entity

The Responsible Entity of the Fund is Brookfield Capital Management Limited (BCML). The registered office and principal place of business of the Responsible Entity is Level 22, 135 King Street, Sydney NSW 2000.

### 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	Non-Executive Independent Chairman
Barbara Ward	Non-Executive Independent Director
Shane Ross	Executive Director

### Principal activities

The principal activity of the Consolidated Entity was the investment in Australian Securities Exchange (ASX) listed and unlisted property securities. During the year the Consolidated Entity disposed of all of its investments.

### Wind up of the Fund

The Consolidated Entity intends to cease business in the next 12 months and realise its assets and extinguish its liabilities in the ordinary course of business. As such the going concern basis has not been adopted in the preparation of these financial statements. Accordingly, the assets have been recorded at their net realisable value and the liabilities have been recorded at their contract and settlement amounts.

In addition, all assets and liabilities have been classified as current since assets will be consumed or converted into cash and liabilities will be settled within 12 months.

### Review of operations

The Consolidated Entity has recorded a net profit of \$368,738 for the half year ended 31 December 2017 (2016: \$30,070 net loss).

Some of the significant events during the period are as follows:

- total revenue and other income of \$451,341 (2016: \$53,674);
- net profit attributable to Income unitholders totalled \$368,738 (2016: \$30,070 net loss)
- there were no cash distributions to Income unitholders for the half year ended 31 December 2017 (2016: \$202,562 or 0.38 cents per unit);
- net assets of \$1,095,605 or \$0.02 per Income unit (30 June 2017: \$1,170,565 or \$0.02 per income unit);
- ASX listed portfolio value was nil (30 June 2017: \$263,851); and
- unlisted security portfolio value was nil (30 June 2017: \$617,257).

During the half year ended 31 December 2017 the Consolidated Entity disposed of its remaining investments. The strategy of the Consolidated Entity is to complete its wind up and to distribute the remaining net assets to its unitholders.

Management fees for MPIF will continue to be waived for as long as an entity controlled by Brookfield Asset Management Inc. remains as responsible entity of MPIF.

# Directors' Report continued

## Multiplex Property Income Fund

For the half year ended 31 December 2017

5

### Distributions and capital returns

During the half year ended 31 December 2017 there were no distributions or returns of capital declared. The following distributions and returns of capital were declared by the Fund to its Income unitholders during the prior half year ended 31 December 2016.

	Cents per unit	Total amount \$	Date of payment
<b>Income unitholders</b>			
July 2016 distribution	0.3837	202,562	15 July 2016
<b>Total distributions and returns of capital for the six months ended 31 December 2016</b>	<b>0.3837</b>	<b>202,562</b>	

### Events subsequent to the reporting date

Subsequent to the half year ended 31 December 2017, during February 2018 the Consolidated Entity terminated its sub trusts. The assets of the sub trusts were distributed to the head trust.

On 8 February 2018 the Fund declared a cash distribution of \$791,872 or 1.5 cents per unit (paid 16 February 2018).

### Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 6 and forms part of the Directors' Report for the half year ended 31 December 2017.

Signed in accordance with a resolution of the Directors made pursuant to Section 306(3) of the *Corporations Act 2001*.

Dated at Sydney this 27th day of February 2018.

**Shane Ross**

Director

Brookfield Capital Management Limited

Deloitte Touche Tohmatsu  
A.C.N. 74 490 121 060

Grosvenor Place  
225 George Street  
Sydney NSW 2000  
PO Box N250 Grosvenor  
Place  
Sydney NSW 1217 Australia

DX 10307SSE  
Tel: +61 (0) 2 9322 7000  
Fax: +61 (0) 2 9322 7001  
[www.deloitte.com.au](http://www.deloitte.com.au)

The Board of Directors  
Brookfield Capital Management Limited  
(as Responsible Entity for Multiplex Property Income Fund)  
Level 22, 135 King St  
Sydney NSW 2000

27 February 2018

Dear Directors

## **Multiplex Property Income Fund**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Brookfield Capital Management Limited as the Responsible Entity of Multiplex Property Income Fund.

