

MULTIPLEX ACUMEN VALE SYNDICATE LIMITED

ACN 114 814 603

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2007**

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Company

Multiplex Acumen Vale Syndicate Limited
1 Kent Street
Sydney NSW 2000
Telephone: (02) 9256 5000
Facsimile: (02) 9256 5001

Directors of the Company

Peter Morris
Rex Bevan
Brian Motteram
Robert McCuaig
Michael Hodgetts
Ian O'Toole
Robert Rayner

Company secretary

Alex Carrodus

Location of unit registry

Registries (Victoria) Pty Limited
PO Box R67
Royal Exchange
Sydney NSW 1223
Telephone: (02) 9290 9600
Facsimile: (02) 9279 0664

Auditor

KPMG
10 Shelley Street
Sydney NSW 2000
Telephone: (02) 9248 5555
Facsimile: (02) 9248 5829

Introduction

The Directors of Multiplex Acumen Vale Syndicate Limited (ACN: 114 814 603), (the "Company") present their report together with the financial report of the consolidated entity, being the Company and its controlled entity, for the year ended 30 June 2007 and the Auditors' Report thereon.

Directors

The following persons were Directors of the Company at any time during or since the end of the financial year:

Name

Peter Morris	(Director since 3 August 2005)
Rex Bevan	(Appointed 21 February 2007)
Brian Motteram	(Appointed 21 February 2007)
Robert McCuaig	(Director since 17 June 2005)
Michael Hodgetts	(Director since 17 June 2005, resigned 31 January 2007)
Ian O'Toole	(Director since 17 June 2005)
Robert Rayner	(Director since 17 June 2005)

Information on Directors

Dr Peter Morris, Non-executive Chairman

Peter has over 35 years' experience in property, initially in project and development management and more recently in funds management. He is a recognised leader in the development and project management fields, having played a major role in the growth of professional project management as a specialist skill in Australia. For 14 years he acted as Managing Director of Bovis Australia (now part of Bovis Lend Lease) and its forerunners. During this time he was responsible for the delivery of some of Australia's largest and most high profile commercial projects.

Peter acts as Independent Chairman of Multiplex Capital Management Limited, Multiplex Capital Investments Limited and Multiplex Capital Securities Limited.

Rex Bevan, Non-executive Director

Rex has many years' business experience in the areas of financial management, investment banking and the provision of economic and investment advice. From 1988 to 2005 he filled a number of roles within Western Pacific Portfolio Planning Pty Ltd (now Western Pacific Finance Ltd), including the position of Research Manager, and later, Managing Director. From 1994 to 1998 Rex was a director of the master trust operator, Flexiplan Australia Ltd, prior to its acquisition by MLC.

Brian Motteram, Non-executive Director

Brian has in excess of 30 years' 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 18 years in private enterprise in both the mining and property industries. He spent eight years (from 1996 to 2004) as an executive of a private Perth-based property group in positions of Chief Financial Officer and later, Finance Director.

Robert McCuaig, Non-executive Director

Robert is Chairman of the Advisory Board of Colliers International Property Consultants in Australia. Along with David Collier, he formed McCuaig and Collier, which in 1988 became the New South Wales office of Colliers International. He was a forerunner in the establishment of Colliers in Australia, now one of the world's largest professional property services groups. Robert has acted as a property adviser to the University of Sydney, Westpac, Qantas Airways, Presbyterian Church, Sydney Ports Authority, Benevolent Society of NSW, the State of New South Wales and the Commonwealth of Australia.

Michael Hodgetts, Non-executive Director

Michael was responsible for the management of Rider Hunt both in Perth and Sydney and was Group Chairman of Rider Hunt from 1992 to 1996. He was National President of the Australian Institute of Quantity Surveyors from 2001 to 2003. Michael is currently a director of the peer group body known as the Australian Construction Industry Forum. As a senior professional consultant, he has extensive experience in development and construction, particularly in non-residential projects.

Ian O'Toole, Executive Director

Ian has responsibility for the overall direction and strategy of the Multiplex Capital funds management business, including both Multiplex Property Trust ("MPT") and the external funds management business of Multiplex Capital. He has over 24 years' experience in funds management and prior to joining Multiplex Capital in 2003, was responsible for both capital transactions and asset management within ING Real Estate Investment Management Limited.

Robert Rayner, Executive Director

Robert has responsibility for the day-to-day operation and development of Multiplex Capital's funds management activities. Robert has been involved in property and property funds management for more than 17 years and has extensive property and financial experience in both the listed and unlisted sectors of the funds management industry. Robert was a founding shareholder and director of the Acumen Capital funds management business, since renamed Multiplex Capital.

Company Secretary

Alex Carrodus was appointed to the position of company secretary on 17 June 2005.

