



MACARTHURCOOK
A Member of AIMS Financial Group

31 August 2012

ASX Code: MPS

SGX Code: MacCook PSF

FOR IMMEDIATE RELEASE

Company Announcements Office
Australian Securities Exchange
20 Bridge Street
New South Wales 2000

RESULTS FOR YEAR END 30 JUNE 2012

Please find attached the following documents relating to the 2011 financial year results:

- Appendix 4E
- Annual Report and Financial Statements
- Presentation

If you have any question in relation to this announcement please contact the Responsible Entity on (02) 9217 2727.

Yours Faithfully

A handwritten signature in black ink, appearing to read "Moni An", written over a light blue horizontal line.

Moni An
Company Secretary
MacarthurCook Fund Management Limited

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MacarthurCook Group
MacarthurCook Fund Management Limited
ABN 79 004 956 558 AFS Licence No: 258052
MacarthurCook Investment Managers Limited
ABN 45 099 054 074 Licence No: 225357 SEC No: 801-66388
MacarthurCook Real Estate Funds Limited
ABN 32 126 766 167 AFSL No: 318261

About MacarthurCook:

MacarthurCook Fund Management Limited (MacarthurCook) is a wholly owned subsidiary of AIMS Financial Group (AIMS), which specialises in the investment management of direct property, real estate securities and mortgage assets.

MacarthurCook and AIMS manage over A\$1.5 billion on behalf of over 20,000 Investors/borrowers as at 30 June 2012 and are the investment managers for the CWH Australia Trust, MacarthurCook Office Property Trust, MacarthurCook Mortgage Fund, Advance Mortgage Fund and MacarthurCook Property Securities Fund. AIMS also manages, in a joint-venture arrangement with AMP Capital, the AIMS-AMP Capital Industrial REIT in Singapore.

The MacarthurCook Property Securities Fund is listed on the ASX and the Singapore Exchange. The AIMS-AMP Capital Industrial REIT is listed on the Singapore Exchange.

About AIMS Financial Group:

Established in 1991, AIMS Financial Group is an Australian company with a solid track record and enviable reputation in the mortgage and securitisation markets. It has expanded to become an international financial group focusing on funds management, real estate investment, securitisation and mortgage lending.

AIMS is a 100% Australian owned business that has operated in Australia for nearly 20 years. AIMS started in Australia with only two staff and today have in excess of 100 staff in Australia. AIMS has been very active in introducing international investors into the Australian real estate market. During this time AIMS has attracted significant investment in Australian direct property from its international clients. Since 1999, AIMS has raised directly and indirectly approximately A\$3 billion in funds from the Australian capital markets, with most of the RMBS (Residential Mortgage Backed Securities) rated AAA by both Standard & Poors and Fitch Ratings.

With offices across Australia and China and highly qualified, professional and experienced cross-cultural teams, AIMS Financial Group bridges the gap between Australia and China in various markets, especially in real estate, resources, technology, infrastructure, banking and financial services.

Appendix 4E

Preliminary final report Period ending on or after 30 June 2012

MACARTHURCOOK PROPERTY SECURITIES FUND

A.R.S.N. 111 442 150

RESULTS FOR ANNOUNCEMENT TO THE MARKET

1. Reporting period

Preliminary final report for the financial year to 30 June 2012.

2. Results for announcement to the market

The following results for the full year to 30 June 2012 are being compared with the previous corresponding period to 30 June 2011.

			30 June 2012
			\$'000
2.1	Net income from ordinary activities	Down	to (4,784)
2.2	Loss from ordinary activities after tax attributable to unitholders	Down 81.6%	to (8,441)
2.3	Net loss for the period attributable to unitholders	Down 81.6%	to (8,441)
2.4	Distributions		
	No distributions were paid for the period.		
2.5	The record date for determining entitlements to the distributions		
	Not applicable.		
2.6	Net unrealised losses of \$6,531,000 (2011: unrealised losses: \$4,109,000) on the Fund's investment portfolio.		

3. Statement of Comprehensive Income

See attached Annual Report.

4. Statement of Financial Position

See attached Annual Report.

5. Statement of Cash Flows

See attached Annual Report.

Appendix 4E
Preliminary final report
Period ending on or after 30 June 2012

MACARTHURCOOK PROPERTY SECURITIES FUND

A.R.S.N. 111 442 150

14. Commentary on the results for the period

See attached Annual Report.

14.1 EPU

	30 June 2012	30 June 2011
Basic EPU (cents)	(2.34)	(2.40)
EPU (cents) excluding unrealised losses (as per 2.6 above)	(0.53)	(0.28)

14.2 Returns to unitholders including distributions and buy backs

There has been no other return to unitholders.

14.3 Significant features of operating performance

See attached Annual Report.

14.4 Segment information

Refer to Note 13 to the Financial Statements – Segment Information in the attached Annual Report.

14.5 Trends in performance

See attached Annual Report.

14.6 Other factors

See attached Annual Report.

15. Whether accounts have been audited or reviewed

The Financial Statements upon which this report is based have been audited.

16. Likely audit dispute or qualification

Not applicable.

17. Actual audit dispute or qualification

None.



AIMS

MACARTHURCOOK
A Member of AIMS Financial Group



MACARTHURCOOK

PROPERTY SECURITIES FUND

ANNUAL REPORT 2012
ASX Code: MPS
SGX Code: MacCookPSF



Property: 66-68 Goulburn Street Sydney NSW
Fund: PFA Diversified Property Trust

Front Cover
Property: 30 Pine Street Adelaide SA 5000
Fund: Australian Unity Office Property Fund

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About the Fund

The MacarthurCook Property Securities Fund (“the Fund”) is a diversified real estate securities fund, investing across a diverse range of unlisted and listed property trusts. It has exposure to domestic and overseas commercial real estate through specialist property investment managers.

The Fund is listed on the Australian Securities Exchange (ASX code: MPS) and the Singapore Stock Exchange (SGX code: MacCookPSF).

Financial Results Summary

Financial results summary for the year ended 30 June 2012

Income Statement		\$m
Year to 30 June 2012		
Distribution and interest income		3.81
Loss on sale of investments		(2.06)
Total expenses		(3.66)
Net loss before unrealised change in value of investments and derivatives		(1.91)
Unrealised change in fair value of investments and derivatives		(6.53)
Net loss		(8.44)

Balance Sheet		\$m
30 June 2012		
Total Assets		61.03
Net Assets		52.79

Summary Statistics		
Year to 30 June 2012		
Ordinary Units/Securities on issue (m)		361.21
Earning per Unit: (cpu)		(2.34)
Earning per Unit before unrealised change in fair value of investments and derivatives (cents)		(0.53)
Distribution per Unit (cents)		Nil
NTA per Unit		A\$ 0.146
Unit price (last sale price)		A\$ 0.05 S\$ 0.06

Chairman's Report



Mr George Wang
Executive Chairman

Despite the challenging market conditions we are pleased that MacarthurCook Fund Management Limited ("MacarthurCook"), the Responsible Entity which manages the MacarthurCook Property Securities Fund (the Fund) has achieved a number of key objectives during the past year.

I am delighted to announce some of the key highlights we have achieved during the financial year ended 30 June 2012 which include:

- the extension of the OCBC debt facility for a further year to 31 December 2012;
- the continued reduction of the OCBC debt facility from \$25.95 million to \$7.8 million, which represents a decline in the Fund's gearing from 31.1% to 12.8%;
- the successful raising of \$5.83 million through an Entitlement Offer which was used to repay the OCBC debt facility;
- Disposal of assets which provided a lower yield than the cost of debt, in order to meet our mandatory debt repayments; and
- the Fund was awarded damages for \$17,764,204 plus legal costs in relation to the proceedings against P-REIT.

As a result of the Fund's lower gearing level, the look through gearing of the Fund has fallen significantly this year from 66.3% to 58.1%, which is a much more acceptable level.

The Fund received income distributions from 10 of the underlying investments, which represented approximately 70% of the Fund's investments by value, during the past 12 months. This improvement was due to the lower cost of debt, reduced gearing and better active asset management.

The Fund's Net Tangible Asset (NTA) per unit decreased from \$0.29 per unit as at 30 June 2011 to \$0.146 per unit as at 30 June 2012. The decline in the Fund's NTA per unit is primarily due to the increased number of units on issue as a result of the Entitlement Offer. It is also due to a combination of lower property valuations across many of the assets in the underlying portfolio, some investment managers still selling assets into a weaker market to reduce gearing or provide liquidity to investors and the mark to market costs of interest rate hedges.

The Fund continues to be impacted by the difficulties in the commercial property market, and the unstable economic environment globally. These issues, together with the lack of liquidity in the underlying investments create some risks for the Fund. However, the Board of the Responsible Entity is pleased with a number of outcomes it has been able to achieve this year, in particular our favourable judgement against P-REIT. MacarthurCook remains committed to facing these challenges and delivering value for our Unitholders.

MacarthurCook Turnaround Story

Since AIMS Financial Group ("AIMS") acquired MacarthurCook Limited in August 2009, AIMS has focused on maximising the value of each fund in the group while protecting unitholder interests. For example, since the takeover, AIMS has delivered significant value to investors in the MacarthurCook Industrial Property Fund and the Singapore listed MacarthurCook Industrial REIT.

MacarthurCook Industrial Property Fund

From the time AIMS took control of MacarthurCook, the ASX listed MacarthurCook Industrial Property Fund improved significantly. Since the acquisition, AIMS successfully reduced the fund's gearing, the NTA per unit increased, distributions were re-instated and the unit price almost doubled from \$0.17 per unit to \$0.31 per unit. These improvements attracted offers from large institutional investors. On 3 May 2010, a large public traded US real estate investment trust made a \$0.41 per unit cash offer to unitholders, which subsequently increased to \$0.44 per unit, a 42% premium to the pre-offer closing price. In June 2010, investors voted overwhelmingly in favour to accept the final cash offer of \$0.44 and the fund was later delisted from the ASX.

MacarthurCook Industrial REIT

At the time AIMS acquired MacarthurCook, the MacarthurCook Industrial REIT listed on the Singapore Exchange was experiencing significant distress with 3 months to refinance SGD\$203 million in debt and meet an unfunded SGD\$90 million property purchase obligation. To overcome these obstacles, AIMS partnered with AMP Capital Investors to successfully raise SGD\$217.1 million in equity enabling the trust to be recapitalised and refinanced. The trust's market capitalisation has now increased from SGD\$60 million to SGD\$557 million, the portfolio has grown from 21 to 25 assets at a value of SGD\$933 million and the leverage has decreased to 29.7% as at 30 June 2012. All of these factors have seen the AIMS AMP Capital Industrial REIT perform as one of the best REITs on the Singapore Exchange this year.

MacarthurCook Property Securities Fund

Since AIMS acquired MacarthurCook, our primary focus has been to stabilise the Fund's balance sheet. In June 2009 the Fund's debt was \$44.5 million representing gearing of 38.1%. By 30 June 2011, debt had been reduced to \$25.95 million representing gearing of 31.1% via a combination of asset divestments and redemptions. During the past year, following further asset redemptions and a successful Entitlement Offer (raising gross proceeds of \$5.83 million), debt has been reduced significantly to just \$7.8 million representing a gearing level of 12.8%.

Management and Staff

I would like to take this opportunity to thank the Board, my senior management team and all of the staff for their commitment and contribution over the past year, in particular those who were heavily involved in the Entitlement Offer and assisting our legal counsel to ensure we won the litigation case against P-REIT.

Finally, I would like to thank all of the Unitholders for their continued support during the past year. In particular I would like to extend our gratitude to those investors who showed their faith in MacarthurCook by subscribing for additional units in the Entitlement Offer earlier in the year.



George Wang
Executive Chairman

Fund Manager's Report



Mr Michael Goldman
Fund Manager

The Australian investment markets experienced significant fluctuations during the year to 30 June 2012 as investor's confidence rose and fell with each new development in relation to the European debt crisis, together with mixed economic figures from the US and a potential slowdown in growth in China. All of these factors, and the flight to safety continued to weigh down the recovery of the MacarthurCook Property Securities Fund (the "Fund") during the financial year to 30 June 2012.

For the financial year ending 30 June 2012 distribution income was \$3.6 million which was marginally higher than the distribution income for the previous corresponding period of \$3.5 million. Even though the Fund divested a number of assets during the year, the marginally higher income distributions received from the Fund's underlying investments was indicative of their lower borrowing costs and in some cases slightly higher or recommenced distributions.

The Fund's strategy over the past year of reducing the OCBC debt facility is consistent with our strategy since AIMS Financial Group took over the management of the Fund in 2009. In December 2011, OCBC agreed to extend the Fund's debt facility for a further 12 months to 31 December 2012, subject to an agreed amortisation schedule.

As such, the Fund undertook a number of initiatives throughout the year to ensure it meets its repayment obligations, including:

- the disposal of its interest in the MAB Diversified Property Trust for \$2.84 million in December 2011; and
- an Entitlement Offer to raise gross proceeds of \$5.83 million

In addition, the Fund has continued to redeem its investments in unlisted property funds and syndicates, which still represent over 95% of the portfolio, when the opportunity arises. For example, the Fund received a final distribution of \$1.015 million from the Ray White Invest Service Centre Trust in May 2012, and a special distribution from the Centuria Direct Property Fund of \$3.9 million in June 2012 following the sale of the property located at 607 St Kilda Rd, Melbourne.

The Fund has been active in voting for the gradual wind up of some of the Fund's investments such as APGF's Australian Real Estate Investment Trust and the Stockland Direct Office Trust No 3. The Fund has also maximised the amount of funds which it has been able to withdraw from those investments which have offered limited liquidity facilities during the year such as the Australian Unity Office Property Fund (formerly known as the Investa Direct

Office Fund), where it withdrew approximately 7% of its interest for \$648,528. Once again, all of the net proceeds from these transactions were used to reduce the Fund's debt facility.

In addition, the Fund undertook other initiatives to meet its agreed amortisation schedule.

Entitlement Offer

In May 2012, the Fund undertook a fully underwritten Entitlement Offer (the "Offer") to raise funds to repay the OCBC debt facility. The Offer was a 13 to 15 non-renounceable rights issue at AUD0.035 or SGD0.044 per unit. Unitholders could also apply for further units in excess of their entitlement under a Shortfall Facility.

The Offer closed on 8 June 2012 successfully raising \$5.83 million. Upon the completion of the Offer, 167,706,282 new units were issued to participants. Among these newly issued units, 62% or 104,410,364 units were issued under the Offer allocation, 33% or 55,636,667 units were issued under the Shortfall Facility, and the remaining 7,659,251 units were issued to the sub-underwriter being AIMS Group Holdings Pty Ltd.

As a result of subscribing for the shortfall of units under the underwriting arrangements, AIMS increased its interest in the Fund from 19.99% to 22.12%.

Debt Management

Following the divestment and/or redemption of the above investments, the Fund has been able to reduce its debt facility with OCBC from \$25.95 million to \$7.8 million, lowering gearing from 31.1% (30 June 2011) to 12.8% (30 June 2012) of total assets.

Following the extension of the Fund's debt facility to 31 December 2012, the Fund has met all of its debt amortisation payments to date. Given the relatively low balance sheet gearing ratio of only 12.8%, the Responsible Entity is in discussions with OCBC to further extend the debt facility, and with other potential lenders to refinance the debt facility by the maturity date.

Distributions

The Board has decided to continue to suspend distributions and apply all monies received by the Fund to service and/or reduce the Fund's debt facility.

P-REIT (previously known as RP Trust)

The trial of the Fund's claim for recovery of its \$15 million investment in units in P-REIT was conducted before Justice Hammerschlag in the Supreme Court of NSW from 9 July 2012 to 11 July 2012.

On 10 August 2012, Justice Hammerschlag delivered a judgement in favour of MacarthurCook in relation to the claim lodged on behalf of the Fund against TFML Limited, the responsible entity of P-REIT ("TFML").

On 17 August 2012, Justice Hammerschlag made orders in favour of MacarthurCook in the sum of \$17,764,204 including pre-judgment interest. It was also ordered that TFML pay MacarthurCook's costs in relation to the proceedings.

Whilst we are extremely pleased with this judgement, TFML has told the Court it intends to appeal the decision and will apply for an order staying the execution of the judgement until the appeal is determined. If TFML is successful in obtaining a stay of execution, MacarthurCook will be required to await

determination of the appeal before the amount due under the judgement is recovered. We will continue to provide regular updates to Unitholders through market announcements and investor correspondence as any material developments occur.