As lead audit partner for the review of the financial statements of Multiplex Property Income Fund for the half year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Andrew J Coleman  
Partner  
Chartered Accountants

# Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

7

## Multiplex Property Income Fund

For the half year ended 31 December 2017

	Note	Consolidated Half year ended 31 December 2017 \$	Half year ended 31 December 2016 \$
<b>Revenue and other income</b>			
Distribution income from ASX listed and unlisted property trusts		11,139	52,465
Net gain on disposal of ASX listed and unlisted property trusts		438,342	–
Interest income		1,860	1,209
<b>Total revenue and other income</b>		<b>451,341</b>	<b>53,674</b>
<b>Expenses</b>			
Other expenses		82,603	83,744
<b>Total expenses</b>		<b>82,603</b>	<b>83,744</b>
<b>Net profit/(loss) for the period</b>		<b>368,738</b>	<b>(30,070)</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Change in fair value of available for sale financial assets		(443,698)	14,694
<b>Other comprehensive (loss)/income for the period</b>		<b>(443,698)</b>	<b>14,694</b>
<b>Total comprehensive loss for the period</b>		<b>(74,960)</b>	<b>(15,376)</b>
Net profit attributable to:			
Ordinary unitholders		–	–
Income unitholders		368,738	(30,070)
<b>Net profit/(loss) for the period</b>		<b>368,738</b>	<b>(30,070)</b>
Total comprehensive income attributable to:			
Ordinary unitholders		–	–
Income unitholders		(74,960)	(15,376)
<b>Total comprehensive loss for the period</b>		<b>(74,960)</b>	<b>(15,376)</b>

The Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Condensed Consolidated Interim Financial Statements.

# Condensed Consolidated Interim Statement of Financial Position

8

## Multiplex Property Income Fund

As at 31 December 2017

	Note	Consolidated 31 December 2017 \$	30 June 2017 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		1,123,011	278,043
Trade and other receivables		6,944	43,177
Investments – available for sale	5	–	263,851
<b>Total current assets</b>		<b>1,129,955</b>	<b>585,071</b>
<b>Non-current assets</b>			
Investments – available for sale	5	–	617,257
<b>Total non-current assets</b>		<b>–</b>	<b>617,257</b>
<b>Total assets</b>		<b>1,129,955</b>	<b>1,202,328</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		34,350	31,763
<b>Total current liabilities</b>		<b>34,350</b>	<b>31,763</b>
<b>Total liabilities</b>		<b>34,350</b>	<b>31,763</b>
<b>Net assets</b>		<b>1,095,605</b>	<b>1,170,565</b>
<b>Equity</b>			
Units on issue – Ordinary units	6	30,075,861	30,075,861
Units on issue – Income units	6	21,462,902	21,462,902
Reserves		–	443,698
Undistributed losses		(50,443,158)	(50,811,896)
<b>Total equity</b>		<b>1,095,605</b>	<b>1,170,565</b>

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



# Condensed Consolidated Interim Statement of Changes in Equity

## Multiplex Property Income Fund

For the half year ended 31 December 2017

9

Consolidated Entity	Attributable to Ordinary unitholders of the Fund				Attributable to Income unitholders of the Fund				Total equity
	Ordinary units \$	Undistributed profits/(losses) \$	Reserves \$	Total \$	Income units \$	Undistributed profits/(losses) \$	Reserves \$	Total \$	
<b>Opening equity - 1 July 2017</b>	<b>30,075,861</b>	<b>(30,075,861)</b>	<b>–</b>	<b>–</b>	<b>21,462,902</b>	<b>(20,736,035)</b>	<b>443,698</b>	<b>1,170,565</b>	<b>1,170,565</b>
Change in fair value of available for sale financial assets	–	–	–	–	–	–	(443,698)	(443,698)	(443,698)
<b>Other comprehensive loss for the period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(443,698)</b>	<b>(443,698)</b>	<b>(443,698)</b>
Net profit for the period	–	–	–	–	–	368,738	–	368,738	368,738
<b>Total comprehensive income/(loss) for the period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>368,738</b>	<b>(443,698)</b>	<b>(74,960)</b>	<b>(74,960)</b>
<b>Transactions with unitholders in their capacity as unitholders:</b>									
Total transactions with unitholders in their capacity as unitholders	–	–	–	–	–	–	–	–	–
<b>Closing equity - 31 December 2017</b>	<b>30,075,861</b>	<b>(30,075,861)</b>	<b>–</b>	<b>–</b>	<b>21,462,902</b>	<b>(20,367,297)</b>	<b>–</b>	<b>1,095,605</b>	<b>1,095,605</b>

