

MULTIPLEX TASMAN PROPERTY FUND
NZBN 15 34 298

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2007

MULTIPLEX TASMAN PROPERTY FUND
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Directory

Directors of Multiplex Capital New Zealand Limited

Ian O'Toole
Robert Rayner
John McStay
Peter Wall

Manager – Multiplex Capital New Zealand Limited

66 Wyndham Street
Auckland
New Zealand

Location of Unit Registry

BK Registries
138 Tancred Street
PO Box 384
Ashburton 8300

Trustee

Multiplex Capital New Zealand Limited
66 Wynham Street
Auckland
New Zealand
Telephone: 61 2 9335 7000
Facsimile: 61 2 9299 7077

Auditor

KPMG
10 Shelley Street
Sydney NSW 2000
Telephone: 02 9335 7000
Facsimile: 02 9299 7077

Directors' Report

The Directors of Multiplex Capital New Zealand Limited, the Trustee of Multiplex Tasman Property Fund ("the Fund"), present their report together with the financial report of the Fund, for the year ended 30 June 2007 and the auditor's report thereon.

Trustee

The Trustee of Multiplex Tasman Property Fund is Multiplex Capital New Zealand Limited, which has been the Trustee since inception.

The registered office and principal place of business of the Trustee and the Fund are 66 Wyndham Street, Auckland and 1 Kent Street, Sydney respectively.

Directors

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

Name

Ian O'Toole
Robert Rayner
John McStay
Peter Wall

Information on Directors

Ian O'Toole

Ian has responsibility for the overall direction and strategy of the Multiplex Capital funds management business, including both Multiplex Property Trust (ARSN 106 643 387) ("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

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.

John McStay

John is an Asset Manager for Multiplex Capital responsible for the asset management of the division's New Zealand properties. John has over 20 years experience in property and asset management in the New Zealand property market. John joined Multiplex in 2005 when it purchased the assets owned by AmTrust Pacific limited.

Peter Wall

Peter is Managing Director Property New Zealand, with responsibility for the Fund's asset and facilities management. Peter has had over 30 years in the New Zealand property market heading public and private property investment and development companies. A past National President of the Property Council, Peter is widely respected as one of industry leaders in New Zealand.

Directors' Report (continued)

Principal activities

The Fund is a registered managed investment scheme domiciled in New Zealand.

The investment activities of the Fund are in accordance with the investment policy as outlined in the original investment statement and prospectus for the Fund dated 17 September 2004. The Fund holds investments in the Multiplex New Zealand Property Fund and cash.

The key asset categories are unlisted property securities and cash.

The Fund did not have any employees during the year.

There have been no significant changes in the nature of the Fund's activities during the year.

Review of operations

Results

At the end of the 2007 financial year, the Fund owned 5,028,440 units in the Multiplex New Zealand Property Fund valued at \$7.7 million (2006: 5,085,168 units valued at \$7.3 million).

	2007	2006
	\$	\$
Net Surplus	527,284	457,072
Closing undistributed income	9,738	7,519
Distributions (cpu)	9.50	9.50

The movement in units on issue of the Fund for the year was as follows:

Units on Issue

	2007	2006
	Units	Units
Opening balance	5,557,741	2,615,000
Units issued	-	2,942,741
Units redeemed	(62,000)	-
Units on issue as at 30 June	5,495,741	5,557,741

	2007	2006
	\$	\$
Value of total fund assets as at 30 June	7,845,994	7,435,237

The basis for valuation of the Fund's assets is disclosed in Note 1 to the financial statements.

Interests of the Trustee

There were no Trustee fees paid directly by the Fund during the year.

The Trustee has not held any units in the Fund during the year.

Directors' interests

The Directors' of Multiplex Capital New Zealand Limited held no interest in the unit capital of the Fund at the date of this report.

Directors' Report (continued)

Remuneration of Directors of the Trustee

No amounts have been paid either by the Fund directly to the directors of the Trustee or by the Trustee and its related parties to directors of the Trustee in connection with their responsibilities for the Fund.

Derivatives and other financial instruments

The Fund's investments and trading activities expose it to changes in interest rates and equities markets variations as well as credit and liquidity risk.

The Trustee has approved policies and procedures in each of these areas to manage these exposures.

Significant changes in the state of affairs

In the opinion of the Trustee there were no significant changes in the state of affairs of the Fund during the year.

Likely developments

The Fund will continue to pursue its policy of increasing returns through active investment selection.