Information on Company Secretary

Alex Carrodus

Alex has over 12 years experience in the areas of company secretarial practice and compliance in the funds management industry having worked for the ASX listed Ronin Property Group prior to its acquisition by the Multiplex Group, AMP and ASX Limited. Prior to this period Alex worked for 8 years in the insolvency and audit divisions of a number of local and international accounting firms both in Sydney and London.

Principal activities

The principal activity of the Company has been the development of land for resale through its 100% owned subsidiary, Multiplex Acumen Vale Landowner Pty Limited.

The Company did not have any employees during the year or subsequent to balance date.

Review of operations

Key highlights over the period include:

- Profit before income tax for the year ended 30 June 2007 was \$13,608,000 (2006: \$6,473,000).
- The company continues to develop land for resale through its 100% owned subsidiary, Multiplex Acumen Vale Landowner Pty Limited.
- Dividends have been declared for the first time during the year. It was originally forecast that the first dividend payment would take place in December 2007, however at 30 June 2007 \$8,100,000 has been declared. (refer below).

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 Company that occurred during the financial year.

Likely developments

Information on likely developments in the operations of the Company in future financial years and the expected results of those operations has not been included in this report because the directors believe that to do so would be likely to result in unreasonable prejudice to the Company.

Environmental regulation

The Company has systems in place to manage its environmental obligations. Based upon the results of inquiries made, the directors are not aware of any significant breaches or non-compliance issues during the year covered by this report.

DIRECTORS' REPORT (CONTINUED)
MULTIPLEX ACUMEN VALE SYNDICATE LIMITED
FOR THE YEAR ENDED 30 JUNE 2007

Dividends

Dividends paid/payable to shareholders were as follows:

	Cents per share	Total amount \$'000	Date of payment
Ordinary shares			
December 2006 dividend	13.0	3,900	30 Jan 2007
June 2007 dividend	14.0	4,200	27 Jul 2007
Total dividend for the year ended 30 June 2007	27.0	8,100	
December 2005 dividend	-	-	
June 2006 dividend	-	-	
Total dividend for the period ended 30 June 2006	-	-	

Indemnification and insurance premiums

Under the Constitution the Company's officers and employees, are indemnified out of the Consolidated Entity'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 Consolidated Entity.

The Company has not indemnified any auditor of the Consolidated Entity.

During the year the Company has paid premiums in respect of their officers for liability and legal expenses insurance contracts for the year ended 30 June 2007. The Company has paid, or agreed to pay, in respect of the Consolidated Entity, premiums in respect of such insurance contracts for the year ending 30 June 2008.

Such insurance contracts insure against certain liability (subject to specified exclusions) for persons who are or have been executive officers or employees of the Company.

Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the contracts.

Matters subsequent to the end of the financial year

There are no matters or circumstances which have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Rounding of amounts

The Company is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998 (updated by CO 05/641 effective 28 July 2005 and CO 06/51 effective 31 January 2006), and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

Company Particulars

The registered address for Multiplex Acumen Vale Syndicate Limited is 1 Kent Street, Sydney, NSW 2000.

Lead auditors Independence declaration

The lead auditor's independence declaration is set on page 6 and forms part of the Directors' report for the financial year ended 30 June 2007.

Dated at Sydney this 24 day of August 2007

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

Ian O'Toole
Director
Multiplex Acumen Vale Syndicate Limited



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Multiplex Vale Syndicate Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2007 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Tanya Gilerman
Partner

Sydney, NSW
24 August 2007

INCOME STATEMENTS
MULTIPLEX ACUMEN VALE SYNDICATE LIMITED
FOR THE YEAR ENDED 30 JUNE 2007

	Note	Consolidated 30 June 2007 \$000	Consolidated 17 June 2005 to 30 June 2006 \$000	Company 30 June 2007 \$000	Company 17 June 2005 to 30 June 2006 \$'000
Revenue					
Revenue from the sale of land held for development		100,546	43,026	-	-
Interest income		227	95	14	95
Dividend received		-	-	9,700	-
Net gain from revaluation of financial derivatives		5	34	-	-
Total revenues and other income		100,778	43,155	9,714	95
Expenses					
Cost of sale of land held for development		76,369	33,151	-	-
Marketing and selling costs		6,826	2,834	-	-
Performance fee		2,382	-	-	-
Administrative expenses		252	123	212	123
Management service fees		1,341	574	1,341	574
Total expenses		87,170	36,682	1,553	697
Profit / (Loss) before income tax		13,608	6,473	8,161	(602)
Income tax (expense) / benefit	4	(4,082)	(2,011)	462	181
Profit / (Loss) for the year		9,526	4,462	8,623	(421)

The above income statements should be read in conjunction with the accompanying notes to the financial statements set out on pages 11 to 24.