# Condensed Consolidated Interim Statement of Changes in Equity continued

## Multiplex Property Income Fund

For the half year ended 31 December 2017

10

Consolidated Entity	Attributable to Ordinary unitholders of the Fund				Attributable to Income unitholders of the Fund				Total equity \$
	Ordinary units \$	Undistributed profits/(losses) \$	Reserves \$	Total \$	Income units \$	Undistributed profits/(losses) \$	Reserves \$	Total \$	
<b>Opening equity - 1 July 2016</b>	<b>30,075,861</b>	<b>30,075,861</b>	<b>–</b>	<b>–</b>	<b>21,665,464</b>	<b>(21,398,837)</b>	<b>1,232,481</b>	<b>1,499,108</b>	<b>1,499,108</b>
Change in fair value of available for sale financial assets	–	–	–	–	–	–	14,694	<b>14,694</b>	<b>14,694</b>
<b>Other comprehensive income for the period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14,694</b>	<b>14,694</b>	<b>14,694</b>
Net loss for the period	–	–	–	–	–	(30,070)	–	<b>(30,070)</b>	<b>(30,070)</b>
<b>Total comprehensive (loss)/income for the period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(30,070)</b>	<b>14,694</b>	<b>(15,376)</b>	<b>(15,376)</b>
<b>Transactions with unitholders in their capacity as unitholders:</b>									
Returns of capital declared	–	–	–	–	(202,562)	–	–	<b>(202,562)</b>	<b>(202,562)</b>
<b>Total transactions with unitholders in their capacity as unitholders</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(202,562)</b>	<b>–</b>	<b>–</b>	<b>(202,562)</b>	<b>(202,562)</b>
<b>Closing equity - 31 December 2016</b>	<b>30,075,861</b>	<b>(30,075,861)</b>	<b>–</b>	<b>–</b>	<b>21,462,902</b>	<b>(21,428,907)</b>	<b>1,247,175</b>	<b>1,281,170</b>	<b>1,281,170</b>

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

# Condensed Consolidated Interim Statement of Cash Flows

11

## Multiplex Property Income Fund

For the half year ended 31 December 2017

	Consolidated Half year ended 31 December 2017 \$	Half year ended 31 December 2016 \$
<b>Cash flows from operating activities</b>		
Cash receipts in the course of operations	27,432	43,865
Cash payments in the course of operations	(77,860)	(96,236)
Interest received	1,869	1,657
<b>Net cash flows used in operating activities</b>	<b>(48,559)</b>	<b>(50,714)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of and returns of capital from available for sale assets	893,527	204,162
<b>Net cash flows from investing activities</b>	<b>893,527</b>	<b>204,162</b>
<b>Cash flows from financing activities</b>		
Distributions and returns of capital to Income unitholders	–	(1,224,234)
<b>Net cash flows used in financing activities</b>	<b>–</b>	<b>(1,224,234)</b>
Net increase/(decrease) in cash and cash equivalents	844,968	(1,070,786)
Cash and cash equivalents at the beginning of the period	278,043	1,196,128
<b>Cash and cash equivalents at 31 December</b>	<b>1,123,011</b>	<b>125,342</b>

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

# Notes to the Condensed Consolidated Interim Financial Statements

## Multiplex Property Income Fund

12

For the half year ended 31 December 2017

### 1 Reporting entity

Multiplex Property Income Fund (Fund) is an Australian registered managed investment scheme under the *Corporations Act 2001*. Brookfield Capital Management Limited (BCML), the Responsible Entity of the Fund, is incorporated and domiciled in Australia. The consolidated interim financial report of the Fund as at and for the six months ended 31 December 2017 comprises the Fund and its subsidiaries (together referred to as the Consolidated Entity).

### 2 Significant accounting policies

#### Statement of compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting* (AASB 134). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The consolidated interim financial report does not include notes of the type normally included in annual financial statements and should be read in conjunction with the most recent annual financial statements of the Consolidated Entity as at and for the year ended 30 June 2017. For the purpose of preparing the consolidated financial statements, the Fund is a for profit entity.

#### Basis of preparation

The consolidated interim financial report is presented in Australian dollars, which is the Fund's presentation and functional currency.

The accounting policies and methods of computation adopted in the preparation of the consolidated interim financial report are consistent with those adopted and disclosed in the consolidated financial report as at and for the year ended 30 June 2017.

#### Non-going concern

The Consolidated Entity intends to cease business in the next 12 months and realise its assets and extinguish its liabilities in the ordinary course of business. As such the going concern basis has not been adopted in the preparation of these financial statements. Accordingly, the assets have been recorded at their net realisable value and the liabilities have been recorded at their contract and settlement amounts.