Further information about likely developments in the operations of the Fund and the expected results of those operations in future periods has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Fund.

Environmental regulation

The Fund's operations are not subject to any significant environmental regulation.

Events subsequent to balance date

There has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Trustee, to affect significantly the operations of the Fund, the results of those operations, or the state of affairs of the Fund, in future periods.

Indemnities and insurance premiums for Officers or Auditors

Indemnification

Under the Fund Constitution the Trustee, including its officers and employees, is indemnified out of the Fund 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.

The Fund has not indemnified any auditor of the Fund.

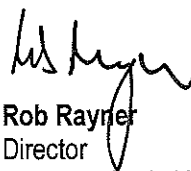
Insurance premiums

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

Signed in accordance with a resolution of the directors:



Ian O'Toole
Managing Director
Multiplex Capital New Zealand Limited



Rob Rayner
Director
Multiplex Capital New Zealand Limited

Dated at Sydney this 24 day of October 2007

MULTIPLEX TASMAN PROPERTY FUND
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007	2006
		\$	\$
Operating revenue			
Distributions from investments		527,209	452,940
Interest income		456	4,958
Total operating revenue		527,665	457,898
Operating expenses			
Bank charges		381	826
Total operating expenses		381	826
Net surplus for the year		527,284	457,072
Basic earnings per ordinary unit	3	9.56 ¢	9.63 ¢

The statement of financial performance is to be read in conjunction with the accompanying notes.

MULTIPLEX TASMAN PROPERTY FUND
STATEMENT OF MOVEMENTS IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
Net surplus for the year		527,284	457,072
Contributions by owners			
Equity contributed during the year		-	3,148,732
Equity redeemed during the year	9	(73,122)	-
Distributions to owners			
Distributions paid and payable	12	(525,065)	(450,894)
Capital revaluation reserve	10	483,075	1,532,334
Movements in equity during the year		412,172	4,687,244
Equity at start of year		7,303,585	2,616,341
Equity at end of year		7,715,757	7,303,585

The statement of movements in equity is to be read in conjunction with the accompanying notes.

MULTIPLEX TASMAN PROPERTY FUND**STATEMENT OF FINANCIAL POSITION**

AS AT 30 JUNE 2007

	Note	2007 \$	2006 \$
Current assets			
Cash assets	4	6,377	3,511
Receivables	5	131,008	132,486
Other	6	2,650	3,234
Total current assets		140,035	139,231
Non-current assets			
Investments	7	7,705,959	7,296,006
Total non-current assets		7,705,959	7,296,006
Total assets		7,845,994	7,435,237
Current liabilities			
Payables	8	71	17
Distributions payable	12	130,166	131,635
Total current liabilities		130,237	131,652
Total liabilities		130,237	131,652
Net assets		7,715,757	7,303,585
Equity			
Contributed equity	9	5,690,610	5,763,732
Capital revaluation reserve	10	2,015,409	1,532,334
Undistributed income	11	9,738	7,519
Total equity		7,715,757	7,303,585

The statement of financial position is to be read in conjunction with the accompanying notes.

MULTIPLEX TASMAN PROPERTY FUND**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
Cash flows from operating activities			
Cash receipts in the course of operations		1,921	-
Cash receipts from distributions		527,519	377,458
Cash payments in the course of operations		(443)	(2,891)
Interest received		403	4,958
Net cash provided by operating activities	13	529,400	379,525
Cash flows from investing activities			
Receipts from sale of investments		73,122	-
Payments for investments		-	(3,148,732)
Net cash used in investing activities		73,122	(3,148,732)
Cash flow from financing activities			
Proceeds from issue of units		-	3,148,732
Payments for redemption of units		(73,122)	-
Distributions paid to unitholders		(526,534)	(377,056)
Net cash (used in)/provided by financing activities		(599,656)	2,771,676
Net increase in cash held		2,866	2,469
Cash at the beginning of the financial year		3,511	1,042
Cash at the end of the financial year	4	6,377	3,511

The statement of cash flows is to be read in conjunction with the notes to the accompanying notes.

MULTIPLEX TASMAN PROPERTY FUND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

1) Summary of significant accounting policies

The significant accounting policies which have been adopted in the preparation of these financial statements are:

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with the Financial Reporting Act 1993, Unit Trust Act 1960 and the Fund's Constitution dated 6 September 2004.

The reporting Entity is Multiplex Tasman Property Fund. The reporting currency used in the preparation of these financial statements is New Zealand dollars.