Property Outlook

An office market recovery, which was expected to occur over the past 12 months, generally did not happen except in Perth as a result of the weak business confidence and the decline in employment conditions for key sectors such as finance, banking and other professional service providers.

The majority of activity in Sydney is expected to be renewals and restructures as tenants adopt a 'wait and see' approach before making any significant relocation commitments. The vacancy rate in Sydney's CBD office market is at the 30 year average, however it is expected to tighten over the next few years due to the ongoing supply constraints.

In Melbourne, tenants have been acting cautiously over the past year, which has forced landlords to increase incentives, especially in the latter part of the year to 30 June 2012, to retain tenants or attract new ones. Vacancy is expected to rise over the next two years which should result in gross effective rents to grow below trend, creating a tenant favourable leasing market.

In Perth, the strong demand from the mining and resources sector that has underpinned the office sector for the past few years as demand outstripped supply is expected to continue for the medium term at least, making it a landlord friendly market.

In Brisbane, which has been neutral over the past 12 months, mining and resource companies are expected to take up more CBD office space over the next 2

years, which will see the market shift in favour of landlords.

The industrial property market has had a mixed year with the difficult business conditions facing domestic manufacturers being offset to some degree by the relative strong growth in some segments of the industrial market such as e-commerce and transport logistics, in part driven by the relatively high Australian dollar.

The retail property sector throughout Australia, especially the discretionary categories, continues to be hampered by sluggish retail sales and weak retail business confidence.

The hotel sector, in particular CBD hotels, was the best performing sector in the commercial property market over the past year. However, the high Australian dollar, poor business confidence and a focus on cost savings are expected to drive down demand for hotel rooms and lower occupancy rates over the next few years.

Investment Outlook

During the year, we have been in regular contact with the underlying fund managers to ensure that the Fund's investments are being properly managed. We will continue to work with the underlying fund managers to try to redeem all or withdraw part of our investments, especially in the unlisted property funds wherever possible, whilst protecting value for Unitholders.



Michael Goldman
Fund Manager

Investment Approach

Strategy

In order to provide investors access to a broad range of property investment vehicles, the MacarthurCook Property Securities Fund invests in:

- unlisted property trusts/syndicates;
- listed wholesale direct property funds;
- listed property trusts (REITs);
- listed property-related companies; and
- cash and fixed interest securities.

The Responsible Entity has established sector categories and indicative medium to long term asset allocation ranges of the Fund as follows:

Asset sector	Range %
Unlisted direct property funds	50-95
Listed property trusts (REITs) and companies	0-50
Cash and fixed interest securities	0-10

These asset allocation ranges have been reviewed in light of current market conditions and as noted previously, investments may fall outside these ranges due to the divestment of underlying investments to meet requirements associated with the Fund's debt facility.

Approach

The fundamental objective of the investment approach is to provide portfolio diversification designed to minimise risk through exposing the Fund to a weighted mix of property-based income streams generated by a large number of properties in a variety of property categories, situated in different geographic locations.

While the capital values of all categories of income-producing investments fluctuate, the least volatile investments are those that are assessed by the market as having sound, long term revenue streams.

The research of specific investment opportunities in which the Fund may purchase units, shares or syndicated/unlisted interests includes:

- Appraising the skills and fees of asset and fund managers, including their:
 - overall investment philosophy, and whether it is capable of delivering a sustainable competitive advantage;
 - staff capacity/resources to manage upgrade, extension and re-leasing programs;
 - debt management skills and experience;
 - current level of funds/assets under management;
 - commitment to growing the rate of distributable income generated by the assets they manage;
 - ownership structure/stability of the management team; and
 - assessing the fund's long term utility of underlying assets.

Investment in MacarthurCook managed property funds

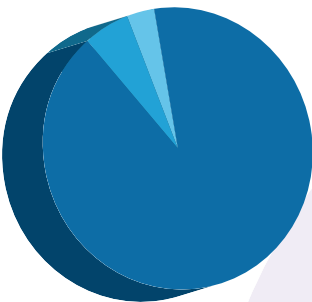
Where the Fund invests in any property funds of which a member of the MacarthurCook Group is the Responsible Entity, the property funds must satisfy all of the relevant above-mentioned investment guidelines. In addition, they also require Independent Board approval and must satisfy regulatory issues for related party investments. Any investments in MacarthurCook Group managed property funds must not incur entry or exit fees and must incur a wholesale annual management fee of no greater than 0.75% per annum of gross assets.

Investment Portfolio

Overview

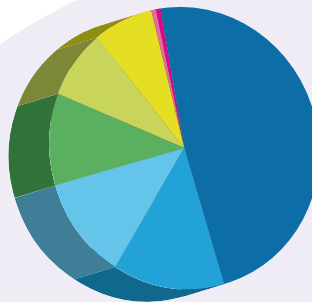
The Fund as at 30 June 2012 had total assets of \$61.03 million (includes receivables). Of this, \$58.01 million is invested in unlisted and listed property funds covering 20 different property related investments managed by 13 different specialist property investment managers.

Asset Allocation %



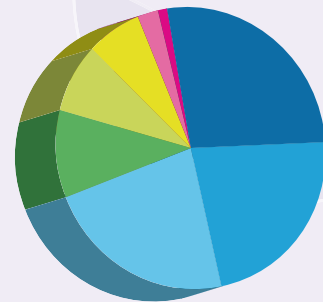
Unlisted Property	91.19%
Listed	5.53%
Cash	3.28%

Sector Diversification %



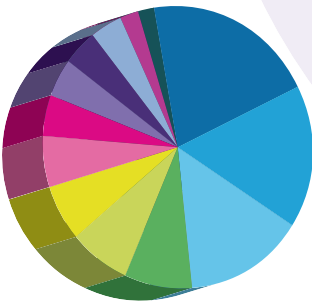
Office	48.08%
Retail	13.33%
Childcare	11.84%
Industrial	10.46%
Hotel	7.97%
Bulky Retail	7.28%
Other	0.62%
Health Care	0.41%

Geographic Diversification %



VIC	26.71%
NSW	22.59%
QLD	22.37%
Other	10.19%
SA/NT/TAS	7.97%
WA	6.69%
ACT	2.52%
NZ	0.96%

Manager Allocation %



APGF	20.55%	Wellington Capital	4.76%
Arena	16.35%	Blackwall	4.56%
Australian Unity	14.37%	Stockland	4.14%
TOGA	7.93%	Centuria	3.77%
MPG	7.24%	MAB	2.29%
APN	6.38%	Centro	1.84%
MacarthurCook	5.82%		

Investment Portfolio Continued

The portfolio

The Fund as at 30 June 2012 had total assets of \$61.03 million (includes receivables). Of this, \$58.01 million is invested in unlisted and listed property funds covering 20 different property related investments managed by 13 different specialist property investment managers.

	Sector	Fund Size (\$m) 30 June 2012	Investment Allocation (%)	Ownership of Investment	Current Unit Price
UNLISTED PROPERTY FUNDS / SECURITIES					
APGF Real Estate Investment Trust	Diversified	\$121.16	1.51%	2.6%	\$0.84
APN Champion Retail Fund	Retail	\$77.75	5.23%	14.4%	\$0.38
APN/UKA Poland Retail Trust	Retail	\$40.50	0.00%	18.5%	\$0.00
Arena Childcare Property Trust ¹	Childcare	\$226.10	11.78%	5.1%	\$1.01
Arena Office Fund ²	Office	\$318.13	4.57%	2.0%	\$0.53
Austgrowth Property Syndicate No. 23	Office	\$26.00	2.23%	18.9%	\$0.37
Australian Unity Office Property Fund ³	Office	\$306.48	14.37%	5.8%	\$0.89
Centro MCS 33	Retail	\$143.73	1.84%	1.5%	\$0.71
Centuria Direct Property Fund	Diversified	\$544.00	3.77%	18.0%	\$0.28
Domaine Hunter Fund	Diversified	\$6.21	1.07%	14.0%	\$0.22
MAB International Retail Trust	Retail	\$57.02	2.29%	9.2%	\$0.19
MacarthurCook Office Property Trust	Office	\$52.90	5.82%	35.1%	\$0.33
MPG Bulky Goods Retail Trust	Retail	\$14.00	7.24%	19.7%	\$0.96
PFA Diversified Property Trust ⁴	Diversified	\$15.12	15.74%	4.9%	\$0.82
Rimcorp Property Trust - No. 4	Industrial	\$32.04	4.76%	19.7%	\$0.92
Stockland Direct Office Trust No.3	Office	\$96.92	4.14%	6.7%	\$0.60
Toga Accommodation Fund	Hotels	\$290.00	7.93%	3.7%	\$0.92
TOTAL UNLISTED INVESTMENTS			94.28%		
PROPERTY FUNDS LISTED ON EXCHANGE					
Blackwall Property Funds Limited	Diversified	\$10.51	0.48%	5.4%	\$0.10
P-REIT	Diversified	\$123.14	4.09%	10.9%	\$0.11
APN Regional Property Fund	Diversified	\$57.51	1.16%	9.8%	\$0.21
TOTAL LISTED INVESTMENTS			5.72%		
TOTAL INVESTMENTS		2,559.23	100%		

The 30 June 2012 data in the above table has been sourced from: fund surveys completed by the respective funds managers, their websites and investor updates.

Note:

¹ Formerly known as the Orchard Childcare Property Trust

² Formerly known as the Orchard Commercial Office Fund

³ Formerly known as Investa Diversified Office Fund

⁴ Charter Hall Direct Property Management Limited has replaced APGF Management Limited as the Responsible Entity for the PFA Diversified Property Trust

⁵ TIMC Pty Limited has appointed an advisor to dispose of the Australian hotel portfolio

Annualised Distribution Yield	Investment Value (m)	Gearing (Debt/ Total Assets)	Term Expiry	Limited Liquidity	Number of Properties	Weighted Average Lease duration by Income (years) ²
0.0%	\$876,432	58.0%	Winding Up	Nil	11	2.48
0.0%	\$3,032,800	66.0%	1-Oct-13	Nil	16	10.9
0.0%	\$0	150.6%	1-Dec-16	Nil	1	5.1
8.2%	\$6,836,002	44.3%	31-Dec-15	Suspended	177	9.1
8.0%	\$2,649,500	55.6%	31-Dec-15	Suspended	7	3.69
0.0%	\$1,295,000	71.5%	21-Dec-12	Nil	1	1.46
7.9%	\$8,333,860	49.1%	Open-ended	Suspended	8	4.22
4.2%	\$1,065,000	48.3%	30-Sep-12	Nil	5	4.49
0.0%	\$2,184,000	58.0%	20-Aug-13	Nil	1	1.15
0.0%	\$618,200	35.2%	Winding Up	Suspended	1	5.13
4.4%	\$1,330,000	66.5%	7-Mar-14	Suspended	6	4.5
0.0%	\$3,375,006	58.0%	Open-ended	Suspended	1	2.14
7.2%	\$4,202,000	20.0%	31-Mar-13	Suspended	3	3.11
8.8%	\$9,131,941	36.4%	Open-ended	Nil	13	3.4
3.3%	\$2,760,000	56.0%	18-Dec-13	Suspended	2	5.34
0.0%	\$2,400,000	56.9%	Winding Up	Suspended	4	5.09
5.4%	\$4,600,000	57.8%	31-Dec-12	Nil ⁵	8	N/A
	\$54,689,741					
	\$276,200	0.0%	Listed	N/A	0	
0.0%	\$2,371,097	46.1%	Listed	N/A	6	8
15.5%	\$670,000	59.3%	Listed	N/A	4	4.54
	\$3,317,297					
	\$58,007,038					

Board of Directors



Mr George Wang
Executive Chairman

George is the founding CEO of AIMS Financial Group and an active participant in both the Australian and Chinese financial services industries. George came to Australia from China some 20 years ago and founded AIMS Financial Group 2 years later. Since inception, AIMS has evolved into a diversified financial services group, active in the areas of lending, securitisation, investment banking, real estate funds management and property, resources, high-tech and infrastructure investment.

In the course of developing AIMS Financial Group into a significant financial services group in Australia, George has developed a strong skill base in the areas of lending, securitisation, real estate funds management, structured finance and innovative financial product development.

George has developed an extensive business network in both Australia and China. In China, George is active in the Chinese financial sector. He is an advisor for a number of Chinese Government bodies and Government agencies. He holds the position of Deputy President of the International Trade Council of China, a constituent body of China Council for the Promotion of International Trade.

In Australia, George is the President of the Australia-China Finance & Investment Council. As the President of Australia-China Finance & Investment Council, George has been laying the foundation for the financial bridge between Australia and China for many years.

George is currently the Executive Director of AIMS Financial Group, a Deputy Chairman of Asia Pacific Stock Exchange and a Non-Executive Non-Independent Director of the AIMS AMP Capital Industrial REIT in Singapore.

Director since 14 July 2009 and Executive Chairman since 7 August 2009.



Mr Richard Nott AM
Non-Executive Independent Director
Chairman of the Audit Committee

Richard Nott is a former General Manager and Chief Executive of CGU Lenders Mortgage Insurance Ltd, General Manager Corporate Banking at Standard Chartered Bank Australia Ltd, General Manager Banking and Associate Director at Australian Bank, plus a twenty six year career with National Australia Bank throughout Australia and England. He is a Director of Prime Insurance group, a Bermudan based Lenders' Mortgage Insurer.

Richard is a Director and the Chairman of the Audit Committee of First American Title Insurance Company of Australia Ltd since 2002. He is also a Director of Four Hats Financial Services Pty Ltd, a venture capital company. Since July 2011, Richard has been appointed Managing Director for Mortgage Guarantee Insurance Corporation Australia, a subsidiary of a major US loan mortgage insurer.

Richard was made a Member of the Order of Australia (AM) for services to banking, insurance and the community through the Australia-Britain Society in the Queen's Birthday Honours List June 2012.

Qualifications include a Bachelor of Science (Hons), Master of Business Administration, Master of Commerce and Master of Insurance and Risk Management. He is a Fellow of the Australian and New Zealand Institute of Insurance and Finance, Chartered Insurance Institute (UK) and Chartered Institute of Bankers (UK), plus the Accounting, Chartered Secretaries, HR and Management Institutes. He is also a Senior Fellow and life member of FINSIA.

For almost a decade Mr. Nott was President of the Australia-Britain Society and in recent years Chairman of the Australia-Britain Society Foundation. He is a member of the Cook Society and Fred Hollows Foundation.

Non-Executive Independent Director and Chairman of the Audit, Compliance and Risk Committee since 5 August 2010.



Mr John Love

Non-Executive Independent Director

John is currently the Chairman of Mortgage Guarantee Insurance Corporation Australia, and a Non-Executive Director, the Chairman and a Member of Audit, Governance & Risk Management Committee for The Australian Wine Society Co-operative Limited. He was previously the General Manager of an Australian mezzanine property finance company. He was also previously the Head of Corporate Banking Australia and Head of Credit at Standard Chartered Bank Australia Limited.

Qualifications include a Bachelor of Commerce (Qld), a Master of Business Administration (AGSM) and a Master of Insurance and Risk Management (Deakin). He is a Fellow of the Australian and New Zealand Institute of Insurance and Finance. In addition, he is a Certified Practising Accountant, a Fellow of the Tax Institute of Australia, a Fellow of the Chartered Institute of Secretaries, a Fellow of FINSIA, a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Mutuals Institute.

Non-Executive Director since 30 March 2011.

Corporate Governance Statement

MacarthurCook Fund Management Limited, the Responsible Entity of MacarthurCook Property Securities Fund (the Fund), and its Board of Directors are committed to following sound corporate governance practices that provide an appropriate framework for managing the Fund for the benefit of Unitholders. In doing so, the Responsible Entity's corporate governance policies follow, where appropriate and possible, the requirements of the Corporate Governance Principles and Recommendations (the Principles) issued by the ASX Corporate Governance Council, having regard to the nature and size of the Responsible Entity's business, and practice within the financial community generally.

A description of the Responsible Entity's main corporate governance policies is set out below.

Principle 1 - Lay solid foundations for management and oversight

1.1 Functions of Board and senior executives

Primary responsibility for the management and oversight of the Responsible Entity rests with the Board, whose overall role is to build long term sustainable value for the Fund's Unitholders, while respecting the interests of all stakeholders.

In order to fulfill this role, the Board is responsible for the overall corporate governance of the Responsible Entity, including formulating its strategic direction and monitoring the business objectives. The Board delegates

day to day management of the Responsible Entity's affairs to the Executive Chairman and senior executives.

The structure, roles and functions of the Board are set out in a Board Charter, but in broad terms, the Board Charter clarifies the respective roles of the Board and senior management.