BALANCE SHEETS
MULTIPLEX ACUMEN VALE SYNDICATE LIMITED
AS AT 30 JUNE 2007

	Note	Consolidated 30 June 2007 \$000	Consolidated 30 June 2006 \$000	Company 30 June 2007 \$000	Company 30 June 2006 \$000
Assets					
Current assets					
Cash and cash equivalents	8(a)	23,984	1,847	237	78
Inventories - Land held for development	9	21,457	57,041	-	-
Trade and other receivables	10	2,299	528	34,995	26,496
Fair value of financial derivatives	15(c)	5	34	-	-
Total current assets		47,745	59,450	35,232	26,574
Non-current assets					
Inventories - Land held for development	9	19,728	21,940	-	-
Investment in controlled entity	11	-	-	-	-
Deferred tax asset	4(b)	1,603	1,157	876	1,157
Total non-current assets		21,331	23,097	876	1,157
Total assets		69,076	82,547	36,108	27,731
Liabilities					
Current liabilities					
Trade and other payables	12	10,024	2,977	5,224	226
Income tax payable	4(b)	4,451	1,595	4,451	1,595
Interest bearing loans and borrowings	13	20,000	47,182	-	-
Total current liabilities		34,475	51,754	9,675	1,821
Non-current liabilities					
Provision for performance fees	5	2,382	-	-	-
Total non-current liabilities		2,382	-	-	-
Total liabilities		36,857	51,754	9,675	1,821
Net Assets		32,219	30,793	26,433	25,910
Equity					
Issued capital	14	26,331	26,331	26,331	26,331
Retained earnings		5,888	4,462	102	(421)
Total equity		32,219	30,793	26,433	25,910

The above balance sheets should be read in conjunction with the accompanying notes to the financial statements set out on pages 11 to 24.

STATEMENT OF CHANGES IN EQUITY
MULTIPLEX ACUMEN VALE SYNDICATE LIMITED
FOR THE YEAR ENDED 30 JUNE 2007

	Consolidated 30 June 2007 \$000	Consolidated 17 June 2005 to 30 June 2006 \$000	Company 30 June 2007 \$000	Company 17 June 2005 to 30 June 2006 \$000
Issued Capital				
Opening balance at the beginning of financial year	26,331	-	26,331	-
Issue of shares	-	30,000	-	30,000
Capital raising costs on issue	-	(5,241)	-	(5,241)
Deferred Tax asset	-	1,572	-	1,572
Closing balance at end of financial year	26,331	26,331	26,331	26,331
Retained earnings				
Opening balance at the beginning of financial year	4,462	-	(421)	-
Net profit/ (loss)	9,526	4,462	8,623	(421)
Dividends	(8,100)	-	(8,100)	-
Closing balance at end of financial year	5,888	4,462	102	(421)
Opening equity at the beginning of the financial year	30,793	-	25,910	-
Issued Capital				
Issue of shares	-	30,000	-	30,000
Capital raising costs on issue	-	(5,241)	-	(5,241)
Deferred tax asset	-	1,572	-	1,572
Retained earnings				
Net profit / (loss)	9,526	4,462	8,623	(421)
Dividends	(8,100)	-	(8,100)	-
Closing equity at the end of financial year	32,219	30,793	26,433	25,910

The above statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements set out on pages 11 to 24.

STATEMENTS OF CASH FLOWS
MULTIPLEX ACUMEN VALE SYNDICATE LIMITED
FOR THE YEAR ENDED AT 30 JUNE 2007

	Note	Consolidated 17 June 2005 to 30 June 2006 \$000	Consolidated 2007 \$000	Company 17 June 2005 to 30 June 2006 \$000	Company 2007 \$000
Cash flows from operating activities					
Cash payments in the course of operations		(42,433)	(113,082)	(949)	(784)
Interest received		227	95	14	95
Cash receipts in the course of operations		98,775	43,026	-	-
Dividend received		-	-	4,700	-
Income taxes paid		(1,673)	-	(1,673)	-
Financing costs paid		(1,780)	(133)	-	-
Net cash flows from/ (used in) operating activities	8(b)	53,116	(70,094)	2,092	(689)
Cash flows from financing activities					
Proceeds from issues of shares		-	30,000	-	30,000
Issue costs paid		-	(5,241)	-	(5,241)
Loans from related parties		-	-	1,898	-
Dividends paid		(3,831)	-	(3,831)	-
(Repayment) / Proceeds from interest bearing loans & borrowings		(27,148)	47,182	-	(23,992)
Net cash flows from/ (used in) financing activities		(30,979)	71,941	(1,933)	767
Net increase in cash and cash equivalents		22,137	1,847	159	78
Cash and cash equivalents at 1 July		1,847	-	78	-
Cash and cash equivalents at 30 June		23,984	1,847	237	78

The above statements of cash flow should be read in conjunction with the accompanying notes to the financial statements set out on pages 11 to 24.

1 REPORTING ENTITY

Multiplex Acumen Vale Syndicate Limited (the "Company") is an Australian incorporated and domiciled company. The consolidated financial statements of the company as at and for the year ended 30 June 2007 comprises the company and its subsidiary (together referred to as the "consolidated entity").