It has been prepared on the basis of fair value measurement of assets except where otherwise stated.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. Accounting policies have been applied on a consistent basis with those of the previous period.

(b) Revenue and expenses

Revenues are recognised at the fair value of the consideration received, net of the amount of goods and services tax (GST) payable to the taxation authority.

Distributions income

Revenue from dividends and distributions is recognised when the right of the Fund to receive payment is established. In the case of distributions and dividends from listed property equity investments this is when they are declared.

Interest revenue

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

(c) Distributions and Taxation

Under current income tax legislation the Fund is not liable for income tax provided that the taxable income, including any taxable capital gains, is fully distributed to unitholders.

The Fund fully distributes its taxable income, calculated in accordance with the Fund Constitution and applicable legislation, to unitholders who are presently entitled to income under the constitution. Realised capital losses are not distributed to unitholders but are retained in the Fund to be offset against any future realised capital gains.

(d) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) recoverable from the Inland Revenue Department (IRD) as a reduced input tax credit (RITC).

Receivables and payables are stated with the amount of GST included.

The net amount of GST payable to the IRD is included in payables 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 IRD are classified as operating cash flows.

(e) Use and revision of accounting estimates

The preparation of the financial report requires the making of estimates and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(f) Cash and Cash equivalents

For the purpose of the statement of cash flows, cash includes cash on hand and at bank, and short term deposits at call.

(g) Receivables

Normal commercial terms and conditions are applied to receivables and they are carried at fair value.

(h) Investments

Investments comprise investment interests in unlisted managed investment schemes held for the purpose of producing investment income.

Valuations

Investments are measured at fair value and revalued with sufficient regularity to ensure the carrying amount of each investment does not differ materially from its fair value at the reporting date. The bases used to value investments are as follows:

Unlisted managed investment schemes

Units in unlisted managed investment schemes are stated at fair market value, which is either original acquisition price or updated net asset backing as advised by the relevant Trustee (whichever is the lesser), or where a secondary market exists for that unit, the last quoted sales price at balance date.

All investments are considered one class of asset.

Revaluation increments, on a class of assets basis, are recognised in the asset revaluation reserve except for amounts reversing a decrement previously recognised as an expense, which are recognised as revenues. Revaluation decrements are only offset against revaluation increments relating to the same class of asset and any excess is recognised as an expense.

(i) Payables

Payables include liabilities and accrued expenses owing by the Fund which are unpaid at balance date.

The distribution amount payable to investors as at balance date is recognised separately on the statement of financial position as unitholders are presently entitled to the distributable income as at 30 June 2007 under the Fund's Constitution.

(j) Earnings per unit

Basic earnings per unit (EPU) is calculated by dividing net surplus for the reporting period, after excluding any costs of servicing equity (other than ordinary units and converting preference units and deferred units classified as ordinary shares for EPU calculation purposes), by the weighted average number of ordinary units of the Fund, adjusted for any bonus issue.

Adoption of International Financial Reporting Standards

In December 2002 the New Zealand Accounting Standards Review Board announced that New Zealand International Financial Reporting Standards ("NZ IFRS") will apply to all New Zealand reporting entities for the periods commencing on or after 1 January 2007. Entities have the option to adopt NZ IFRS for periods beginning on or after 1 January 2005. The Company will adopt NZ IFRS during 2007/08.

MULTIPLEX TASMAN PROPERTY FUND**NOTES TO THE FINANCIAL STATEMENTS**

YEAR ENDED 30 JUNE 2007

Adoption of International Financial Reporting Standards (continued)

Multiplex Tasman Property Fund has commenced a project to assess the key differences in accounting policies between NZ IFRS and current NZ GAAP with a view to determining the impacts on the financial statements that are expected to arise on transition. As Multiplex Tasman Property Fund has not yet completed a full analysis of the differences between existing NZ GAAP and NZ IFRS, we are unable to reliably estimate the key differences in accounting policies or quantify the impacts to the financial statements that are expected to arise on transition to NZ IFRS.

2) Auditor's remuneration

This expense is borne by the Trustee.

3) Earnings per unit**Classification of securities as ordinary units**

All securities have been classified as ordinary units and included in basic earnings per unit ("EPU"), as they have the same entitlement to distributions.

There are no dilutive potential ordinary units, therefore diluted EPU has not been calculated or disclosed.