To assist in the execution of its oversight and management responsibilities, the Board has established an Audit, Risk and Compliance Committee. This committee has its own written mandate, which is reviewed on a regular basis and it reports back to the Board on their activities through the presentation of reports and minutes of committee meetings.

The Board holds regular two monthly meetings, plus strategy meetings and extraordinary meetings at such times as may be required during the year.

An agenda for the meetings is determined to ensure that certain standing information is addressed and other items which are relevant to reporting deadlines and/or regular review are scheduled when appropriate.

1.2 Evaluate performance of senior executives

The performance of senior executives is reviewed annually against certain criteria. Non-Executive Independent Directors may meet periodically without any executive management to ensure that there is full and frank discussion amongst Directors of issues affecting the Responsible Entity.

Principle 2 – Structure the Board to add value

2.1 Independent directors

At the end of the 2012 financial year, the Board comprised two Non-Executive Independent Directors and one Executive Director. The Board assessed the independence of its Non-Executive Independent Directors according to the definition contained within the Principles and concluded that two of the members of the Board were independent.

On 5 August 2010, Mr Richard Nott was appointed as a Non-Executive Independent Director and Chairman of the Audit, Risk and Compliance Committee. On 30 March 2011, Mr John Love was appointed as a Non-Executive Independent Director and member of the Audit, Risk and Compliance Committee.

2.2 Independent chair

The Chairman of the Board is Mr George Wang, who is not independent according to the criteria set out in the Principles. The position of Chairman for the purposes of Board meetings may however rotate on a regular basis. Given the independence of the Board, it is not considered necessary at this stage for the Chairman to be independent.

2.3 Roles of Chairman and Fund Manager

The roles of Chairman of the Board and Fund Manager are not held by the same individual.

2.4 Nomination Committee

Given the size and structure of MacarthurCook, the Board does not have a Nomination Committee. Some of the roles and responsibilities (where practical) are undertaken by the Board or some of its members.

2.5 Performance evaluation processes

The Board is responsible for reviewing the performance of Directors.

Each Director has the right to access all relevant information in respect of the Responsible Entity and to make appropriate enquiries of senior management. Subject to prior consultation with the Executive Chairman, a Director may seek independent professional advice from a suitably qualified advisor.

Principle 3 - Promote ethical and responsible decision making

The Board actively promotes ethical and responsible decision making.

3.1 Code of conduct

The Board has adopted a Code of Conduct which can be viewed on the website of MacarthurCook. The Code of Conduct applies to all Directors, and staff of the Responsible Entity. The Code sets out the core values of the Responsible Entity and the expectations for how employees should conduct their business affairs including:

- Acting in the best interests of Unitholders over and above their own interests.
- Acting with due skill, care and diligence in conducting their business.
- Preserving Unitholder confidentiality at all times.
- Respecting the intellectual property rights of others.
- Protecting and promoting the integrity of the market.
- Avoiding and/or disclosing any real or perceived conflicts of interest.
- Being true to their word.
- Respecting the dignity of others.
- Never knowingly misleading or deceiving others.
- The Code of Conduct is discussed with each new employee as part of their induction training.

3.2 Share trading policy

The Board has adopted a Share Trading Policy, which can be viewed on the website of MacarthurCook. Directors and staff (including their immediate family or any entity for which they control investment decisions) must ensure that any trading in securities issued by the Fund is undertaken within the framework set out in this Policy.

The Policy reflects the insider trading provisions of the Corporations Act 2001, such that Directors and management are prohibited from trading in securities of any fund controlled by the Responsible Entity whilst in possession of unpublished price sensitive information. Subject to any knowledge or circumstances that impose a specific prohibition on some or all Directors and management

trading, as a general policy, price sensitive information is deemed to be in the public domain once a reasonable time (generally 48 hours) has elapsed following an announcement to allow the market to absorb the contents of the announcement. For reporting of financial results under the ASX's periodic disclosure requirements, the general rule adopted by the Responsible Entity is to restrict trading by Directors and staff for a period of six weeks before the announcement of the results.

Principle 4 - Safeguard integrity in financial reporting

4.1 Audit Committee

The Board has established an Audit, Risk and Compliance Committee, which provides assistance to the Board in fulfilling its corporate governance responsibilities in relation to the Responsible Entity's financial reporting, internal controls structure, risk management systems and external audit functions.

The Audit, Risk and Compliance Committee review the performance of the external auditors on an annual basis and meets with them during the year to review findings. The Committee has full access to all books, records, facilities and personnel of the Responsible Entity, as well as the authority to engage independent counsel and other advisers it determines necessary to carry out its duties.

4.2 Structure of the Audit Committee

The members of the Audit, Risk and Compliance Committee are:

Mr Richard Nott
Chairman (Non-Executive Independent Director appointed 5 August 2010); and

Mr John Love
(Non-Executive Independent Director appointed 30 March 2011)

At any given time, the Committee must comprise no less than two Independent Directors as selected by the Board. All the Committee members are financially literate.

4.3 Audit Committee Charter

The role and responsibilities, composition, structure, membership requirements and procedures for the Audit, Risk and Compliance Committee are set out in the Audit, Risk and Compliance Committee Charter, which can be viewed on the website of MacarthurCook.

The Board relies on management for day to day monitoring of the internal controls within the Responsible Entity. Financial performance is monitored on a regular basis by management who report to the Board at the scheduled Board meetings and through Audit, Risk and Compliance Committee meetings.

The Board requires the Executive Chairman and the Chief Financial Officer (or Financial Controller) to provide a written statement that the financial statements of the Responsible Entity

present a true and fair view, in all material respects, of its financial position and operational results. In addition, confirmation is provided that all relevant accounting standards have been appropriately applied.

Principle 5 - Make timely and balanced disclosure

5.1 Disclosure policies

The Board is committed to the promotion of investor confidence by providing full and timely information to all Unitholders and market participants about the Responsible Entity's activities and to comply with the continuous disclosure requirements contained in the Corporations Act 2001 and the ASX Listing Rules.

The Responsible Entity has a Continuous Disclosure Policy to ensure that it meets the continuous disclosure obligations. A copy of the Continuous Disclosure Policy is on the web site of MacarthurCook.

Principle 6 - Respect the rights of Unitholders

6.1 Communications policy

MacarthurCook's policies for communication with Unitholders are set out in its Communications Policy, which can be viewed on the website of MacarthurCook. The aim of the Board is to ensure that investors are informed of all major developments affecting MacarthurCook through:

- the annual report;
- disclosures made to the ASX in the form of market

announcements and investor updates;

- notices and explanatory memoranda of annual general meetings and other Unitholder meetings;
- responses to enquiries from Unitholders; and
- occasional letters/updates from the Executive Chairman or the Fund Manager to specifically inform Unitholders of key matters of interest.

The Responsible Entity, when it convenes one, makes available at the annual general meeting a lead partner from the Responsible Entity's auditors, to answer questions about the conduct of the audit and the content of the Auditor's Report.

Principle 7 - Recognise and manage risk

7.1 Risk management policies

MacarthurCook has established procedures for:

- the oversight of risk management activities through the roles of the Board and the Audit, Risk and Compliance Committee; and
- a risk management framework and policy for the identification, management and monitoring of material business risks.

The Risk Management Framework and Policy forms a part of the Responsible Entity's Policy Manual.

7.2 Risk management systems

The Board has primary oversight of risk management policies and practices and has adopted an appropriate risk management framework and policy.

In accordance with its Charter, the Audit, Risk and Compliance Committee has more direct responsibility for overseeing the risk management framework and risk management practice. MacarthurCook has a Legal & Compliance team, who are responsible for reporting to the Board on compliance issues and recommending ways in which the Responsible Entity may improve its systems and compliance monitoring.

The Board reviews the effectiveness of the risk management and internal control systems on an ongoing basis through regular certifications and review undertaken by the finance and compliance functions together with a formal annual review.

7.3 Executive risk management declaration

The Board requires the Executive Chairman and the Chief Financial Officer (or his/her equivalent) to report to it on the effectiveness of the Responsible Entity's management of its material business risk in conjunction with the review of the half year and full year financial results. The Board also receives assurances from the Executive Chairman and the Chief Financial Officer (or his/her equivalent) that the declaration

provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal controls and that the system is operating effectively in all material respects in relation to the financial reporting of risks.

Principle 8 - Remunerate fairly and responsibly

8.1 Remuneration committee

Due to the size and structure of MacarthurCook, the Board does not have a Remuneration Committee. The role and responsibilities of the Remuneration Committee are carried out by the Executive Chairman in conjunction with the Human Resources Manager.

The Responsible Entity also reviews and approves senior executive total remuneration packages and terms of employment annually, having regard to performance, relevant comparative information and, where relevant, independent expert advice.

8.2 Remuneration structure

The Executive Chairman and senior executives receive salary packages which may include performance based components designed to reward and motivate. Non-Executive Independent Directors receive fees agreed on an annual basis by the Board. There are no retirement schemes in place for Non-Executive Independent Directors.



Property: 66-68 Goulburn Street Sydney NSW
Fund: PFA Diversified Property Trust

Financial Report for the year ended 30 June 2012

MacarthurCook Property Securities Fund (ARSN 111 442 150)

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Directors' Report

for the year ended 30 June 2012

The Directors of MacarthurCook Fund Management Limited (ABN 79 004 956 558 and AFS Licence No. 258052), the Responsible Entity of MacarthurCook Property Securities Fund ("the Fund"), present their report together with the Financial Report of the Fund for the year ended 30 June 2012 and the Auditor's Report thereon.

RESPONSIBLE ENTITY

The principal place of business of the Responsible Entity and of the Fund at the date of this report is Level 16, Central Square, 323 Castlereagh Street, Sydney, NSW 2000.

The registered office of the Responsible Entity and of the Fund at the date of this report is Level 16, Central Square, 323 Castlereagh Street, Sydney, NSW 2000.

DIRECTORS

The Directors of the Responsible Entity during or since the end of the financial year are:

Mr George Wang 50
BE

Executive Chairman

George is the founding CEO of AIMS Financial Group and an active participant in both the Australian and Chinese financial services industries. George came to Australia from China some 20 years ago and founded AIMS Financial Group 2 years later. Since inception, AIMS has evolved into a diversified financial services group, active in the areas of lending, securitisation, investment banking, real estate funds management and property, resources, high-tech and infrastructure investment.

In the course of developing AIMS Financial Group into a significant financial services group in Australia, George has developed a strong skill base in the areas of lending, securitisation, real estate funds management, structured finance and innovative financial product development.

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In Australia, George is the President of the Australia-China Finance & Investment Council. As the President of Australia-China Finance & Investment Council, George has been laying the foundation for the financial bridge between Australia and China for many years.

George is currently the Executive Director of AIMS Financial Group, a Deputy Chairman of Asia Pacific Stock Exchange and a Non-Executive Non-Independent Director of the AIMS AMP Capital Industrial REIT in Singapore.

Director since 14 July 2009 and Executive Chairman since 7 August 2009.

Mr Richard Nott AM 70
BSc (Hons), MBA, MCom, MIRM

Non-Executive Independent Director Chairman of the Audit Committee

Richard Nott is a former General Manager and Chief Executive of CGU Lenders Mortgage Insurance Ltd, General Manager Corporate Banking at Standard Chartered Bank Australia Ltd, General Manager Banking and Associate Director at Australian Bank, plus a twenty six year career with National Australia Bank throughout Australia and England. He is a Director of Prime Insurance group, a Bermudan based Lenders' Mortgage Insurer.

Richard is a Director and the Chairman of the Audit Committee of First American Title Insurance Company of Australia Ltd since 2002. He is also a Director of Four Hats Financial Services Pty Ltd, a venture capital company. Since July 2011, Richard has been appointed Managing Director for Mortgage Guarantee Insurance Corporation Australia, a subsidiary of a major US loan mortgage insurer.

Richard was made a Member of the Order of Australia (AM) for services to banking, insurance and the community through the Australia-Britain Society in the Queen's Birthday Honours List June 2012.

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For almost a decade Mr. Nott was President of the Australia-Britain Society and in recent years Chairman of the Australia-Britain Society Foundation. He is a member of the Cook Society and Fred Hollows Foundation.

Non-Executive Independent Director and Chairman of the Audit, Compliance and Risk Committee since 5 August 2010.

Mr John Love 65
BCom, MBA, MIRM, CPA

Non-Executive Independent Director

John is currently the Chairman of Mortgage Guarantee Insurance Corporation Australia, and a Non-Executive Director, the Chairman and a Member of Audit, Governance & Risk Management Committee for The Australian Wine Society Co-operative Limited. He was previously the General Manager of an Australian mezzanine property finance company. He was also previously the Head of Corporate Banking Australia and Head of Credit at Standard Chartered Bank Australia Limited.

Qualifications include a Bachelor of Commerce (Qld), a Master of Business Administration (AGSM) and a Master of Insurance and Risk Management (Deakin). He is a Fellow of the Australian and New Zealand Institute of Insurance and Finance. In addition, he is a Certified Practising Accountant, a Fellow of the Tax Institute of Australia, a Fellow of the Chartered Institute of Secretaries, a Fellow of FINSIA, a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Mutuals Institute.

Non-Executive Director since 30 March 2011.

PRINCIPAL ACTIVITIES

The Fund is a listed registered managed investment scheme domiciled in Australia.

The Fund is listed on both the Australian Securities Exchange Limited (ASX) and the Singapore Securities Exchange Limited (SGX).

The investment objective of the Fund is to provide investors with regular quarterly income and the potential for long term capital growth. During the year, the Fund held investments in a portfolio of property related securities diversified by property sectors, geographic locations and fund managers.

The Fund did not have any employees during the year.

REVIEW AND RESULTS OF OPERATIONS

The operating result for the year ended 30 June 2012 was a net loss before finance costs of \$8,441,000 (2011 net loss before finance costs: \$4,647,000). This result includes an unrealised loss on investments of \$6,531,000 (June 2011: unrealised loss \$4,633,000), which is largely due to a downward mark to market revaluation of \$4,403,000 for its ASX listed investment in P-REIT (ASX: PXT). P-REIT was previously unlisted and valued at NTA historically. Whilst there were some signs of improvement in commercial property markets during the first half of the financial year, the slower than expected US recovery and continuing uncertainties in Europe have resulted in a more subdued outlook over the short to medium term. Some of the Fund's investments were divested during the year at a price below their book value. No distributions were paid or payable for the year ended 30 June 2012 (2011: Nil).

The Fund successfully raised additional capital of \$5,834,000 through a 13 to 15 Entitlement Offer, which was fully underwritten by its Responsible Entity, MacarthurCook Fund Management Ltd. Under the offer, 167,706,282 of new fully paid ordinary units were issued to unitholders. The newly issued units rank equally with existing units. The proceeds were used to repay part of the Fund's existing debt facilities and pay the expenses of the offer. During the 2012 financial year, the Fund successfully repaid a total of \$18.15 million to its financier, Overseas-Chinese Banking Corporation Limited (OCBC), reducing the outstanding debt balance to \$7.8 million (30 June 2011: \$25.95 million).

All amounts in this Financial Report are presented in Australian dollars, which is the Fund's functional currency, unless otherwise stated.

Performance

The performance of the Fund is represented by the aggregation of the percentage capital growth and percentage distribution of income to Australian registered Unitholders and Singapore registered Unitholders respectively, in the following table:

	ASX listed Units		SGX listed Units	
	Year ended 30 June 2012 %	Year ended 30 June 2011 %	Year ended 30 June 2012 %	Year ended 30 June 2011 %
Distribution Return	-	-	-	-
Growth Return	(56.52)	19.8	(58.62)	52.6
Total Return	(56.52)	19.8	(58.62)	52.6

The distribution return is calculated on the basis of the gross distribution to Unitholders before deducting any withholding tax which may be applicable. The growth return relates to the movement between closing trade prices on the respective ASX and SGX at 30 June 2012 and the closing trade prices on 30 June 2011. The market price of the Fund's Units (as represented by the closing trade price) on the ASX at 30 June 2012 was \$0.05 (30 June 2011: \$0.115). The market price of the Fund's units on the SGX at 30 June 2012 was SGD\$0.06 (30 June 2011: SGD\$0.145).

The closing trade prices were largely impacted by the Fund's Entitlement Offer, which was completed on 15 June 2012. The new units were issued at a price of AUD0.035/SGD0.044, which represents a 76% discount to the Fund's NTA of \$0.1462 per unit as at 30 June 2012, and a 39.55% discount to the 10-day VWAP prior to the ASX announcement (up to 7 May 2012).