In addition, all assets and liabilities have been classified as current since assets will be consumed or converted into cash and liabilities will be settled within 12 months.

### 3 Estimates

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.

As at 31 December 2017 there are no significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the consolidated financial statements (2016: investments – available for sale (Note 5)).

# Notes to the Condensed Consolidated Interim Financial Statements continued

## Multiplex Property Income Fund

13

For the half year ended 31 December 2017

### 4 Distributions and capital returns

During the half year ended 31 December 2017 there were no distributions or returns of capital declared. The following distributions and returns of capital were declared by the Fund to its Income unitholders during the prior half year ended 31 December 2016.

	Cents per unit	Total amount \$	Date of payment
<b>Income unitholders</b>			
July 2016 distribution	0.3837	202,562	15 July 2016
<b>Total distributions and returns of capital for the six months ended 31 December 2016</b>	<b>0.3837</b>	<b>202,562</b>	

### 5 Investments – available for sale

	Consolidated Half year ended 31 December 2017 \$	Year ended 30 June 2017 \$
<b>ASX listed investments</b>		
Carrying amount as at beginning of period	263,851	458,525
Movement due to transfers, disposals and returns of capital	(206,173)	(200,720)
Changes in fair value recognised in reserves	(57,678)	6,046
<b>Total investments – available for sale – ASX listed</b>	<b>–</b>	<b>263,851</b>
<b>Unlisted investments</b>		
Carrying amount as at beginning of period	617,257	895,482
Movement due to transfers, disposals and returns of capital	(231,237)	516,605
Changes in fair value recognised in reserves	(386,020)	(794,830)
<b>Total investments – available for sale - unlisted</b>	<b>–</b>	<b>617,257</b>
<b>Total investments – available for sale</b>	<b>–</b>	<b>881,108</b>
Total investments – available for sale – Current	–	263,851
Total investments – available for sale – Non-current	–	617,257
<b>Total investments – available for sale</b>	<b>–</b>	<b>881,108</b>

### Impairment expense

No additional impairment expense has been recognised by the Consolidated Entity in relation to its available for sale investments held during the current or prior period.

# Notes to the Condensed Consolidated Interim Financial Statements continued

## Multiplex Property Income Fund

For the half year ended 31 December 2017

14

### 6 Units on Issue

	Half year ended 31 December 2017 \$	Half year ended 31 December 2017 units	Year ended 30 June 2017 \$	Year ended 30 June 2017 Units
<b>Ordinary units</b>				
Opening balance	30,075,861	30,075,871	30,075,861	30,075,871
<b>Closing balance</b>	<b>30,075,861</b>	<b>30,075,871</b>	<b>30,075,861</b>	<b>30,075,871</b>
<b>Income units</b>				
Opening balance	21,462,902	52,791,450	21,665,464	52,791,450
Return of capital	–	–	(202,562)	–
<b>Closing balance</b>	<b>21,462,902</b>	<b>52,791,450</b>	<b>21,462,902</b>	<b>52,791,450</b>

In accordance with the Fund's constitution, each Income unitholder is entitled to receive distributions as declared from time to time. Each Ordinary unit represents a right to a share in the Fund's equity in excess of the value of the issued Income units.

### 7 Financial instruments

A number of the Consolidated Entity's accounting policies and disclosures require the determination of fair value for financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

#### Cash and cash equivalents and trade and other receivables

Fair value, which is determined for disclosure purposes, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

#### Trade and other payables

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

#### Investments – available for sale

Fair value for ASX listed investments is calculated based on the quoted closing price of the security at the reporting date. Fair value for unlisted investments is calculated based on the latest available net asset values. Refer to investments – available for sale (Note 5) for further details.

#### Fair values versus carrying amounts

The Consolidated Entity is required to disclose fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

As at 31 December 2017 all investments - available for sale had been disposed of. The following table presents the Consolidated Entity's assets and liabilities measured and recognised at fair value. The carrying amounts of cash and cash equivalents, trade and other receivables, and trade and other payables are assumed to reasonably approximate their fair values due to their short-term nature. Accordingly, fair value disclosures are not provided for such assets and liabilities.