	2007	2006
	\$	\$
Net surplus	527,284	457,072
Weighted average number of ordinary units used in the calculation of basic earnings per unit	5,513,916	4,746,639
Basic earnings per unit	9.56 ¢	9.63 ¢
4) Cash assets	2007	2006
	\$	\$
Cash at bank and on hand	6,377	3,511
5) Receivables	2007	2006
	\$	\$
Accrued distributions from Multiplex New Zealand Property Fund	131,008	132,486
6) Other Debtors	2007	2006
	\$	\$
New Zealand resident withholding tax	2,650	3,234

MULTIPLEX TASMAN PROPERTY FUND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

7) Investments	2007	2006
	\$	\$
Unlisted registered managed investment schemes		
Related managed investment schemes	7,705,959	7,296,006

Represented by:	2007	2007	2006	2006
	Ownership	Carrying Amount	Ownership	Carrying Amount
Multiplex New Zealand Property Fund	2.3%	7,705,959	2.3%	7,296,006

8) Payables	2007	2006
	\$	\$
Tax payable on distributions	71	17

9) Contributed equity	2007	2007	2006	2006
	Units	\$	Units	\$
Balance at the beginning of the year	5,557,741	5,763,732	2,615,000	2,615,000
Issue of units during year	-	-	2,942,741	3,148,732
Redemption of units during year	(62,000)	(73,122)	-	-
Balance at the end of the year	5,495,741	5,690,610	5,557,741	5,763,732

All units in the Fund are of the same class and carry equal rights.

During the year \$NIL (2006: 2,942,741) units were issued by the Fund under a placement to new investors at \$NIL (2006:\$1.07), in accordance with the investment statement and prospectus dated 18 July 2005.

10) Capital revaluation reserve	2007	2006
	\$	\$
Balance at the beginning of the year	1,532,334	-
Revaluation increment - investments	483,075	1,532,334
Balance at the end of the year	2,015,409	1,532,334

Revaluation increments are recognised in the capital revaluation reserve except for amounts reversing a decrement previously recognised as an expense, which are recognised as revenues. Revaluation decrements are only offset against revaluation increments and any excess is recognised as an expense.

MULTIPLEX TASMAN PROPERTY FUND
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2007

11) Undistributed income	2007	2006
	\$	\$
Undistributed income at the beginning of the year	7,519	1,341
Net surplus of the Fund	527,284	457,072
Distributions paid and payable during the year	(525,065)	(450,894)
Undistributed income at the end of the year	9,738	7,519

12) Distributions	Cents per unit	\$	Date of payment
September 2006	2.3945	133,081	9 Nov 2006
December 2006	2.3945	133,081	8 Feb 2007
March 2007	2.3425	128,737	8 May 2007
June 2007	2.3685	130,166	7 Aug 2007
Total distribution 30 June 2007	9.5000	525,065	
September 2005	2.3945	70,390	4 Nov 2005
December 2005	2.3945	118,680	7 Feb 2006
March 2006	2.3425	130,189	8 May 2006
June 2006	2.3685	131,635	4 Aug 2006
Total distribution 30 June 2006	9.5000	450,894	

13) Reconciliation of net surplus to net cash provided by operating activities	2007	2006
	\$	\$
Profit from ordinary activities	527,284	457,072
Changes in assets and liabilities during the year:		
Increase in receivables and other debtors	3,250	(76,349)
Increase/(decrease) in payables	(1,134)	(1,198)
Net cash provided by operating activities	529,400	379,525

14) Related parties

Trustee

The Trustee of the Multiplex Tasman Property Fund is Multiplex Capital New Zealand Limited (NZBN 153 4298) whose immediate and ultimate holding companies are Multiplex Capital Management Limited (formerly Multiplex Capital Limited), (ABN 32 094 936 866) and Multiplex Limited (ABN 96 008 687 063) respectively.

Directors of Trustee

The names of each person holding the position of director of the Trustee during the year were I R O'Toole, R J Rayner, J Mcstay and P Wall.

Since registration of the Fund, no director of the Trustee has received or become entitled to receive any benefit because of a contract made by the Fund with a director or with a firm of which a director is a member, or with an entity in which the director has a substantial interest, except at terms set out in the Fund Constitution.

No amounts have been paid to the Directors of the Trustee by the fund or directly by the Trustee.