Returns have been calculated after fees and assuming reinvestment of distributions within Australia, in accordance with IFSA Standard 6.00 Product Performance - calculation and presentation of returns. Reinvestment of distributions is not available to Singaporean Unitholders whose registered address with The Central Depository (Pte) Limited is outside Australia.

Value of the Fund's assets

The Fund's total assets were valued at \$61,033,000 as at 30 June 2012 (2011: \$83,385,000) in accordance with the accounting policies set out in Note 3 of the Financial Report. At 30 June 2012, the net tangible asset value was 14.62 cents per ordinary unit (2011: 29.2 cents per unit). The 30 June 2012 net tangible assets per unit was largely impacted by the Fund's Entitlement Offer. The new units were issued at price of AUD0.035 / SGD0.044, which represents an 85.5% discount to the Fund's NTA of AUD0.2422 per unit as at 29 February 2012 (pro-forma NTA pre Entitlement Offer).

As a result of the uncertainty in property and securities markets, the share price remains below the fair value of its underlying assets and represents a discount to the net tangible assets of 66% (2011: discount of 60.6%). The net tangible asset calculation excludes the Deferred Units on issue.

Fees paid to the Responsible Entity

The Responsible Entity and its associates were paid fees and reimbursement of expenses out of the Fund's assets during the year as follows:

	2012 \$	2011 \$
Management fee expense	332,038	409,400
Fund expenses reimbursed to the Responsible Entity	147,572	181,956

Distributions

There were no distributions paid or payable for the year ended 30 June 2012 (2011: \$nil).

Directors' Interests

At the date of this report, details of direct holdings in the Fund by Directors are set out below:

30 June 2012

Director	Unit holding ('000s)	Interest held %	Units acquired	Units redeemed ('000s)	Distribution paid/payable ('000s)
Richard Nott	2,000	0.55	2,000	-	-
John Love	2,000	0.55	2,000	-	-
	4,000	1.10	4,000	-	-

Interests of the Responsible Entity and associates

Details of holdings in the Fund by the Responsible Entity, other funds operated by the Responsible Entity and other related parties are set out below:

Year Ended 30 June 2012 Entity/Person	Relationship	Unit holding ('000s)	Units issued ('000s)	Units redeemed ('000s)
MacarthurCook Fund Management Ltd	Responsible Entity	-	-	4,891
MacarthurCook Office Property Trust	Responsible Entity has Common Parent Company	13,829	13,829	-
MacarthurCook Diversified Property Income Fund	Common Responsible Entity	-	-	3,372
AIMS Group Holdings Pty Ltd*	Responsible Entity's Parent Company	79,902	72,170	-
Total		93,731	85,999	8,263

Year Ended 30 June 2011 Entity/Person	Relationship	Unit holding ('000s)	Units issued ('000s)	Units redeemed ('000s)
MacarthurCook Fund Management Ltd	Responsible Entity	4,891	629	-
MacarthurCook Diversified Property Income Fund	Common Responsible Entity	3,372	-	-
MCK Management Pty Ltd (formerly MacarthurCook Pty Ltd)	Responsible Entity's Common Control Company	-	-	629
AIMS Group Holdings Pty Ltd*	Responsible Entity's Parent Company	7,732	7,732	-
		15,995	8,361	629

*Mr George Wang is a Director of AIMS Group Holdings Pty Ltd, the parent company of the Fund's Responsible Entity. He is also a Director of the Responsible Entity.

During the year to 30 June 2012, AIMS Group Holdings Pty Ltd purchased 4,176,887 units of the Fund in total through the ASX. In April 2012, MacarthurCook Fund Management Ltd transferred 4,890,549 units it held in the Fund to its parent company, AIMS Group Holdings Pty Ltd at a market price of \$0.0740 per unit. In May 2012 AIMS Group Holdings Pty Ltd acquired 15,302,362 units from Laxey Partners at a market price of \$0.0575.

MacarthurCook Fund Management Ltd, acting as the underwriter of the Fund's Entitlement Offer, successfully raised \$5.83 million capital by 8 June 2012. The newly issued units were settled on 15 June 2012, and ranking equally with the existing units. AIMS Group Holdings Pty Ltd fully subscribed for an allocation of 33,541,416 units. As sub-underwriter of the Entitlement Offer, AIMS Group Holdings Pty Ltd also participated in a further entitlement which provided it with an additional 7,659,251 units. As at the balance date, AIMS Group Holdings Pty Ltd holds 79,902,301 units in the Fund.

MacarthurCook Fund Management Ltd, the Responsible Entity of the Fund, also holds 1,752,605 of Deferred Units in the Fund at 30 June 2012 (2011: 1,752,605) paid to \$0.00001 cent. A Deferred Unit carries no voting rights and no right to participate in any distribution from the Fund until it converts into an Ordinary Unit. Performance fees are paid to the Responsible Entity by converting a number of Deferred Units into Ordinary Units as outlined in Note 3(f).

In May 2012, MacarthurCook Diversified Property Income Fund sold its holding of 3,372,109 units in the Fund to MacarthurCook Office Property Trust on market at a market trade price of \$0.059 per unit.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Following a combination of redemptions of a number of underlying investments and a capital raising campaign, debt in the fund has been reduced from \$25.95 million as at 30 June 2011

to \$7.8 million as at 30 June 2012, representing 12.78% of total assets. The facility will expire on 31 December 2012 and is subject to a revised debt amortisation program.

Centro MCS 32 sold its US properties to Blackstone which settled on 29 June 2011. The Fund received the first payment of \$0.45 per unit or \$450,000 in July 2011. The final distribution of the sale proceeds of \$27,600 was received in April 2012.

Centro MCS 35 sold its US properties to Blackstone which settled on 29 June 2011. The Fund received the first payment of \$0.495 per unit or \$624,937 in July 2011. The final distribution of the sale proceeds of \$34,466 was received in April 2012.

Centro MCS 36 sold its US properties to Blackstone which settled on 29 June 2011. The Fund received the first payment of \$0.3438 per unit or \$781,113 in July 2011. The final distribution of the sale proceeds of \$36,990 was received in April 2012.

The Fund sold its interest in MAB Diversified Property Trust for \$2,840,000 in December 2011.

Ray White Invest Service Trust sold its remaining properties during the year. The Fund received the final return of capital of \$0.2902 per unit or \$1,015,804 in May 2012. As at the reporting date, Ray White Invest Service Trust has been wound up.

Following the sale of Centuria Direct Property Fund's property at 607 St Kilda Road, the Fund received a special distribution of \$3.9 million on 29 June 2012.

Australian Unity Office Property Fund also offered a limited withdrawal facility of \$3.7 million during the year. As a result, the Fund received 17.53% of the withdrawal amount or \$648,528 on 29 June 2012.

In May 2012, the Fund undertook a fully underwritten Entitlement Offer to raise funds to repay the OCBCdebt facility. The offer was a 13 to 15 non-renounceable rights issue at AUD0.035 or SGD0.044 per unit. Unitholders could also apply for further units in excess of their entitlement under a Shortfall Facility.

The Entitlement Offer closed on 8 June 2012 successfully raising \$5.83 million. Upon the completion of the offer, 167,706,282 new units were issued to participants. Among these newly issued units, 62% or 104,410,364 units were issued under the offer allocation, 33% or 55,636,667 units were issued under the Shortfall Facility, and the remaining 7,659,251 units were issued to the sub-underwriter AIMS Group Holdings Pty Ltd.

The Fund still holds a significant investment in P-REIT (formerly known as the Reed Property Trust). In October 2011, P-REIT was listed on the ASX. The issue price of P-REIT was \$0.25 per unit, which compares to the last traded price on 30 June 2012 of \$0.105. This represents a 58% fall in value and has contributed to a reduction in the Fund's NTA.

The Fund invests directly in 20 property funds of which 17 are unlisted. The unlisted property funds are either fixed term or open-ended and are mostly closed to redemptions due to liquidity issues. Therefore, the Fund has limited ability to realise these investments.

The Fund valuations for the unlisted property funds are based on the net tangible asset (NTA) values as provided by the respective fund managers as at 30 June 2012 (with the exception of APN Champion Retail Fund, Arena Office Fund, and the Stockland Direct Office Trust No.3) which are based on the most recent available Net Tangible Asset values). Directors of the Responsible Entity have adopted the most recent NTA value to represent the best estimate of fair value as at the reporting date. However, uncertainty exists as to the likely unit price of each unlisted property fund when these funds re-commence redemptions. As a result the Fund might not be able to realise its investments at a price representative of fair value.

Of the 20 property funds that MPS invests in, 10 paid out a regular income distribution during the year. On a like for like basis, the Fund received an increase in income distributions from those funds of 39.3%.

There are a number of unlisted property funds MPS has an interest in that are in the process of winding up which may take up to 2 years. These funds include APGF Real Estate Investment Trust, Stockland Direct Office Trust No. 3 and Domaine Hunter Fund.

During the financial year no distributions were paid to Unitholders (2011: Nil).

Other than the matters discussed above, there have been no other significant changes in the state of affairs of the Fund that occurred during the financial year.

LIKELY DEVELOPMENTS

Information on likely developments in relation to the operations of the Fund 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 Fund.

ENVIRONMENTAL REGULATIONS

The Fund's operations are not subject to any significant environmental regulation under Commonwealth, State or Territory legislation.

EVENTS SUBSEQUENT TO BALANCE DATE

The trial of the Fund's claim for recovery of its \$15 million investment in units in P-REIT was conducted before Justice Hammerschlag in the Supreme Court of NSW from 9 July 2012 to 11 July 2012. The key elements of the Fund's claims were:

- that TFML Limited (the new responsible entity of P-REIT) redeem the 15 million units or pay damages for the breach of Zhaofeng Funds Management Ltd's (formerly Reed Funds Management Limited) obligation to redeem them in the period 1 May 2007 to 3 December 2007;
- that Zhaofeng Funds Management Ltd (or TFML Limited) pay \$131,250 in Unit

Conversion Fee Instalments;

- that Zhaofeng Funds Management Ltd (or TFML Limited) purchase any units not redeemed at the time required, or pay damages for the breach of the obligation to redeem; and
- that Zhaofeng Funds Management Ltd (or TFML Limited) pay a Buy Back Default Fee (effectively interest at 12.5% p.a. for \$10 million and 13.5% p.a. for \$5 million) on Zhaofeng Funds Management Ltd's failure to purchase the units in 2007.

On 10 August 2012, Justice Hammerschlag delivered a judgement in favour of the Responsible Entity in relation to the claim lodged on behalf of the Fund against TFML Limited, the responsible entity of P-REIT. On 17 August 2012, Justice Hammerschlag made orders in favour of the Responsible Entity in the sum of \$17,764,204 including pre-judgement interest. It was also ordered that TFML Limited pay the Responsible Entity's costs in relation to the proceedings. No asset and income has been recognised for the claim in the financial statements as at 30 June 2012. TFML Limited has told the Court it intends to appeal and will apply for an order staying execution of the judgement until the appeal is determined. If TFML Limited is successful in obtaining a stay of execution, the Responsible Entity will be required to await determination of the appeal before the amount due under the judgement is recovered. The Responsible Entity will continue to provide regular updates to Unitholders through market announcements and investor correspondence as any material developments occur.

Other than the P-REIT case above, there has not arisen in the interval between the end of the financial year and the date of this Report any item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to affect significantly the operations of the Fund, the results

of those operations, or the state of affairs of the Fund, in future financial years.

INDEMNITIES AND INSURANCE PREMIUMS FOR OFFICERS OR AUDITORS

Indemnities

Under the Fund's Constitution, the Responsible Entity, including its officers and employees, is indemnified out of the Fund's assets for any loss, damage, expense or other liability incurred by it in properly performing or exercising any of its powers, duties or rights in relation to the Fund. 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 Responsible Entity, its officers and employees, the Audit, Risk and Compliance Committee or the Auditors of the Fund.

Auditor's Independence Declaration

The Auditor's Independence Declaration is set out on page 23 and forms part of the Directors' Report for the year ended 30 June 2012.

ROUNDING OF AMOUNTS

The Fund is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998, as amended, and in accordance with that Class Order, amounts in the financial report and Directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors of MacarthurCook Fund Management Limited:



Mr George Wang
Executive Chairman
Sydney
28 August 2012

Auditor's Independence Declaration



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

To: the directors of MacarthurCook Fund Management Limited, the responsible entity of MacarthurCook Property Securities Fund

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2012 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

Darren Scammell
Partner

Melbourne

28 August 2012

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.

Statement of Comprehensive Income

for the year ended 30 June 2012

	Note	2012 (\$'000s)	2011 (\$'000s)
INVESTMENT INCOME			
Distribution income		3,610	3,542
Interest income		196	188
Placement fee income		-	453
Change in fair value of investments	4	(8,590)	(3,895)
Net investment income		(4,784)	288
EXPENSES			
Responsible Entity fees	15(b)	332	409
Administration expenses		1,041	852
Borrowing costs		2,284	3,668
Transaction costs		-	6
Total expenses		3,657	4,935
Operating loss before finance costs		(8,441)	(4,647)
FINANCE COSTS			
Distributions paid and payable		-	-
Net loss for the year attributable to Unitholders		(8,441)	(4,647)
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to Unitholders		(8,441)	(4,647)

The notes on pages 27 to 41 are an integral part of these financial statements.

Statement of Changes in Equity

for the year ended 30 June 2012

The Fund's net assets attributable to unitholders are classified as a liability under AASB 132 *Financial Instruments: Presentation*. As such the Fund has no equity, and no items of changes in equity have been presented for the current or comparative year.

The notes on pages 27 to 41 are an integral part of these financial statements.

Statement of Financial Position

as at 30 June 2012

	Note	2012 (\$'000s)	2011 (\$'000s)
CURRENT ASSETS			
Cash and cash equivalents	7	1,966	5,659
Receivables	8	1,060	557
Total current assets		3,026	6,216
NON CURRENT ASSETS			
Financial assets held at fair value through profit or loss:			
Listed property securities	9	3,317	638
Unlisted property securities	9	54,690	76,531
Total non-current assets		58,007	77,169
Total assets		61,033	83,385
CURRENT LIABILITIES			
Financial liabilities measured at amortised cost:			
Payables	10	442	1,006
Interest bearing liabilities	11	7,800	25,950
Total current liabilities		8,242	26,956
Total liabilities (excluding net assets attributable to Unitholders)		8,242	26,956
Net assets attributable to Unitholders	6	52,791	56,429

The notes on pages 27 to 41 are an integral part of these financial statements.

Statement of Cash Flows

for the year ended 30 June 2012

	Note	2012 (\$'000s)	2011 (\$'000s)
CASH FLOWS FROM OPERATING ACTIVITIES			
Distributions received		3,521	3,692
Interest received		196	188
Placement fees received		-	453
Management fees paid		(730)	(409)
Other expenses paid		(1,621)	(694)
Net cash flows from operating activities	14	1,366	3,230
CASH FLOWS FROM INVESTING ACTIVITIES			
Received from Return of Capital		3,900	3,276
Proceeds from sale of investments		6,672	10,243
Net cash flows from investing activities		10,572	13,519
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest and other costs of finance paid		(2,284)	(3,668)
Repayment of borrowings		(18,150)	(9,700)
Proceeds from units issued		5,834	-
Unit issue costs paid		(1,031)	-
Net cash flows used in financing activities		(15,631)	(13,368)
Net decrease/increase in cash and cash equivalents		(3,693)	3,381
Cash and cash equivalents at beginning of the year		5,659	2,278
Cash and cash equivalents at the end of the year	7	1,966	5,659

The notes on pages 27 to 41 are an integral part of these financial statements.

Notes to the Financial Statements

for the year ended 30 June 2012

1. REPORTING ENTITY

MacarthurCook Property Securities Fund (“the Fund”) is a registered Managed Investment Scheme under the Corporations Act 2001 and is domiciled in Australia. The Fund is listed on both the Australian Securities Exchange Limited (ASX) and the Singapore Securities Exchange Limited (SGX). The Financial Report of the Fund is for the year ended 30 June 2012.

The Fund is principally involved in investments in a portfolio of property related securities diversified by property sector, geographic location and fund manager.

2. BASIS OF PREPARATION

(a) Statement of compliance

The Financial Report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB), and the Corporations Act 2001. The Financial Report of the Fund complies with International Financial Reporting Standards (IFRSs), and interpretations adopted by the International Accounting Standards Board (IASB).

The Financial Report was authorised for issue by the Directors of the Responsible Entity on 28 August 2012.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss and derivative financial instruments which are measured at fair value.