2 BASIS OF PREPARATION

(a) Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards (AASBs) (including Australian interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial report of Multiplex Acumen Vale Syndicate Limited ("the Company") for the year ended 30 June 2007 was authorised for issue in accordance with a resolution of the Directors on 24 August 2007.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for derivative financial instruments which are measured at fair value.

These consolidated financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

The Company is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998 (updated by CO 05/641 effective 28 July 2005 and CO 06/51 effective 31 January 2006), and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Principles of consolidation

The consolidated financial statements include the financial statements of the Company and entities controlled by the Company (its subsidiaries) (referred to as the "Consolidated Entity" in these financial statements). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement 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 Company, intra-group transactions are generally accounted for by reference to the existing carrying value of the items. Where the transaction value differs from the carrying value, the difference is recognised as a contribution by or distribution to equity participants by the transacting entities.

In the Company's financial statements investments in controlled entities are carried at cost.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Segment Reporting

A segment is a distinguishable component of the Consolidated Entity that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company is organised into one main segment which operates in the business of property development within Australia.

(c) 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.

Exchange of goods and services of the same nature and value without any cash recognition are not recognised as revenues. 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 recognition criteria are met.

Sale of land held for development

Revenue from the sale of land held for development is recognised when the Consolidated Entity has transferred to the buyer the significant risks and rewards of the ownership of the property. This is generally deemed to occur upon settlement.

Interest income

Revenue is recognised as interest accrues using the effective interest rate method.

Dividends

Revenue from dividends is recognised when the right of the Consolidated Entity to receive payment is established. This is generally when they have been declared.

(d) Expense recognition

Finance costs

Finance costs include interest, amortisation of discounts or premiums relating to borrowing, amortisation of ancillary costs incurred in connection with arrangement of borrowings. Ancillary costs incurred in connection with the arrangement of borrowings are capitalised and amortised over the life of the borrowings.

Finance costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets that take more than 12 months to prepare for their intended use or sale. In these circumstance, borrowing costs are capitalised to the costs of the assets. Where funds are borrowed specifically for the acquisition or construction of a qualifying asset, the amount of borrowing costs capitalised are those incurred in relation to that borrowing. To the extent that funds are borrowed, generally the amount of borrowing costs capitalised is calculated by applying a capitalisation rate to the expenditures on that asset.

Performance fees

Performance fees are recognised on an accrual basis. The performance fee payable to the development manager is calculated in accordance with the Development Management Agreement, which requires 20% of the amount by which the overall shareholder return exceeds a 20% annualised internal rate of return (before tax) to be paid to the development manager. The performance fee has been discounted to present value to reflect the life of the project. The performance fee will be remeasured at each reporting date.

(d) Expense recognition (continued)

Other expenditure

Expenditure including marketing and selling costs, management fees, administration costs, rates, taxes, other outgoings and performance fees are brought to account on an accrual basis.

(e) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (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 balance sheet.

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

(f) Taxation

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the notional income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(g) Tax Consolidation

(i) Tax consolidation

The Company and its wholly-owned Australian resident entity have formed a tax-consolidated group with effect from 17 June 2005 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is the Company.

(g) Tax Consolidation (continued)

Current tax expense/ benefit, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries is assumed by the head entity in the tax-consolidated group and are recognised by the company as amounts payable (receivable) to/(from) other entities in the tax-consolidated group in conjunction with any tax funding arrangement amounts (refer below). Any difference between these amounts is recognised by the Company as an equity contribution or distribution.

The Company recognises deferred tax assets arising from unused tax losses of the tax consolidated group to the extent that it is probable that future taxable profits of the tax consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

(ii) Nature of tax funding arrangements and tax sharing arrangements

The head entity, in conjunction with other members of the tax-consolidated group, has entered into a tax funding arrangement which sets out the funding obligations of members of the tax consolidated group in respect of tax amounts. The tax funding arrangements require payments to/ from the head entity equal to the current tax liability/ (asset) assumed by the head entity and any tax-loss deferred tax asset assumed by the head entity, resulting in the head entity recognising an inter-entity receivable/ (payable) equal to the amount to the tax liability/ (asset) assumed. The inter-entity receivables/ (payables) are at call.

Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity in conjunction with other members of the tax-consolidated group, has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

(h) Cash and cash equivalents

For the purpose of the cash flow statement, cash includes cash balances, deposits on call with financial institutions and other highly liquid investments, with short periods to maturity, which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding overdrafts.

(i) Inventories - Land held for development

Inventories being developed or held for resale are stated at the lower of cost or realisable value. Included in costs are the costs of acquisition, development and holding costs such as finance costs (refer Note 3(d)), and rates and taxes.

(j) 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 (p). Non-current receivables are measured at amortised cost using the effective interest rate method.

(k) Trade and other payables

Trade and other payables are stated at amortised cost using the effective interest rate method and represent liabilities for goods and services provided to the Consolidated Entity 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.

(l) Dividend

A provision for dividend is recognised in the Balance Sheet if the dividend has been declared prior to balance date.