MULTIPLEX TASMAN PROPERTY FUND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

14) Related parties (continued)

Trustee's remuneration

In accordance with the Fund Constitution, Multiplex Capital New Zealand Limited is entitled to receive:

A management fee of 0.70% per annum (including GST) of the Gross Asset Value of the Fund, payable monthly in arrears, however, where the sole investment of the Fund is the Multiplex New Zealand Property Fund, no base management fee will be paid. If the manager, or an associated person of the manager, provides services to the Tasman Trust (for example, leasing, sales and acquisitions, and property management services), that party is entitled to fees, at prevailing market rates, for those services. Where the sole investment of the Fund (other than any cash held) is in the Multiplex New Zealand Property Fund, the Manager will not seek reimbursement for, and will meet personally, all expenses of the Fund which it reasonably considers expenses of the Fund. Given that the sole investment of the Fund during the year ended 30 June 2007 was the Multiplex New Zealand Property Fund, the management fee for the year ended 30 June 2007 was \$nil (2006: \$nil).

Related party transactions

All transactions with related parties are conducted on normal commercial terms and conditions.

Related party investments held by the Fund

The Fund had the following investments in related parties of Multiplex Capital New Zealand Limited at the end of the year:

	2007	2006
	\$	\$
Multiplex New Zealand Property Fund	7,705,959	7,296,006

The following amounts were received or receivable from related parties of Multiplex Capital New Zealand Limited during the year:

Distributions	2007	2006
	\$	\$
Multiplex New Zealand Property Fund	527,209	452,940

15) Segment reporting

Business segments

Individual business segments have been identified on the basis of grouping individual investments subject to similar risks and returns. The Fund operates in one business segment comprising investments in unlisted managed investment schemes.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue and assets are based on the geographical source of the Fund's investment income. The Fund invests in one geographical segment being New Zealand.

MULTIPLEX TASMAN PROPERTY FUND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

16) Financial instruments

(a) Interest rate risk exposures

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Fund'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:

2007	Note	Weighted average effective interest rate %	Floating interest rate maturing in one year or less \$	Non- interest bearing \$	Total \$
Financial assets					
Cash	4	6.0	6,377	-	6,377
Investments	7		-	7,705,959	7,705,959
Receivables	5,6		-	133,658	133,658
			6,377	7,839,617	7,845,994
Financial liabilities					
Payables	8		-	71	71
Distributions payable	12		-	130,166	130,166
			-	130,237	130,237
<hr/>					
2006	Note	Weighted average effective interest rate %	Floating interest rate maturing in one year or less \$	Non- interest bearing \$	Total \$
Financial assets					
Cash	4	6.0	3,511	-	3,511
Investments	7		-	7,296,006	7,296,006
Receivables	5,6		-	135,720	135,720
			3,511	7,431,726	7,435,237
Financial liabilities					
Payables	8		-	17	17
Distributions payable	12		-	131,635	131,635
			-	131,652	131,652

(b) Credit risk exposures

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 Fund 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) Net fair values

The Fund's financial assets and liabilities included in current and non-current assets and liabilities on the statement of financial position are carried at amounts that approximate net fair value.

17) Commitments and contingent assets and liabilities

The Fund has no commitments or contingent assets and liabilities at 30 June 2007.

18) Events subsequent to reporting date

There have been no significant events or transactions that have arisen since the end of the financial year, which in the opinion of the Directors, would affect significantly the operations of the aggregated entity, the results of those operations, or the state of affairs of the aggregated entity.



Audit report

To the unitholders of Multiplex Tasman Property Fund

We have audited the financial statements on pages 6 to 16. The financial statements provide information about the past financial performance of the Fund and its financial position as at 30 June 2007. This information is stated in accordance with the accounting policies set out on pages 10 to 12.

Trustee's Responsibilities

The Trustee is responsible for the preparation of financial statements which give a true and fair view of the financial position of the Fund as at 30 June 2007 and the results of its operations and cash flows for the year ended on that date.

Auditors' responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Trustee and report our opinion to you.

Basis of opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgments made by the Trustee in the preparation of the financial statements;
- whether the accounting policies are appropriate to the Fund's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditors we have no relationship with or interests in the Fund.



Unqualified opinion

We have obtained all the information and explanations we have required.

In our opinion the financial statements on pages 6 to 16:

- comply with New Zealand generally accepted accounting practice;
- give a true and fair view of the financial position of the Fund as at 30 June 2007 and the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 24 October 2007 and our unqualified opinion is expressed as at that date.

A handwritten signature in black ink that reads 'KPMG' in a cursive, stylized font.

KPMG

A handwritten signature in black ink that reads 'T. Gilerman' in a cursive, stylized font.

Tanya Gilerman
Partner

Sydney, NSW

24 October 2007