(c) Functional and presentation currency

The Financial Report is presented in Australian dollars, which is the Fund’s functional currency.

The Fund is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998, as amended, and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

(d) Use of estimates and judgements

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

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

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect are recognised in Note 16 Financial Instruments.

(e) Going concern

The Fund’s debt facility with OCBC, which has been extended to 31 December 2012, is required to be repaid in full through an agreed debt repayment schedule. The Fund is currently complying with its obligations. However, this is dependent on the Fund continuing to maintain positive cash flow and on its ability to continue to redeem or, if necessary, sell selective assets. Many of the Fund’s underlying investments continue to either suspend redemption facilities or make minimal withdrawal offers and it is uncertain if or when these facilities will be reactivated or increased.

Directors are of the view there are reasonable grounds to prepare these financial statements on a going concern basis. The loan to valuation ratio (LVR) is 13.4% as at 30 June 2012 (2011: 34%). Management is exploring and assessing all available options to repay the Facility. In the event the Facility cannot be repaid in full, or refinanced through a new lender, by the Facility maturity date, the Fund may have to liquidate some or all of its assets. Under these circumstances, the assets’ realisable values may be substantially below those stated in these financial statements. Directors will continue to assess the Fund’s going concern status and any material changes will be reported to the market as necessary.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Income and expenses

Income and expenses are brought to account on an accruals basis except where stated otherwise.

Distribution income

For all listed and unlisted securities, distribution income is recognised at the date the securities are quoted ex-distribution.

Interest income and expense

Interest income and expense are recognised in the statement of comprehensive income as they accrue, using the effective interest method.

Placement fee income

Placement fee income is recognised when the Fund becomes unconditionally entitled to the fee.

(b) Financial instruments

(i) Classification

The financial assets and financial liabilities at fair value through profit or loss comprise financial instruments designated at fair value through profit or loss upon initial recognition. These include financial assets that are not held for trading purposes and which may be sold and investments in listed and unlisted property securities.

The fair value through profit or loss classification is in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. The fair value through profit or loss classification is available for the majority of the financial assets and financial liabilities held by the Fund as the Fund's performance is evaluated on a fair value basis and information about the Fund is provided on that basis to the directors of the Responsible Entity.

(ii) Recognition

The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial assets are recognised using trade date accounting. From this date, any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded.

Financial liabilities are not recognised unless one of the parties has performed their part of the contract, or the contract is a derivative contract not exempted from the scope of AASB 139.

(iii) Measurement

Financial instruments are measured initially at fair value (transaction price) plus, in the case of a financial asset or financial liability not classified at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs

on financial assets and financial liabilities classified at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, all instruments classified at fair value through profit or losses are measured at fair value with changes in their fair value recognised in the statement of comprehensive income.

Financial assets and liabilities, other than those classified at fair value through profit or loss, are measured at amortised cost using the effective interest rate.

(iv) Fair value measurement principles

The fair value of financial instruments is based on their quoted market prices at the reporting date without any deduction for estimated future selling costs. Financial assets are priced at current bid price, whilst financial liabilities are priced at current asking price.

Investments in unlisted managed investment schemes are recorded at the Net Tangible Asset (NTA) price as reported by the managers of such schemes.

(v) Derecognition

The Fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition in accordance with AASB 139.

The Fund uses the weighted average method to determine realised gains and losses on de-recognition of financial assets not at fair value.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(vi) Specific instruments

Cash and cash equivalents

Cash comprises current deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than investment or other purposes.

Receivables

Receivables include accrued income from investments, any unsettled sales of securities and GST.

Payables

Payables include accrued expenses owing by the Fund which are unpaid as at the reporting date.

The distribution amount payable to investors as at year end is recognised separately on the Statement of Financial Position. Purchases of securities are recorded on trade date and normally settle within three business days. Purchases of securities that are unsettled at reporting date are included in payables.

Derivative financial instruments

In accordance with its investment strategy, the Fund does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are recognised initially at cost. Subsequent to initial recognition, derivative financial instruments are stated at fair value. The gain or loss on re-measurement to fair value is recognised immediately in the profit or loss.

(c) Distributions and taxation

In accordance with the Fund Constitution and applicable taxation legislation, the Fund distributes its taxable income in full to the Unitholders who are presently entitled to the income. As the Fund fully distributes its taxable income, it is not subject to income tax.

Financial assets held at fair value may include unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax will be distributed so that the Fund is not subject to capital gains tax.

Realised capital losses are not distributed to Unitholders and are retained in the Fund to be offset against any current or future realised capital gains. If realised capital gains exceed realised capital losses, the excess is distributed to the Unitholders.

Distributions to Unitholders are made net of any applicable withholding tax. Distributions to Singapore Unitholders are the Singapore dollar (SGD) equivalent of the Australian distribution, net of exchange and other transaction costs incurred in converting the distribution to SGD.

(d) Finance costs

Distributions paid and payable on units are recognised in the income statement as finance costs and as a liability where not paid. Distributions paid are included in cash flows from financing activities in the statement of cash flows.

(e) Goods and services tax

Management fees, custody fees and other expenses are recognised net of the amount of goods and services tax (GST) recoverable from the Australian Taxation Office (ATO) as a reduced input tax credit (RITC). Receivables and payables are stated in the Statement of Financial Position with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as an asset or liability, respectively in the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows with the amount of GST included.

(f) Performance fees

The Fund accrues a Performance Fee where the Fund outperforms the S&P/ASX200 Property

Trust Accumulation Index. The Responsible Entity waives such part of the Performance Fee as is necessary so that the Performance Fee payable in any year is capped at the lesser of \$2 million or 0.50% per annum of the Fund value for each financial year since the last Performance Fee was paid.

(g) Change in net assets attributable to Unitholders

Non-distributable income, which may comprise unrealised changes in the fair value of investments, net capital losses, tax-deferred income, accrued income not yet assessable and non-deductible expenses, is reflected in the statement of comprehensive income as a change in net assets attributable to Unitholders.

These items are included in the determination of distributable income in the period for which they are assessable for taxation purposes.

(h) Foreign currency translation

Transactions in foreign currencies are translated at the foreign currency exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to Australian Dollars at the foreign currency closing exchange rate ruling at the reporting date.

Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are recognised in the profit or loss. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to Australian dollars at the foreign currency closing exchange rates ruling at the dates that the values were determined. Foreign currency exchange differences relating to investments at fair value through profit and loss and derivative financial instruments are included in gains and losses on investments and net gain/(loss) on derivatives,

respectively. All other foreign currency exchange differences relating to monetary items, including cash and cash equivalents are presented separately in the statement of comprehensive income.

(i) New standards and interpretations not yet adopted

Certain new and amended accounting standards have been published that are not mandatory for the reporting period ended 30 June 2012. The Fund has not elected to early adopt any accounting standards. The directors' assessment of the impact of these new standards (to the extent relevant to the Fund) and interpretations is set out below:

- AASB 9 'Financial Instruments' includes requirement for the classification and measurement of financial assets resulting from the first part of Phase 1 of the project to replace AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 will become mandatory for the Fund's 30 June 2016 financial statements. Retrospective application is generally required, although there are exceptions, particularly if the entity adopts the standard for the year ended 30 June 2012 or earlier. The Fund has not yet fully determined the potential effect of the standard, though it is not expected to have a material impact to the Fund.
- AASB 13 'Fair Value Measurement' includes a definition of fair value and provides guidance on fair value measurement. AASB 13 will become mandatory for the Fund's 30 June 2014 financial statements. This standard is applied prospectively. The Fund has not yet determined the potential effect of the standard. However, the impact if any is expected to be immaterial to the Fund.

4. CHANGE IN FAIR VALUE OF INVESTMENTS

	2012 (\$'000s)	2011 (\$'000s)
Designated at fair value through profit or loss:		
Net realised gains/(losses) on securities:		
Listed securities	-	463
Unlisted securities	(2,059)	(249)
Total net loss	(2,059)	214
Net unrealised gains/(losses) on securities:		
Listed securities	(4,786)	319
Unlisted securities	(1,745)	(4,952)
Total net loss	(6,531)	(4,633)
Derivative financial instruments	-	525
Net change in fair value of investments	(8,590)	(3,895)

Gains and losses presented above do not include interest income, distribution income and placement fee income.

Whilst a number of the Fund's investments increased in fair value during the year, the balance decreased. The investments which had the largest fair value decreases include P-REIT (-\$4.403 million), PFA Diversified Property Trust (-\$1.56 million), Austgrowth Property Syndicate 23 (-\$0.42 million) and Australian Unity Office Property Fund (-\$0.40 million).

5. AUDITOR'S REMUNERATION

	2012 \$	2011 \$
Audit services		
Auditors of the Fund - KPMG		
Audit and review of the financial reports	49,400	47,051
Other regulatory audit services (compliance plan)	6,400	6,090
	55,800	53,141
Other services:		
Auditors of the Fund - KPMG		
Taxation services	15,620	9,900
Other	14,000	-
Total	29,620	9,900

6. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The Fund considers its capital to be Unitholder's Funds. The Fund manages its net assets attributable to Unitholders as capital, notwithstanding net assets attributable to Unitholders are classified as a liability.

	2012		2011	
	No. of Units ('000s)	(\$'000s)	No. of Units ('000s)	(\$'000s)
Opening balance	195,261	56,428	195,261	61,075
Applications*	167,706	5,834	-	-
Issue costs	-	(1,031)	-	-
Change in net assets attributable to Unitholders	-	(8,441)	-	(4,647)
Closing balance	362,967	52,791	195,261	56,428

* 167,706,282 new Ordinary Units were issued under an Entitlement Offer during the 2012 financial year. New issued shares were settled on 15 June 2012 and traded on the stock exchange on 20 June 2012.

All Ordinary Units in the Fund carry equal rights and each unit represents a right to the underlying assets of the Fund. Deferred Units in the Fund carry no right to participate in any distribution of the Fund. Deferred Units are converted to Ordinary Units on the terms set out in the Fund's constitution. At 30 June 2012, 1,752,605 (2011: 1,752,605) Deferred Units were on issue. These are included in the totals above.

Capital risk management

The Responsible Entity manages the Fund's capital to ensure that it will be able to continue as a going concern with the primary objective being the protection of Unitholder value and management of debt commitments.

The capital structure of the Fund consists of debt, which includes borrowings, cash and cash equivalents, and equity. The Fund is not subject to externally imposed capital requirements other than to ensure that its debt levels do not exceed the covenants in respect to gearing ratio set down by the debt facility agreement.

7. CASH AND CASH EQUIVALENTS

	2012 (\$'000s)	2011 (\$'000s)
Current deposits with banks	1,966	5,659
Cash and cash equivalents in the Statement of Cash Flows	1,966	5,659

8. RECEIVABLES

	2012 (\$'000s)	2011 (\$'000s)
Accrued income	603	515
Other receivables*	398	-
GST receivable	59	9
Prepayment	-	33
Total receivables	1,060	557

*This represents management fees paid but which under the terms of the OCBC debt agreement, is refundable from the Responsible Entity. Under the arrangement with the Fund's financier, OCBC, the fees will become due and payable to the Responsible Entity by October 2012.

9. FINANCIAL ASSETS AND LIABILITIES

The following table details the categories of financial assets and liabilities held by the Fund at the reporting date:

	2012 (\$'000s)	2011 (\$'000s)
ASSETS		
Financial assets at fair value through profit or loss		
Designated at fair value through profit or loss upon initial recognition		
Listed property securities	3,317	638
Unlisted property securities *	54,690	76,531
Total financial assets at fair value through profit or loss	58,007	77,169
Loans and receivables (including cash)	3,026	6,216
Total financial assets	61,033	83,385
LIABILITIES		
Financial liabilities measured at amortised cost	7,800	26,956
Total financial liabilities	7,800	26,956

The fair value of the unlisted property securities as at the end of reporting periods is estimated based on the net tangible asset value of the underlying funds. This represents the best estimate of fair value of investments in unlisted and frozen schemes. The valuation of the investments will vary in line with the changes in the net tangible asset value of the underlying schemes. The liquidity of the investments is subject to the underlying schemes' performance and/or their ability to sell down assets.

* Due to the unavailability of a number of valuation reports from fund managers as at 30 June 2012, the Fund has used the most recent valuation reports in determining the value of the following investments:

Funds	NTA date	NTA/unit	Value 30 June 2012
APN Champion Retail Fund	31 December 2011	0.3791	3,033
Arena Office Fund	11 May 2012	0.5299	2,650
Stockland Direct Office Trust No.3	31 December 2011	0.6000	2,400
Total			8,083

The value of these investments are based on the most recent available NTA as presented in the table above.

10. PAYABLES

	2012 (\$'000s)	2011 (\$'000s)
Accrued expenses	442	1,003
GST payable	-	3
Total payables	442	1,006

11. INTEREST BEARING LIABILITIES

At 30 June 2012, the Fund had a fully drawn cash advance (revolving) facility ("Facility") of \$7.8 million with the Overseas-Chinese Banking Corporation Limited ("OCBC") (30 June 2011: \$25.95 million) which expires on 31 December 2012.

The Facility is subject to the following repayment schedule:

- \$3.1 million on 30 September 2012;
- \$4.7 million on 31 December 2012.

The interest margin remains at 4.00% and the line fee remains at 1.10% as at 30 June 2012.

The Fund has some cash reserves to meet part of the 30 September 2012 and 31 December 2012 repayments. The Responsible Entity is in discussions with OCBC and other financiers in regards to refinancing the OCBC facility. The Responsible Entity is also actively working on alternative financing options which may include selling assets to meet scheduled repayments.

Considering current market conditions, the Responsible Entity decided to leave the current \$7.8 million floating rate debt facility unhedged. The Directors and Management continue to monitor and review this hedge position.

12. COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

Placement fee income

The Fund invests in a number of unlisted property securities for which a placement fee is receivable, contingent upon holding the securities until a specified date. A contingent asset of \$0.1 million relates to such placement fees (2011: \$0.1 million) over the three year period to 2013.

13. SEGMENT INFORMATION

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Fund invests in real estate related securities.

As at 30 June 2012, the Fund's investments are all domiciled in Australia. However, a small number of the listed and unlisted property securities in which the Fund has an investment do hold direct real estate outside Australia. The Fund does not look through the underlying investments of its investee funds in determining segment disclosures.

14. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2012 (\$'000s)	2011 (\$'000s)
Net operating loss for the year	(8,441)	(4,647)
Adjustment for:		
Net unrealised (gain)/loss on:		
Investments	6,531	4,633
Derivative financial instruments	-	(525)
Net realised gain/loss on investments	2,059	(214)
Borrowing costs paid	2,284	3,668
	2,433	2,915
Change in assets and liabilities during the year		
Change in payables	(564)	184
Change in receivables	(503)	131
Cash flows from operating activities	1,366	3,230

15. RELATED PARTIES

Responsible Entity

The Responsible Entity of MacarthurCook Property Securities Fund is MacarthurCook Fund Management Limited (ABN 79 004 956 558) whose ultimate Holding Company is AIMS Group Holdings Pty Ltd (formerly known as AIMS Securities Holdings Pty Ltd) (ABN 13 137 063 113). AIMS Group Holdings Pty Ltd is incorporated in Australia.

The Responsible Entity is entitled to a Management fee of 0.45% per annum of the Fund value which is calculated based on the gross asset value in accordance with the Fund Constitution.

(a) Remuneration of Directors and Key Management Personnel

The Fund does not employ personnel in its own right. The Fund is required to have an incorporated Responsible Entity to manage the activities of the Fund and key management personnel of the Responsible Entity are considered to be the key management personnel of the Fund.

The Directors and Executives of the Responsible Entity who held positions in the twelve months to 30 June 2012 are:

- George Wang - Managing Director (appointed 14 July 2009) and Executive Chairman (appointed 7 August 2009)
- Richard Nott – Non-Executive Independent Director and Chairman of the Audit Committee (appointed 5 August 2010)
- Jim Miltiadis – Head of Compliance (appointed 1 November 2010, retired 30 May 2012)
- Moni An – Company Secretary (appointed 16 July 2010)
- Michael Goldman – Fund Manager (appointed 3 March 2011)

The Fund does not pay any compensation directly to any of the Directors or key management personnel of the Responsible Entity.

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

(b) Responsible Entity fees and other transactions

	2012 (\$'000s)	2011 (\$'000s)
Management fee expense	332,038	409,400
Fund expenses reimbursed to the Responsible Entity	147,572	181,956

In accordance with the Fund Constitution, the Responsible Entity is reimbursed for all expenses reasonably and properly incurred in connection with the Fund or in performing its obligations under the Fund's Constitution.