Dividends paid and payable on shares are recognised in equity as a reduction of retained earnings for the year. Dividends paid are included in cash flows from investing activities in the cash flow statement.

(m) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at fair value less any attributable transaction costs.

Subsequent to initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest rate method with any difference between cost and redemption value being recognised in the Income Statement over the period of the borrowings.

Interest bearing loans and borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

(n) Derivative financial instruments

The Consolidated Entity uses derivative financial instruments to hedge its exposure to interest rate arising from operational, financing and investment activities. The Consolidated Entity does not hold or issue derivative financial instruments for trading purposes.

Cash flow hedges

Changes in the fair value of the derivative hedging instrument designed as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in profit and loss. In the current year all hedges have been treated as ineffective.

(o) Issued Capital

Issued and paid up shares are recognised at the fair value of the consideration received by the Consolidated Entity. Any transaction costs arising on the issue of shares are recognised as a reduction of the share proceeds received.

(p) 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 flows 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.

Individually 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 profit and loss.

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 profit and loss.

Non financial assets

The carrying amount of the Consolidated Entity's non financial assets, other than inventories and deferred tax assets, are 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.

In respect of all assets (other than goodwill), 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.

(q) New standards and interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the Consolidated entity in the period of initial application. They are available for early adoption at 30 June 2007, but have not been applied in preparing these financial statements:

- AASB 101 *Presentation of Financial Statements* (October 2006) has deleted the Australian specific Illustrative Financial Report Structure and reinstated the current IASB 1 guidance on Illustrative Financial Statement Structure. The revised AASB 101 is applicable for annual reporting periods beginning on or after 1 January 2007.
- AASB 7 *Financial Instruments: Disclosures* (August 2005) replaces the presentation requirements of financial instruments in AASB 132. AASB 7 is applicable for annual reporting periods beginning on or after 1 January 2007, and will require extensive additional disclosures with respect to the Consolidated Entity's financial instruments.
- AASB 2005 – 10 *Amendments to Australian Accounting Standards* (September 2005) makes consequential amendments to AASB 132 *Financial Instruments: Disclosure and Presentation*, AASB 101 *Presentation of Financial Statements*, AASB 114 *Segment Reporting*, AASB 139 *Financial Instruments: Recognition and Measurement* and AASB 1 *First – time Adoption of Australian equivalents to International Financial Reporting Standards*. AASB 2005 – 10 is applicable for annual reporting periods on or after 1 January 2007 and is expected to only impact disclosures contained within the consolidated financial report.

(r) Comparatives

Multiplex Acumen Vale Syndicate Pty Limited was incorporated on 17 June 2005. In the first financial report of the Company, the Income Statement and Statement of Cash Flows was from the date of incorporation on 17 June 2005 to 30 June 2006. This is the comparative period in the 30 June 2007 financial statements.

NOTES TO FINANCIAL REPORT
MULTIPLEX ACUMEN VALE SYNDICATE LIMITED
AS AT 30 JUNE 2007

4 INCOME TAX

	Consolidated 2007 \$'000	Consolidated 17 June 2005 to 30 June 2006 \$000	Company 2007 \$'000	Company 17 June 2005 to 30 June 2006 \$000
(a) Income tax (expense) / benefit				
Numerical reconciliation between tax (expense)/ benefit and pre-tax net profit				
Profit for the period	9,526	4,462	8,623	(421)
Total income tax expense/ (benefit)	4,082	2,011	(462)	(181)
Profit excluding income tax	13,608	6,473	8,161	(602)
Prima facie income tax expense/ (benefit) on profit/ (loss) using domestic corporation tax rate of 30% (2006: 30%)	4,082	1,942	2,448	(181)
Tax exempt income dividend received	-	-	(2,910)	-
Non-deductible expenses	-	69	-	-
Income tax (expense) / benefit	4,082	2,011	(462)	(181)
(b) Tax assets and liabilities				
Tax liability - current	4,451	1,595	4,451	1,595
Deferred tax asset - non current asset	1,603	1,157	876	1,157

(c) Recognised deferred tax assets & liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Consolidated						
Provisions	755	-	-	-	755	-
Amounts recognised directly in equity	848	1,157	-	-	848	1,157
	1,603	1,157	-	-	1,603	1,157
Company						
Provisions	28	-	-	-	28	-
Amounts recognised directly in equity	848	1,157	-	-	848	1,157
	876	1,157	-	-	876	1,157

Tax consolidation

For the purposes of income taxation, Multiplex Acumen Vale Syndicate Limited and its 100% owned entity formed a tax consolidated group on 17 June 2005.

5 PROVISIONS

	Consolidated 2007 \$'000	Consolidated 2006 \$'000	Company 2007 \$'000	Company 2006 \$'000
Opening balance	-	-	-	-
Provision for performance fees	2,382	-	-	-
Closing balance	2,382	-	-	-

The performance fee is payable by Multiplex Acumen Vale Landowner Pty Limited on completion of the project to the Development manager. The performance fee is calculated at 20% of the amount by which the overall Shareholder return exceeds a 20% annualised interest rate of return on equity (before tax) to Shareholders.