# Notes to the Condensed Consolidated Interim Financial Statements continued

## Multiplex Property Income Fund

15

For the half year ended 31 December 2017

### 7 Financial instruments continued

Consolidated Entity – at 31 December 2017	Level 1 \$	Level 3 \$	Total \$
<b>Assets</b>			
Investments – available for sale			
– ASX listed investments	–	–	–
– Unlisted investments	–	–	–
<b>Total assets</b>	<b>–</b>	<b>–</b>	<b>–</b>

  

Consolidated Entity – at 30 June 2017	Level 1 \$	Level 3 \$	Total \$
<b>Assets</b>			
Investments – available for sale			
– ASX listed investments	263,851	–	263,851
– Unlisted investments	–	617,257	617,257
<b>Total assets</b>	<b>263,851</b>	<b>617,257</b>	<b>881,108</b>

Reconciliation of level 3 fair value measurements:

Consolidated Entity – for the period ended 31 December 2017	Investments available for sale \$	Total \$
Opening balance – 1 July 2017	617,257	617,257
Transfers, disposals and returns of capital	(231,237)	(231,237)
Net gains recognised in other comprehensive income	(386,020)	(386,020)
<b>Closing balance – 31 December 2017</b>	<b>–</b>	<b>–</b>
<b>Total losses for the period included in the profit or loss attributable to losses relating to assets held at period end</b>	<b>–</b>	<b>–</b>

  

Consolidated Entity – for the period ended 30 June 2017	Investments available for sale \$	Total \$
Opening balance – 1 July 2016	895,482	895,482
Transfers, disposals and returns of capital	516,605	516,605
Net losses recognised in other comprehensive income	(794,830)	(794,830)
<b>Closing balance – 30 June 2017</b>	<b>617,257</b>	<b>617,257</b>
<b>Total losses for the period included in the profit or loss attributable to losses relating to assets held at period end</b>	<b>–</b>	<b>–</b>

During the current and prior periods there were no transfers between levels.

### 8 Related parties

There have been no significant changes to the related party transactions as disclosed in the annual report for the year ended 30 June 2017.

### 9 Contingent liabilities and assets

No contingent liabilities or assets existed at 31 December 2017 (30 June 2017: nil).

### 10 Events subsequent to the reporting date

Subsequent to the half year ended 31 December 2017, during February 2018 the Consolidated Entity terminated its sub trusts. The assets of the sub trusts were transferred to the head trust.

On 8 February 2018 the Fund declared a cash distribution of \$791,872 or 1.5 cents per unit (paid 16 February 2018).

There are no other matters or circumstances which have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial periods.

# Directors' Declaration

## Multiplex Property Income Fund

For the half year ended 31 December 2017

In the opinion of the Directors of Brookfield Capital Management Limited, the Responsible Entity of Multiplex Property Income Fund:

- a The condensed consolidated interim financial statements and notes, set out in pages 7 to 15, are in accordance with the *Corporations Act 2001*, including:
  - i giving a true and fair view of the financial position of the Consolidated Entity as at 31 December 2017 and of its performance for the six month period ended on that date; and
  - ii complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*;
- b There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors of Brookfield Capital Management Limited.

Dated at Sydney this 27th day of February 2018.



**Shane Ross**

Director

Brookfield Capital Management Limited



Deloitte Touche Tohmatsu  
A.C.N. 74 490 121 060

Grosvenor Place  
225 George Street  
Sydney NSW 2000  
PO Box N250 Grosvenor Place  
Sydney NSW 1217 Australia

DX 10307SSE  
Tel: +61 (0) 2 9322 7000  
Fax: +61 (0) 2 9322 7001  
[www.deloitte.com.au](http://www.deloitte.com.au)

## **Independent Auditor's Review Report to the Unitholders of Multiplex Property Income Fund**

We have reviewed the accompanying half-year financial report of Multiplex Property Income Fund ("the Fund"), which comprises the condensed consolidated statement of financial position as at 31 December 2017, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Fund and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 7 to 16.

### *Directors' Responsibility for the Half-Year Financial Report*

The directors of Brookfield Capital Management Limited, the Responsible Entity of the Fund, are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards as they apply on a non-going concern basis and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and 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 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 Fund's financial position as at 31 December 2017 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 the Fund, 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.

## *Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Brookfield Capital Management Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

## *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 Multiplex Property Income Fund is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* as it applies on a non-going concern basis and the *Corporations Regulations 2001*.

*DELOITTE TOUCHE TOHMATSU*

DELOITTE TOUCHE TOHMATSU

*A. Coleman*

Andrew J Coleman  
Partner  
Chartered Accountants  
Sydney, 27 February 2018