Following the close of the Entitlement Offer, \$620,844 in accrued management fees were paid to the Responsible Entity. At the reporting date, \$391,103 (2011: \$952,586) was owing to the Responsible Entity and included in Payables.

(c) Related party transactions

All transactions with related parties are conducted on normal commercial terms and conditions. From time to time, the Responsible Entity or its director-related entities may buy or sell units in the Fund. These transactions are subject to the same terms and conditions as those entered into by other Fund investors and are subject to corporate governance policies of AIMS Financial Group.

Related party investments held by the Fund

The Fund may purchase and sell units in other approved funds managed by the Responsible Entity in the ordinary course of business at application and redemption prices calculated in accordance with the constitution of those Funds.

Details of the Fund's investments in other funds operated by the Responsible Entity are set out below.

30 June 2012 Entity	Units held	Net fair value	Interest held	Units purchased	Units sold	Distribution received/ receivable
	('000s)	(\$'000s)	%	(\$'000s)	('000s)	(\$'000s)
MacarthurCook Office Property Trust (Wholesale Units)	10,258	3,375	35.07	-	-	-
Total		3,375				-

30 June 2011 Entity	Units held	Net fair value	Interest held	Units purchased	Units sold	Distribution received/ receivable
	('000s)	(\$'000s)	%	(\$'000s)	('000s)	(\$'000s)
MacarthurCook Office Property Trust (Wholesale Units)	10,258	2,716	35.07	-	-	-
Total		2,716				-

The Fund holds 10.26 million (35.07%) units in MacarthurCook Office Property Trust. At the time of purchase, this unit holding represented 19.97% of the units on issue. The Fund has not acquired any additional units.

All transactions with related parties are conducted on normal commercial terms and conditions. From time to time the Responsible Entity or its director-related entities may buy or sell units in the Fund. These transactions are subject to the same terms and conditions as those entered into by other Fund investors and are subject to corporate governance policies of AIMS Financial Group.

Units in the Fund held by Directors

At the date of this report, details of direct holdings in the Fund by Directors are set out below (30 June 2011: no Directors directly held an interest in the Fund):

30 June 2012

Director	Unit holding ('000s)	Interest held %	Units acquired	Units redeemed ('000s)	Distribution paid/payable ('000s)
Richard Nott	2,000	0.55	2,000	-	-
John Love	2,000	0.55	2,000	-	-
	4,000	1.10	4,000	-	-

Units in the Fund held by related parties

Details of holdings in the Fund by the Responsible Entity, other funds operated by the Responsible Entity and other related parties are set out below:

30 June 2012 Entity	Relationship	Unit Holding ('000s)	Interest Held	Units Issued	Units Redeemed	Distribution Paid/Payable (\$'000s)
MacarthurCook Fund Management Ltd	Responsible Entity	-	-	-	4,891	-
MacarthurCook Office Property Trust	Other Related Party	13,829	3.83	13,829	-	-
MacarthurCook Diversified Property Income Fund	Common Responsible Entity	-	-	-	3,372	-
AIMS Group Holdings Pty Ltd (formerly AIMS Securities Holdings Pty Ltd)*	Responsible Entity's Parent Company	79,902	22.12	72,170	-	-
Total		93,731	25.95	85,999	8,263	-

*Mr George Wang is a Director of AIMS Group Holdings Pty Ltd, the parent company of the Fund's Responsible Entity.

30 June 2011 Entity	Relationship	Unit Holding ('000s)	Interest Held	Units Issued	Units Redeemed	Distribution Paid/Payable (\$'000s)
MacarthurCook Fund Management Ltd	Responsible Entity	4,891	2.53	629	-	-
MacarthurCook Diversified Property Income Fund	Common Responsible Entity	3,372	1.74	-	-	-
AIMS Group Holdings Pty Ltd (formerly AIMS Securities Holdings Pty Ltd)*	Responsible Entity's Parent Company	7,732	4.00	7,732	-	-
MCK Management Pty Ltd (formerly MacarthurCook Pty Ltd)	Responsible Entity's Parent Company	-	-	-	629	-
Total		15,995	8.27	8,361	629	-

At 30 June 2012, the Responsible Entity also held 1,752,605 Deferred Units (2011: 1,752,605) issued at \$0.00001 per unit. A Deferred Unit carries no voting rights and no right to participate in any distribution from the Fund until it converts into an Ordinary Unit. The Deferred Units will only convert into Ordinary Units on the terms set out in the Fund's Constitution. Performance fees are paid to the Responsible Entity by converting a number of Deferred Units into Ordinary Units. Performance fees are detailed in Note 3(f).

16. FINANCIAL INSTRUMENTS

The following disclosures in relation to the various risks of the Fund's portfolio have been based on the Fund's direct holdings. The Fund's financial instruments can comprise listed and unlisted equity investments in other funds that it intends to hold for an indefinite period of time and interest rate swaps in accordance with its published investment strategy.

Asset allocation as between the various types of financial instruments detailed above is determined by the Fund Manager who manages the investment of the assets to achieve the Fund's investment objectives. Divergence from target asset allocations and the composition of the portfolio is monitored by the Fund Manager.

The Fund'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 Fund is exposed are market risk, credit risk and liquidity risk.

The nature and extent of the financial instruments employed by the Fund are discussed below. This note presents information about the Fund's exposure to each of the above risks, the Fund's objectives, policies and processes for measuring and managing risk.

The Board of Directors of the Responsible Entity has overall responsibility for the establishment and oversight of the Fund's risk management framework.

The Board has established an Audit Risk and Compliance Committee which is responsible for developing and monitoring the Fund's risk management policies, including those related to its investment activities.

The Responsible Entity's risk management policies are established to identify and analyse the risks faced by the Fund, including those risks managed by the Fund Manager, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Audit Risk and Compliance Committee oversees how management monitors compliance with the Fund's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Fund's income or the value of its holdings of financial instruments. Market risk embodies the potential for both losses and gains. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Fund is invested in Australian domiciled unlisted property trusts that include exposure to real estate in the US, Poland, Greece and New Zealand. The Fund has no direct exposure to foreign currency risk.

Indirectly, some of the Fund's investments are exposed to foreign currencies. As at 30 June 2012, investments exposed to foreign currencies represent approximately 11% of the portfolio. The return on these investments will depend on the currency hedging strategy employed by those managers. It is not the Fund's policy to implement any currency hedges for these types of exposures.

Price risk

Price risk is the risk that the value of the Fund's investment portfolio will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

As the majority of the Fund's financial instruments are carried at fair value with fair value changes recognised in the profit or loss, all changes in market conditions will directly affect net investment income.

This risk is managed by ensuring that all activities are transacted in accordance with the Fund's investment policy and within approved limits. The Fund Manager's approach to mitigating price risk is by constructing a diversified portfolio of investments by underlying fund manager, geography and real estate sector.

Notes to the Financial Statements *Continued*

Price sensitivity analysis

Under normal circumstances the Fund will invest in listed and unlisted real estate securities and the allocation at each year end was as follows:

	% of investment assets	
	2012	2011
Listed real estate securities	5.7%	1%
Unlisted real estate securities	94.3%	99%

The following table illustrates the effect on net assets attributable to Unitholders from possible changes in price risk that were reasonably possible based on the risk that the Fund was exposed to at reporting date:

2012	Change in variable +/-	Effect on net assets attributable to Unitholders +/-	
		2012 (\$'000s)	2011 Cents per unit
Net asset value of fund	10%	5,801	1.61

The 2012 price sensitivity table above demonstrates that a 10% decrease in the carrying values of all of the investments held by the Fund would result in a decrease of \$5.8 million (or 11%) in the net asset value of the Fund.

2011	Change in variable +/-	Effect on net assets attributable to Unitholders +/-	
		2011 (\$'000s)	2011 Cents per unit
Net asset value of fund	10%	7,717	3.99

The look through gearing of the Fund is 58% as at 30 June 2012 (2011: 66%). In calculating the "look through" gearing, the Fund's interest in the underlying investments are proportionally consolidated based on the Fund's ownership interest in the debt and gross assets in each of the underlying investments.

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 Fund's activities expose it to the financial risk of changes in interest rates. Floating rate instruments expose the Fund to cash flow risk, whereas fixed rate instruments expose the Fund to fair value interest rate risk.

The tables below detail the Fund's exposure to interest rate risk at the reporting date.

	Carrying amount		Weighted average interest rate	
	2012 (\$'000s)	2011 (\$'000s)	2012 % p.a.	2011 % p.a.
Floating rate instruments				
FINANCIAL ASSETS				
Cash and cash equivalents	1,966	5,659	3.24	4.11
FINANCIAL LIABILITIES				
Interest bearing liabilities	(7,800)	(25,950)	8.79	9.05
Total	(5,834)	(20,291)		

Interest rate sensitivity

The sensitivity analysis below has been determined based on the Fund's exposure to interest rates at the reporting date and stipulated change taking place at the beginning of the year and held constant throughout the reporting period, in the case of instruments that have floating interest rates. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

(i) Fair value interest rate sensitivity

The Fund does not hold any fixed rate financial instruments or account for fixed rate financial instruments at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would have a nil impact on profit or loss.

(ii) Cash flow interest rate sensitivity

The following information illustrates the effect on net assets attributable to Unitholders from possible changes in price risk that were reasonably possible based on the risk that the Fund was exposed to at reporting date:

	Change in variable +/-	Effect on net assets attributable to Unitholders +/-	
		2012 (\$'000s)	2011 (\$'000s)
Interest rate risk	100bps	58	203

The methods and assumptions used to prepare the sensitivity analysis have not changed during the year.

(b) Liquidity risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund's unlisted property securities are considered to be long-term investments which have a variety of investment terms ranging from one to six years. These investments are not readily realisable other than at the redemption dates of the relevant fund. The Fund's listed property securities are considered to be realisable as they are all listed on the Australian Securities Exchange.

The following tables summarise the maturity profile of the Fund's financial liabilities. The tables have been populated based on the discounted cash flows of financial liabilities based on the earliest date on which the Fund can be required to pay. The tables include both interest and principal cash flows.

Notes to the Financial Statements *Continued*

	Carrying amount (\$'000s)	Contractual cash flows (\$'000s)	At call (\$'000s)	Less than 1 year (\$'000s)	1-5 years (\$'000s)	5+ years (\$'000s)
2012						
LIABILITIES						
Interest bearing liabilities ¹	7,800	8,143	-	8,143	-	-
Accounts payable	442	442	-	442	-	-
Total	8,242	8,585	-	8,585	-	-
2011						
LIABILITIES						
Interest bearing liabilities ¹	25,950	27,118	-	27,118	-	-
Accounts payable	1,009	1,009	-	1,009	-	-
Total	26,959	28,127	-	28,127	-	-

¹ On 19 December 2011 the facility was extended to 31 December 2012.

(c) Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge its obligation or commitment that it has entered into with the Fund.

At 30 June 2012, the following financial assets were exposed to credit risk: facility agreements of its underlying securities and other receivables.

The carrying amount of financial assets best represents the maximum credit risk exposure at the reporting date. As at 30 June 2012 no receivables were past due or impaired (2011: \$nil).

Substantially all of the cash held by the Fund is held with National Australia Bank. Bankruptcy or insolvency of the bank may cause the Fund's rights with respect to the cash held to be delayed or limited. The Fund monitors its risk by monitoring the financial position of the bank through its earnings releases and credit ratings. The risk is considered slight based on the preferential position of depositors ahead of creditors and shareholders. If the credit quality or the financial position of the bank deteriorates significantly the Fund Manager will move the cash holdings to another bank.

(d) Fair value disclosure

The carrying amount of all financial assets and liabilities as at 30 June 2012 and 30 June 2011 were considered to approximate their fair value.

Estimation of fair values

The major methods and assumptions used in estimating the fair values of financial instruments are disclosed in Note 3(b) (iv) of the Summary of significant accounting policies.

At 30 June 2012, the carrying amounts of equity investments for which fair values were determined directly, in full or in part, by reference to published price quotations amounted to \$3,317,000 (2011: \$638,000). The carrying amounts of investments for which fair values were determined by referencing to the net tangible assets as at year end amounted to \$54,690,000 (2011: \$76,531,000).

The table below analyses financial instruments carried at fair value, by valuation method.

The different levels have been defined as follows:

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

30 June 2012	Level 1 (\$'000s)	Level 2 (\$'000s)	Level 3 (\$'000s)	Total (\$'000s)
Listed property securities	3,317	-	-	3,317
Unlisted property securities	-	-	54,690	54,690
Total	3,317	-	54,690	58,007

30 June 2011	Level 1 (\$'000s)	Level 2 (\$'000s)	Level 3 (\$'000s)	Total (\$'000s)
Listed property securities	638	-	-	638
Unlisted property securities	-	-	76,531	76,531
Total	638	-	76,531	77,169

Reconciliation of Level 3 fair value measurements of financial instruments:

Financial assets	2012 (\$'000s)	2011 (\$'000s)
Opening balance at 1 July	76,531	89,457
Change in fair value	(10,711)	(8,478)
Disposals	(11,130)	(4,448)
Closing balance at 30 June	54,690	76,531

17. EVENTS SUBSEQUENT TO REPORTING DATE

On 10 August 2012, Justice Hammerschlag delivered a judgement in favour of the Responsible Entity in relation to the claim lodged on behalf of the Fund against TFML Limited, the responsible entity of P-REIT (see page 22 in the Directors' Report for more details). On 17 August 2012, Justice Hammerschlag made orders in favour of the Responsible Entity in the sum of \$17,764,204 including pre-judgement interest. TFML Limited was also ordered to pay the Responsible Entity's costs in relation to the proceedings. No asset and income has been recognised for the claim in the financial statements as at 30 June 2012. TFML Limited has told the Court it intends to appeal and will apply for an order staying execution of the judgement. If TFML Limited is successful in obtaining a stay of execution, the Responsible Entity will be required to await determination of the appeal before the amount due under the judgement is recovered. The Responsible Entity will continue to provide regular updates to Unitholders through market announcements and investor correspondence as any material developments occur.

Other than the P-REIT case above, there has not arisen in the interval between the end of the financial year and the date of this Report any item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to affect significantly the operations of the Fund, the results of those operations, or the state of affairs of the Fund, in future financial years.

Director's Declaration

for the year ended 30 June 2012

In the opinion of the Directors of MacarthurCook Fund Management Limited, the Responsible Entity of MacarthurCook Property Securities Fund ("the Fund"):

- (a) the Financial Statements and Notes set out on pages 24 to 41 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Fund as at 30 June 2012 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*;
- (b) the Financial Report also complies with International Financial Reporting Standards as disclosed in Note 2 (a);
- (c) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.
- (d) the directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the chief executive officer and chief financial officer for the financial year ended 30 June 2012.

Signed in accordance with a resolution of the Directors of the Responsible Entity, MacarthurCook Fund Management Limited.



Mr George Wang
Executive Chairman

MacarthurCook Fund Management Limited
Sydney
28 August 2012

Independent auditor's report



Independent auditor's report to the unitholders of MacarthurCook Property Securities Fund

Report on the financial report

We have audited the accompanying financial report of MacarthurCook Property Securities Fund (the Scheme), which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 17 comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the financial report

The directors of MacarthurCook Fund Management Limited (the Responsible Entity) are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In note 2(a), the directors of the Responsible Entity also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

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. Those 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 of the financial report that gives a true and fair view 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, a true and fair view which is consistent with our understanding of the Scheme's financial position, and of its performance.

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

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.



Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of MacarthurCook Property Securities Fund is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Scheme's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2(a).

Emphasis of matters

Material uncertainty regarding the estimation of the fair value of investments

Without modification to our audit opinion, we draw attention to note 9 to the financial statements. Due to three of the net tangible asset valuations not being provided by the fund managers as at 30 June 2012, the Fund has used the most recent valuation as the best estimate in determining the value of the investment in unlisted and frozen schemes. The value of these investments amounted to \$8.083 million. The receipt of the 30 June 2012 net tangible asset value from the fund managers of these schemes may result in a valuation that is materially different to the valuation used.

As disclosed in note 9, the amount of \$54.69 million as at 30 June 2012 represents the best estimate of fair value of investments in unlisted and frozen schemes. The valuation of the investments will vary in line with the changes in the net tangible asset value of the underlying schemes. The liquidity of the investments is subject to the underlying schemes' performance and/or their ability to sell down assets. As such, although the directors of the MacarthurCook Fund Management Limited, the Responsible Entity of the Fund, consider this amount to represent the best estimate of fair value as at 30 June 2012, it should be noted that uncertainty exists as to the timing of the cash flows and whether the full amount of the investments will be realised.