NOTES TO FINANCIAL REPORT
MULTIPLEX ACUMEN VALE SYNDICATE LIMITED
AS AT 30 JUNE 2007

6 AUDITORS REMUNERATION

	Consolidated 2007 \$	Consolidated 2006 \$	Company 2007 \$	Company 2006 \$
Auditors of the Company :				
KPMG - Audit and review of the financial reports	70,000	-	30,000	-
Ernst & Young - Audit and review of the financial reports	-	42,299	-	25,299
	70,000	42,299	30,000	25,299

7 DIVIDENDS

Dividends paid/payable to shareholders were as follows:

Ordinary shares	Cents per share	Total amount \$'000	Franked/ unfranked	Date of payment
				30 January 2007
December 2006 dividend	13.0	3,900	Franked	
June 2007 dividend	14.0	4,200	Franked	27 July 2007
Total dividend for the year ended 30 June 2007	27.0	8,100		
December 2005 dividend	-	-		
June 2006 dividend	-	-		
Total dividend for the year ended 30 June 2006	-	-		

Franked dividends declared or paid during the year were franked at the tax rate of 30%

	2007 \$'000	2006 \$'000
Dividend franking account 30 per cent franking credits available to shareholders of the company for subsequent financial years	-	-

8 (a) CASH AND CASH EQUIVALENTS

	Consolidated 2007 \$'000	Consolidated 2006 \$'000	Company 2007 \$'000	Company 2006 \$'000
Current cash at bank and on hand	23,984	1,847	237	78

Cash at bank balances earns interest at floating rates based on daily bank deposit rates.

8 (b) RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	Consolidated 2007 \$'000	Consolidated 2006 \$'000	Company 2007 \$'000	Company 2006 \$'000
Profit/ (Loss) for the year	9,526	4,462	8,623	(421)
Net fair value on derivatives	(5)	(34)	-	-
Changes in assets and liabilities during the year				
Decrease/(increase) in receivables	(1,771)	(528)	248	(314)
Decrease/ (increase) in inventory	37,796	(78,981)	-	-
Decrease/(increase) in deferred tax asset	(446)	1,157	281	-
(Decrease)/increase in payables	5,160	2,235	(9,916)	-
(Decrease)/Increase in tax liability	2,856	1,595	2,856	46
Net cash provided by operating activities	53,116	(70,094)	2,092	(689)

9 INVENTORIES - LAND HELD FOR DEVELOPMENT

	Consolidated 2007 \$'000	Consolidated 2006 \$'000	Company 2007 \$'000	Company 2006 \$'000
Inventories at cost				
Current (a)	21,457	57,041	-	-
Non-current (a)	19,728	21,940	-	-
Total Inventories	41,185	78,981	-	-

Land is held at the north-eastern Perth suburb of Aveley. This land is held through the subsidiary, Multiplex Acumen Vale Landowner Pty Limited, which it subdivides, develops and sells as residential land. At 30 June 2007 the total cost of the unsold land plus development costs held in the consolidated entity and the company was \$41.185m (2006: \$78.981m). An independent valuation as at the 14 August 2007 valued the land at \$65m.

10 TRADE AND OTHER RECEIVABLES

	Consolidated 2007 \$'000	Consolidated 2006 \$'000	Company 2007 \$'000	Company 2006 \$'000
Current				
Goods and service tax receivable	-	507	49	293
Other receivables	52	21	17	21
Amounts due from related parties (a)	2,247	-	34,929	26,182
	2,299	528	34,995	26,496

(a) Terms and conditions relating to related party transactions have been disclosed in Note 16.

11 INVESTMENT IN CONTROLLED ENTITIES

	Percentage ownership	Company 2007 \$'000	Company 2006 \$'000
Investment in Multiplex Acumen Vale Landowner Pty Limited	100%	-	-

On 17 June 2005, Multiplex Acumen Vale Syndicate Limited acquired 100% of the ordinary shares in Multiplex Acumen Vale Landowner Pty Limited, an unlisted company specialising in the subdivision and development of land. There have been no changes in the activities of Multiplex Acumen Vale Landowner Pty Limited since that date.

The total cost of the acquisition was \$10 and comprised of an issue of equity.

12 TRADE AND OTHER PAYABLES

	Consolidated 2007 \$'000	Consolidated 2006 \$'000	Company 2007 \$'000	Company 2006 \$'000
Current				
Trade Payables	4,820	2,763	20	12
Provision for dividend - external	2,186	-	2,186	-
Provision for dividend - related party (a)	2,083	-	2,083	-
Management service fee payable - related party (a)	935	214	935	214
	10,024	2,977	5,224	226

(a) Terms and conditions relating to related party transactions have been disclosed in Note 16.