Material uncertainty regarding the loan facility

Without modification to our audit opinion, we draw attention to note 2(e) and note 9 to the financial statements. The Fund is dependent on the ongoing provision of its loan facility. We note that the existing loan facility expires on 31 December 2012. As discussed in Note 2(e), the Responsible Entity (MacarthurCook Fund Management Limited) has been considering a number of options to refinance or repay the existing loan facility. The outcome of these options, however, cannot presently be determined with certainty. As disclosed in note 9, the net tangible asset value provided by the fund managers is considered by the Directors to be the best estimate of the fair value of the Fund's unlisted investment portfolio (\$54.69 million) as at 30 June 2012. In the event that replacement finance or refinancing cannot be obtained a sell down of assets may need to occur to repay debt and sales values achieved may be materially below the fair values estimated in the accounts.

KPMG

Darren Scammell
Partner

Melbourne

28 August 2012

Unitholder Information

as at 30 June 2012

RANGE OF UNITS SNAPSHOT

Range	Total holders	Units	% of issued capital
1 - 1,000	87	27,878	0.01
1,001 - 5,000	215	766,360	0.21
5,001 - 10,000	333	2,772,867	0.77
10,001 - 100,000	1,108	36,278,298	10.04
100,001 - 999,999,999	229	321,369,054	88.97
1,000,000,000 - 9,999,999,999	0	0	0.00
Rounding			0.00
Total	1,972	361,214,457	100.00

UNMARKETABLE PARCELS

	Minimum parcel size	Holders	Units
Minimum \$500.00 parcel at \$0.0510 per unit	9,804	544	2,657,533

TOP 20 UNITHOLDERS

Rank	Name	Units	% of Units
1.	AIMS GROUP HOLDINGS PTY LTD	79,902,301	22.12
2.	THE CENTRAL DEPOSITORY (PTE) LIMITED	75,978,776	21.03
3.	PELORUS PROPERTY INVESTMENTS LIMITED	17,950,000	4.97
4.	JP MORGAN NOMINEES AUSTRALIA LIMITED <CASH INCOME A/C>	14,210,540	3.93
5.	PERPETUAL TRUSTEE COMPANY LIMITED <MCK OFFICE PROPERTY A/C>	13,829,260	3.83
6.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	11,694,207	3.24
7.	J P MORGAN NOMINEES AUSTRALIA LIMITED	9,131,619	2.53
8.	MR MICHEL GEERDINK	7,369,899	2.04
9.	MS JIANFEI YU	3,706,959	1.03
10.	NOONBAH PTY LTD <NOONBAH S/F A/C>	3,690,000	1.02
11.	MR PAUL CUNNINGHAM	3,470,000	0.96
12.	EXCALIBUR TRADING PTY LTD	3,405,771	0.94
13.	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	2,729,607	0.76
14.	MR JOHN ROBERT LOVE	2,000,000	0.55
15.	ZHAOFENG PROPERTY MANAGEMENT LIMITED	1,985,823	0.55
16.	NATIONAL NOMINEES LIMITED	1,833,352	0.51
17.	MS THELMA JOAN MARTIN-WEBER	1,666,666	0.46
18.	MRS LEANNE MARIANI	1,516,353	0.42
19.	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	1,399,668	0.39
20.	MR DARRELL HUNTER RANDALL	1,398,945	0.39
Totals: Top 20 holders of FULLY PAID ORDINARY UNITS (TOTAL)		258,869,746	71.67
Total remaining holders' balance		102,344,711	28.33

Corporate Directory

Responsible Entity

MacarthurCook Fund Management Limited
ABN 79 004 956 558

Head Office and Registered Office

Level 16, 323 Castlereagh St
Sydney NSW 2000
Australia

Phone: +61 2 9217 2727

Fax: +61 2 9281 7611

Email: mail@macarthurcook.com.au

Directors of the Responsible Entity

Mr George Wang
Executive Chairman

Mr John Love
Non-Executive Independent Director

Mr Richard Nott
Non-Executive Independent Director
Chairman of Audit Committee

Ms Moni An
Company Secretary

Auditors

KPMG
147 Collins Street
Melbourne VIC 3000
Australia

Compliance Plan Auditor

KPMG
147 Collins Street
Melbourne VIC 3000
Australia

Securities Exchanges

Australian Securities Exchange Limited (ASX)
Melbourne VIC 3000

Singapore Exchange Limited (SGX)
Singapore 068804

Securities Exchanges Codes

MPS (ASX)
MacCookPSF (SGX)

Unit Registrar

Australia

Computershare Investors Services Pty Limited
Yarra Falls 452 Johnston Street
Abbotsford VIC 3067

Phone: +61 3 9415 4349

Toll free (within Australia): 1300 728 429

Singapore

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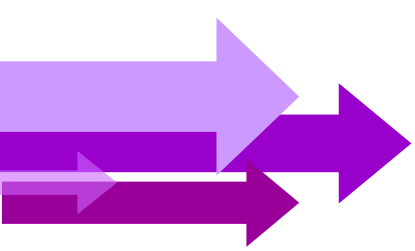
www.macarthurcook.com.au



MacarthurCook Property Securities Fund

Annual Results Presentation
August 2012





Review of Financial Year 2012

- The Australian investment markets experienced significant fluctuations during the year to 30 June 2012 as investor's confidence rose and fell with each new development in relation to the European debt crisis, mixed economic news from the US and a potential slowdown in growth in China
- These challenging conditions continue to impact the MacarthurCook Property Securities Fund (the **Fund**)
- The Fund recorded a net loss of \$8.4 million for the financial year to 30 June 2012 compared to a net loss of \$4.6 million for the previous financial year
 - Includes unrealised and realised losses of \$8.6 million (June 2011: \$3.9 million) from revaluations and realisations of the Fund's investment portfolio
 - Unrealised loss in P-REIT of \$4.4 million significantly contributed to the Fund's overall unrealised losses
- The Fund reduced its gearing from 31.1% to 12.8% as at 30 June 2012, with look through gearing down to 58.1% from 66% last year
- The Fund increased its units on issue from 193,518,175 to 361,214,457 as a result of the \$5.83 million Entitlement Offer in May 2012
- The Fund intends to recommence regular distributions during 2013 subject to refinancing the OCBC facility
- On 17 August 2012, TFML Limited, as responsible entity of P-REIT was ordered to pay the Fund damages and interest of \$17,764,204, which equates to 4.92 cents per unit
- Based on the last traded price of 6.3 cents on 27 August 2012, the Fund is trading at a 56.9% discount to the 30 June 2012 NTA per unit



Fund Comparison to Prior Year

Key highlight for FY2012 was to reduce gearing from 31.1% to 12.8%

	30 June 2012	30 June 2011
Operating loss	(\$8.4) million	(\$4.6) million
ASX Closing Unit Price (27 August 2012)	\$0.063	\$0.115
52 Week Hi/Low Unit Price	\$0.13/\$0.034	\$0.125/\$0.074
Number of Units on Issue	361,214,457	193,518,175
NTA per Unit	\$0.146 ¹	\$0.292
Market Capitalisation	\$22.76 million	\$22.25 million
Number of unlisted investments	17	28
Value of unlisted investments	\$54.69 million	\$76.53 million
Number of listed investments	3	1
Value of listed investments	\$3.317 million	\$0.638 million
Total Assets	\$61.033 million	\$83.385 million
Gearing (interest bearing liabilities/total assets)	12.8%	31.1%
Look through gearing	58.1%	66%
Management fee expense	\$332,038 ²	\$409,400

Notes

1. See Page 9 for details of the change in NTA
2. At 30 June 2012, \$391,103 was still owing to the Responsible Entity

Financial Position – as at 30 June 2012



Capitalisation Metrics

Closing Unit Price (27 August 2012)	\$0.063
x Units on Issue	361.2m
Equity Market Capitalisation	\$22.76m
Add: Total Debt	\$7.80m
Less: Cash & cash equivalents	\$1.97m
Total Enterprise Value	\$28.59m

Unitholder Register as at 20 August 2012

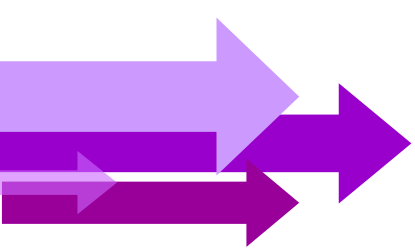
AIMS Group Holding Limited	22.12%
The Central Depository Limited	20.76%
Pelorus Property Investments Limited	4.99%
MacarthurCook Office Property Trust	3.83%
JP Morgan Nominees Australia Limited	3.82%
HSBC Custody Nominees (Australia) Ltd	3.04%
JP Morgan Nominees Australia Limited	2.53%
Mr Michel Geerdnik	2.15%
Excalibur Trading Pty Ltd	1.12%
Ms Jainfei Yu	1.03%
Top 20 Holders	71.52%
Responsible Entity & Associates	27.3%

Debt Position

Debt Balance (30 June 2011)	\$25.95m
Maturity Date	31/12/12
Margin	4%
Balance Sheet Gearing (30 June 2011)	31.1%
Total Repayments	\$18.15m
Debt Balance (30 June 2012)	\$7.8m
Balance Sheet Gearing (30 June 2012)	12.7%
Cash & cash equivalents	\$1.97m
Net Debt (as at 30 June 2012)	\$5.83m
Net Debt / Value of Investments	10.05%

Balance Sheet

Total Assets	\$61.033m
Total Liabilities	\$8.242m
Cash & cash equivalents	\$1.966m
Total Debt	\$7.8m
Net Debt	\$5.83m
Unitholders Equity	\$52.791m
NTA per Unit	\$0.1462
Look Through Gearing	58.1%
Balance Sheet Gearing	12.8%



Entitlement Offer Summary

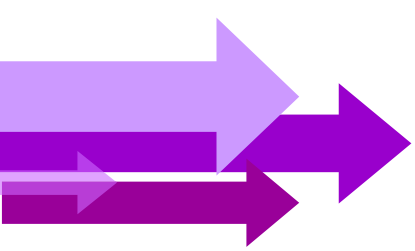
- The Responsible Entity's objective was to structure an Entitlement Offer that would result in as wide a participation from all Eligible Unitholders as possible
- We are delighted with the participation rate of 95.4% from all Eligible Unitholders
- We are particularly pleased with the take up from Central Depository (Pte) Limited (CDP) Account Holders in Singapore, who over-subscribed for their pro rata entitlement by nearly 1.25 times
- We greatly appreciate the support and confidence that all Eligible Unitholders have shown in our ability to manage the Fund during such a challenging period since taking over from our predecessor
- AIMS Group Holdings Pty Ltd (AIMS), subscribed for the shortfall of 7,659,251 New Units through the Sub-Underwriting arrangements, which resulted in an increase in their holding from 19.99% (pre Entitlement Offer) to 22.12% (post Entitlement Offer)

Entitlement Offer Statistics

New Units issued under the Entitlement Offer	167,706,282
Total New Units applied for by Eligible Unitholders under the Entitlement Offer	160,047,031⁽¹⁾
New Units issued to Eligible Unitholders in Australia and New Zealand	120,644,775
New Units issued to CDP Account Holders	39,302,609
Take Up Rate of all Eligible Unitholders	95.4%
Take Up Rate of Eligible Unitholders in Australia and New Zealand	88.8%
Take Up Rate of CDP Account Holders	123.7%
AIMS' interest in the Fund post Entitlement Offer	22.12%

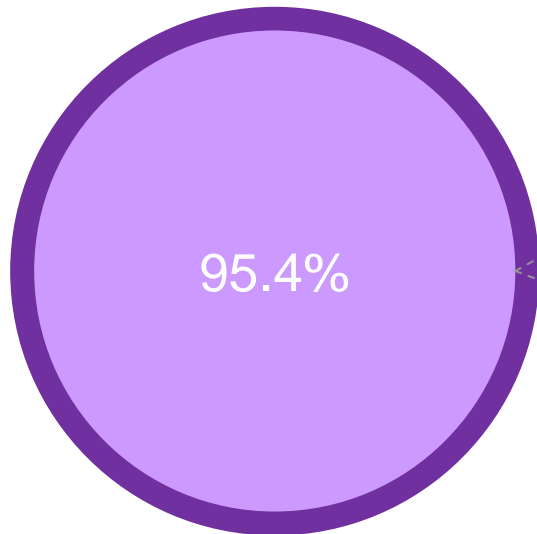
NOTES

1. The Total New Units applied for under the Entitlement Offer includes 99,647 Ineligible Units sold by BBY Limited in its capacity as nominee under section 615 of the Act on behalf of members of the Fund whose addresses, as shown on the register of the Fund, are places outside Australia, New Zealand and Singapore

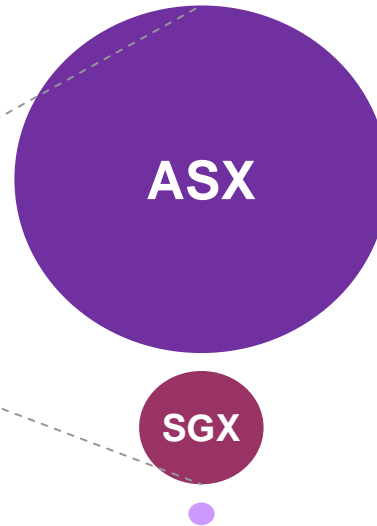


Participation in the Entitlement Offer

Participation by Eligible Unitholders



Breakdown of Eligible Unitholders



Entitlement⁽¹⁾: 135.9m New Units
Application: 120.6m New + Additional Units
Participation Rate: 88.8%

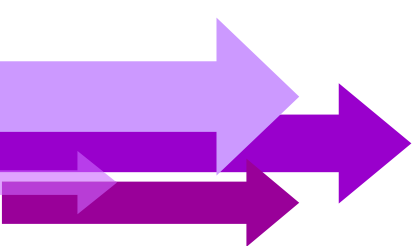
Entitlement⁽²⁾: 31.8m New Units
Application: 39.3m New + Additional Units
Participation Rate: 123.7%

- Total New Units issued under the Entitlement Offer
- New & Additional Units subscribed for under the Entitlement Offer

- Total New & Additional Units subscribed for by Eligible Unitholders in Australia and New Zealand
- Total New & Additional Units subscribed for by CDP Account Holders
- Total New Units subscribed for by AIMS as sub-underwriter for the Entitlement Offer

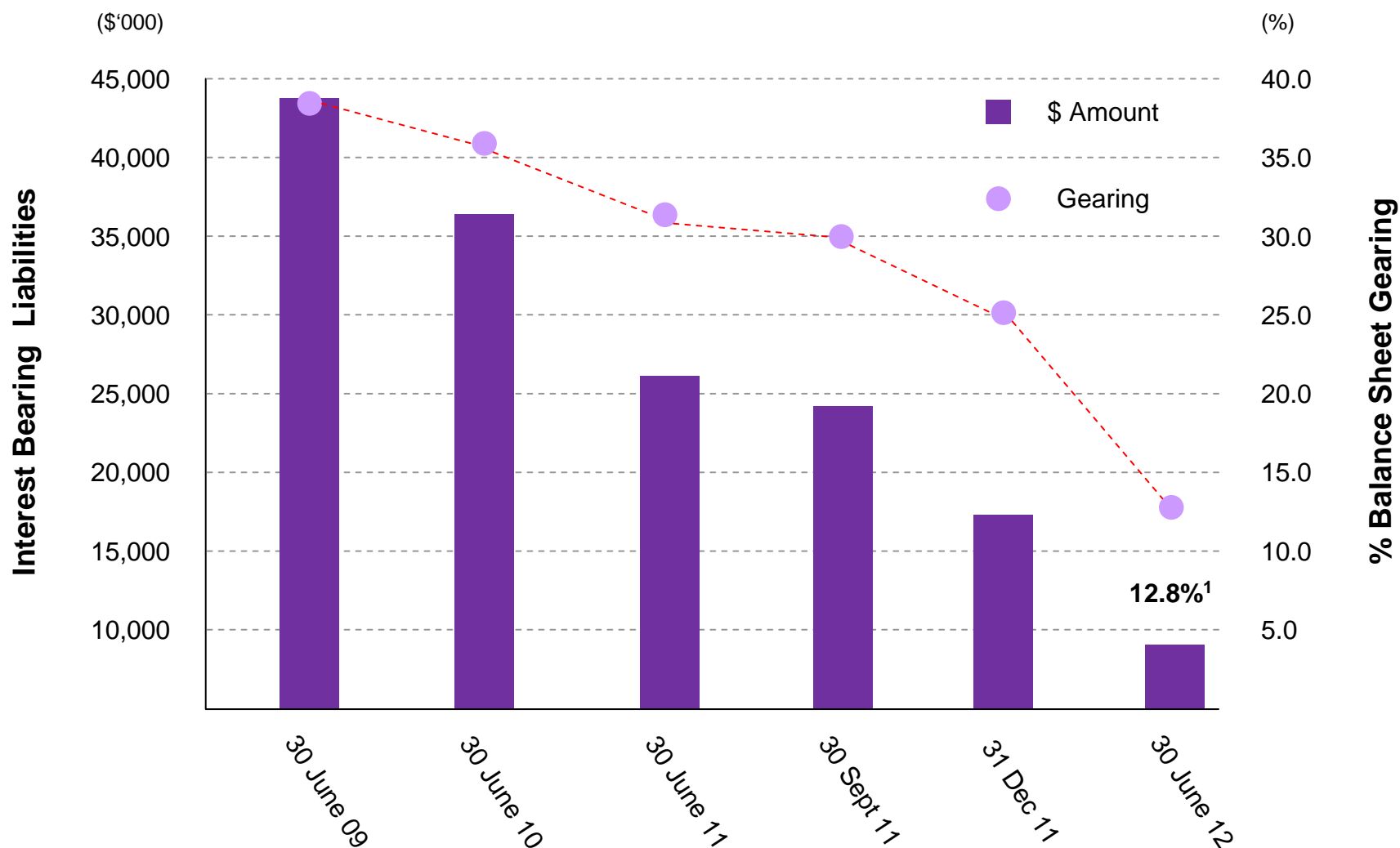
NOTES

1. Entitlement of New Units under the Offer for those Eligible Unitholders who invest via the ASX
2. Entitlement of New Units under the Offer for those Eligible Unitholders who invest via the SGX