13 INTEREST BEARING LOANS AND BORROWINGS

	Consolidated 2007 \$'000	Consolidated 2006 \$'000	Company 2007 \$'000	Company 2006 \$'000
Current				
Secured bank debt (a)	20,000	47,182	-	-
	20,000	47,182	-	-

(a) The bank facility is secured by a first charge over the land held by Multiplex Acumen Vale Landowner Pty Limited.

Financing Arrangements	Expiry Date	Consolidated 2007 \$'000	Consolidated 2006 \$'000	Company 2007 \$'000	Company 2006 \$'000
<i>Facilities available</i>					
Bank debt facility	31 July 2007	40,000	47,325	-	-
Less: facilities utilised		(20,000)	(47,182)	-	-
Facilities not utilised		20,000	143	-	-

This floating rate cash facility is for a maximum commitment of \$40 million financed by National Australia Bank Limited with respect to Multiplex Acumen Vale Landowner Pty Limited. Interest rate is 6.38%, (2006: 6.53%).

The Company's holdings in interest rate derivatives are specified in note 15(i) to the financial statements.

The loan facility has been classified as current for the year ended 30 June 2007, due to the expiry date being 31 July 2007 although it is expected a longer term will be negotiated.

14 ISSUE CAPITAL

Date	Details	Shares	Issue price	\$'000
29 June 2005	Opening balance	-	-	-
	29 June 2005 issue of new shares	15,000,100	1.00	15,000
	4 November 2005 issue of new shares	15,000,000	1.00	15,000
	Capital raising costs on issue			(3,669)
30 June 2006	Closing Balance	30,000,100	1.00	26,331
1 July 2006	Opening Balance	30,000,100	1.00	26,331
30 June 2007	Closing Balance	30,000,100	1.00	26,331

14 ISSUE CAPITAL (CONTINUED)

Ordinary shares

All ordinary shares are of the same class and carry equal rights. Any transaction costs arising on the issue or sale of shares are recognised in equity as a reduction of the share proceeds received.

15 FINANCIAL INSTRUMENTS

The Company's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Company is exposed are interest rate risk and credit risk.

(a) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

Consolidated	Note	Effective Interest rate	Floating interest rate maturing in one year or less \$'000	Non-interest Bearing \$'000	Total \$'000
2007					
Financial Assets					
Cash	8(a)	5.55	23,984	-	23,984
Receivables	10		-	2,299	2,299
			<u>23,984</u>	<u>2,299</u>	<u>26,283</u>
Financial Liabilities					
Payables	12		-	5,755	5,755
Performance fee	5			2,382	2,382
Interest bearing liabilities	13	6.38	20,000	-	20,000
Distributions payable	12		-	4,269	4,269
			<u>20,000</u>	<u>12,406</u>	<u>32,406</u>
2006					
Financial Assets					
Cash	8(a)	5.13	1,847	-	1,847
Receivables	10		-	528	528
			<u>1,847</u>	<u>528</u>	<u>2,375</u>
Financial Liabilities					
Payables	12		-	2,977	2,977
Interest bearing liabilities	13	6.53	47,182	-	47,182
			<u>47,182</u>	<u>2,977</u>	<u>50,159</u>

15 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. Market prices generally incorporate credit assessments into valuations and risk of loss is implicitly provided for in the carrying value of on-balance sheet financial assets and liabilities as they are marked to market. The total credit risk for on-balance sheet items including securities is therefore limited to the amount carried on the balance sheet.

The Company minimises concentrations of credit risk by ensuring that counterparties are either recognised and reputable or are recognised financial intermediaries with acceptable credit ratings determined by a recognised rating agency.

(c) Specific instruments

Derivatives

The Company's holdings in derivatives are specified in the table below.

Type of contract	Expiration	Underlying	Fixed Rate	Notional amount of contracts outstanding \$'000	Fair value (assets) \$'000	Fair value (liabilities) \$'000
As at 30 June 2007						
Interest rate swap	21 September 2007	Floating to fixed	6.38	5,760	5	-
As at 30 June 2006						
Interest rate swap	21 September 2007	Floating to fixed	6.53	19,789	34	-

(d) Estimation of fair values

The major methods and assumptions used in estimating the fair values of financial instruments are disclosed in note 3.

	2007		2006	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Consolidated				
Trade and other receivables	2,299	2,299	528	528
Cash and cash equivalents	23,984	23,984	1,847	1,847
Secured bank loans	(20,000)	(20,000)	(47,182)	(47,182)
Trade and other payables	(12,406)	(12,406)	(2,977)	(2,977)
Total	(6,123)	(6,123)	(47,784)	(47,784)

16 RELATED PARTIES

Manager

The Manager of the Company is Multiplex Capital Management Limited (ABN 32 094 936 866) whose immediate and ultimate holding companies are Multiplex Capital Pty Limited (ABN 34 103 114 441) and Multiplex Limited (ABN 96 008 687 063) respectively.

Ultimate parent

Multiplex Acumen Vale Syndicate Limited holds 100% of the ordinary shares in Multiplex Acumen Vale Landowner Pty Limited. Multiplex Development and Opportunity Fund holds 49.58% of the ordinary shares in Multiplex Acumen Vale Syndicate Limited through its 100% owed subsidiary MPX DT Pty Limited.

Key management personnel

The Consolidated Entity does not employ personnel in its own right. However it is required to have an incorporated Manager to manage the activities of the Consolidated Entity. The Manager and the directors of Multiplex Acumen Vale Syndicate Limited are considered to be the Key Management Personnel. The directors of the Manager and Multiplex Acumen Vale Syndicate Limited are Robert Rayner, Michael Hodgetts (Resigned 31 January 2007), Robert McCuaig, Peter Morris, Ian O'Toole, Rex Bevan (Appointed 21 February 2007) and Brian Motteram (Appointed 21 February 2007).

16 RELATED PARTIES (CONTINUED)

The Manager is entitled to a management services fee which is calculated as a proportion of the Subsidiary's aggregate gross revenues (refer below). This fee is payable by the Company.

The directors receive no compensation from either Multiplex Group or Multiplex Acumen Vale Syndicate Limited for their services to the Company.

Manager's Fees

In accordance with the Prospectus of the Company, Multiplex Capital Management Limited is entitled to receive the following fees:

	Consolidated 2007	Consolidated 2006
Multiplex Development and Opportunity Fund		
Property procurement fee	-	\$750,000
Prospectus preparation fee	-	\$750,000
Multiplex Capital Limited		
Equity raising fee	-	\$2,937,500
Property acquisition support services fee	-	\$312,500

Management services fee

The Manager is entitled to a management service fee of 1.25% of the Company's aggregate gross revenues. Fees paid by the Company to the Fund Manager for the period amounted to \$1,341,019 (2006: \$573,863).

Related party transactions

All transactions with related parties are conducted on normal commercial terms and conditions. All transactions require the unanimous approval of all Independent Directors.

	Consolidated 2007 \$'000	Consolidated 2006 \$'000
Income Statement		
Management Service Fees paid directly by the Company	1,341	574
Fees paid to Multiplex Limited and wholly owned subsidiaries:		
- Sales, marketing and development fees	6,826	2,834
Balance sheet		
Management Service Fees payable	935	214
Distribution payable to MPX DT Pty Limited	2,083	-
Receivable from Multiplex Limited Group	2,247	-

Transactions with Controlled Entities

	Company 2007 \$'000	Company 2006 \$'000
Income statement		
Dividends Received from Multiplex Acumen Vale Landowner Pty Ltd	9,700	-
Balance sheet		
Receivable from Multiplex Acumen Vale Landowner Pty Ltd	34,929	26,182

Related party shareholders

At the date of this report, no Director of the Manager or the Company held shares in the Company.

17 SEGMENT REPORTING

The consolidated entity is organised into one main segment which operates solely in the business of property development, within Australia.

18 CONTINGENT ASSETS & LIABILITIES

No contingent assets or liabilities existed at 30 June 2007 (30 June 2006: NIL).

19 CAPITAL AND OTHER COMMITMENTS

The Consolidated Entity has a commitment for inventory development costs according to the feasibility at 30 June 2007 of \$113.247m (2006: \$165.444m).

20 EVENTS OCCURRING AFTER REPORTING DATE

There are no matters or circumstances, which have arisen since the end of the financial year 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 years.

DIRECTORS' DECLARATION
MULTIPLEX ACUMEN VALE SYNDICATE LIMITED
FOR THE PERIOD ENDED 30 JUNE 2006

Multiplex Acumen Vale Syndicate Limited
Directors' Declaration

In the opinion of the Directors of Multiplex Acumen Vale Syndicate Limited:

- (a) The financial statements and notes set out in pages 7 to 24 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's and Consolidated Entity's financial position as at 30 June 2007 and of their performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Dated at Sydney, this 24 day of August 2007.



Ian O'Toole
Director
Multiplex Acumen Vale Syndicate Limited

Independent auditor's report to the members of Multiplex Acumen Vale Syndicate Limited

Report on the financial report

We have audited the accompanying financial report of Multiplex Acumen Vale Syndicate Limited (the "Company"), which comprises the balance sheets as at 30 June 2007, and the income statements, statements of changes in equity and statements of cash flows for the year ended on that date, a description of significant accounting policies and other explanatory notes 1 to 20 and the directors' declaration set out on page 25, of the Consolidated Entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001 and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the financial position of the Company and the Consolidated Entity, and of their performance.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's opinion

In our opinion the financial report of Multiplex Acumen Vale Syndicate Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's and Consolidated Entity's financial position as at 30 June 2007 and their performance for the ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

KPMG

Tanya Gilerman
Partner

Sydney, NSW
24 August 2007