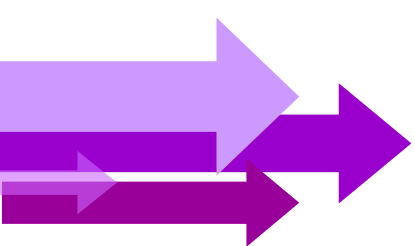
Fund Balance Sheet Gearing

The Responsible Entity's primary focus remains stabilising the Fund's balance sheet

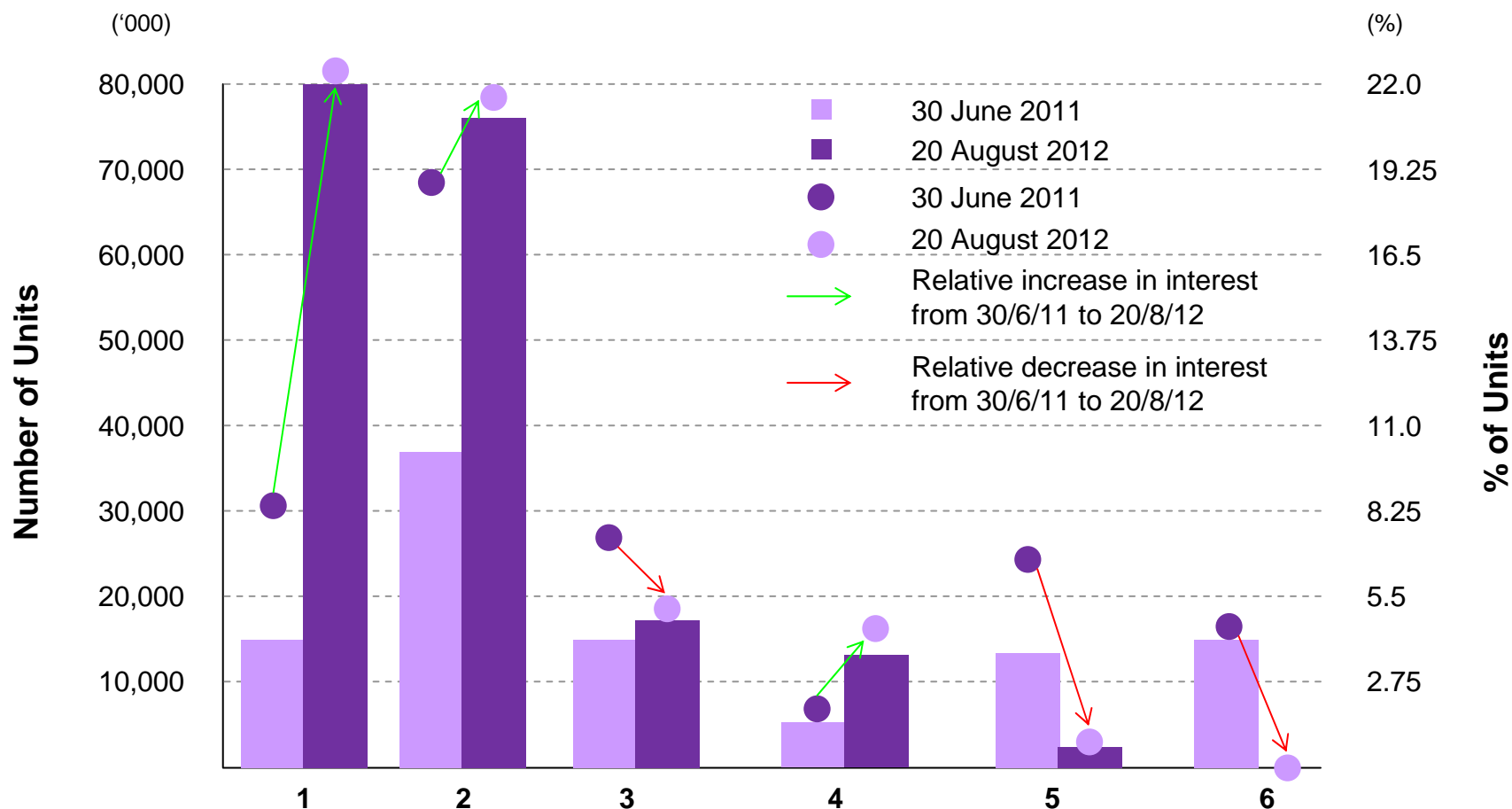


NOTES

1. Total Assets excludes any allowance for the judgement of \$17,764,204 against TFML Limited



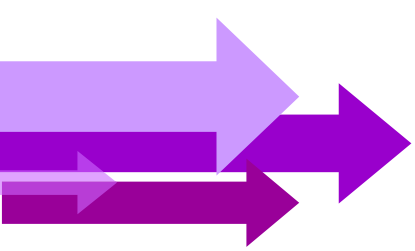
Significant Movement in Unitholders



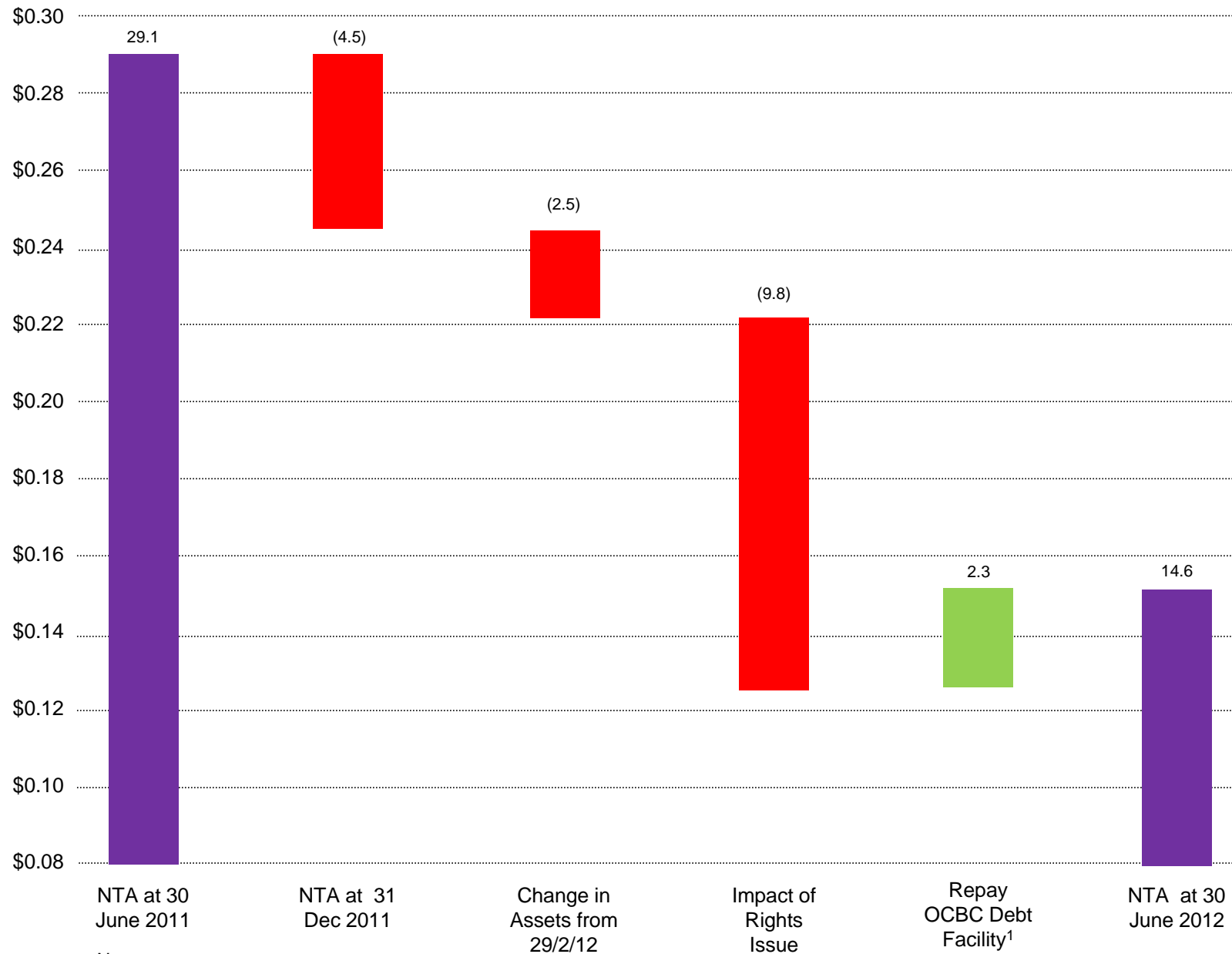
Rank	Name	Rank	Name
1.	AIMS Group Holdings Pty Ltd	4.	MacarthurCook Office Property Trust ¹
2.	The Central Depository (PTE) Limited	5.	Zhaofeng Property Management Limited
3.	Pelorus Property Investments Limited	6.	Laxey Partners Ltd

Notes

1. Formerly held by MacarthurCook Diversified Property Income Fund

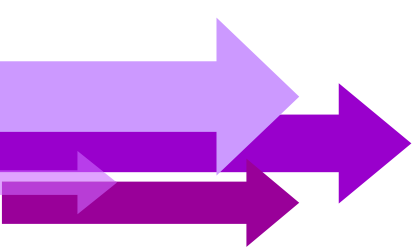


NTA Reconciliation



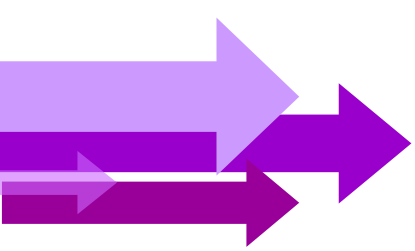
Notes

1.Reduction of OCBC debt facility from \$12.2 million on 20 June 2012 to \$7.8 million as at 30 June 2012



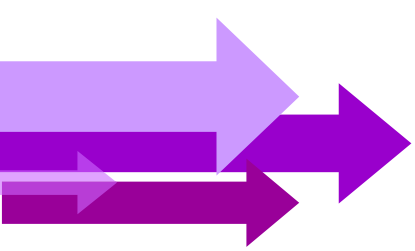
Significant Portfolio Events

- Distribution income
 - 2% increase in distribution income from the Fund's investment portfolio compared to the prior financial year
 - A number of investments have recommenced distributions and/or have lower costs of borrowings
 - The Fund sold or redeemed its interest in a number of investments which was unlikely to pay an income distribution in the foreseeable future such as the MAB Diversified Property Trust
 - The outlook for distribution income continues to improve as some of the underlying investments reinstated distributions after resolving their debt issues through assets sales or recapitalising the balance sheet
- Unlisted valuations
 - The value of the Fund's unlisted investment portfolio decreased to \$54.69 million compared to \$76.53 million last year, representing a fall of 28.5%
 - The decline in value of the unlisted portfolio comprises mainly:
 - Return of Capital (\$3.9 million)
 - Sale proceeds (\$6.7 million)
 - Unrealised loss (\$1.75 million)
 - Realised loss (\$2.0 million)
 - Change in P-REIT from unlisted to ASX listed (\$7.5 million)
- Listed valuations
 - In October 2011, P-REIT was listed on the ASX at an issue price of \$0.25 per unit, which compares to the last traded price on 27 August 2012 of 7.6 cents per unit, a fall of 69.6%
- Debt repayments
 - Net proceeds from the liquidation of select investments together with the Entitlement Offer have been used to reduce the Fund's debt facility with OCBC
 - The Fund's debt reduced from \$25.95 million to \$7.8 million representing a fall in gearing from 31.1% to 12.8%



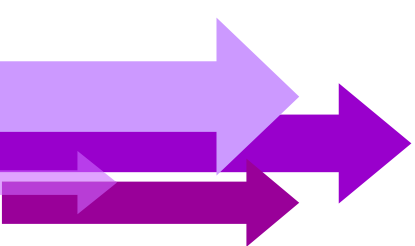
Litigation with TFML Limited

- MPS holds 10.9% in P-REIT (formerly known as the Reed Property Trust)
- The majority of this investment is held in 15 million preferred equity units redeemable for A\$1.00 per unit valued at A\$15.0 million
- The redemption dates for these units were in November 2008 and December 2008
- On 10 August 2012, MCKFM announced a successful outcome in its litigation against TFML Limited, the responsible entity of P-REIT
- On 17 August 2012 Justice Hammerschlag in the Supreme Court of NSW made orders in favour of MCKFM in the sum of \$17,764,204 including pre judgement interest
- Justice Hammerschlag also ordered TFML Limited pay MCKFM's costs in the proceedings
- The Fund's NTA is 14.62 cents per unit as at 30 June 2012
- This figure excludes any allowance for the judgement sum against TFML Limited of \$17,764,204, which equates to 4.92 cents per unit
- Based on the last traded price of 6.3 cents on 27 August 2012, MPS is trading at a 56.9% discount to the 30 June 2012 NTA and a 67.8% discount to the adjusted NTA per unit (including the TFML judgement allowance)
- TFML Limited intends to appeal and has applied for an order (to be heard by Justice Hammerschlag in the Supreme Court of NSW on Friday, 31 August 2012) staying the execution of the judgement until the appeal is determined
- MCKFM will update the ASX of any further developments in the proceedings in due course



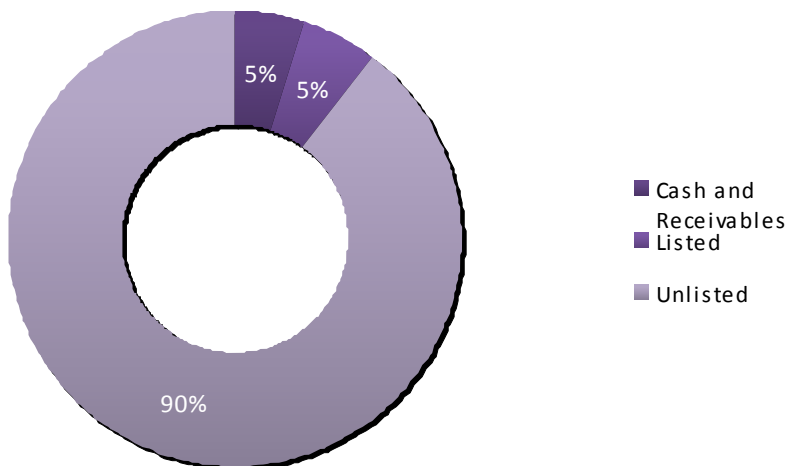
Fund's Strategy

- Since AIMS took over MacarthurCook Limited in August 2009, the Responsible Entity's strategy has been to reduce the OCBC Debt Facility to stabilise the Fund's balance sheet
- Since August 2009, the OCBC Debt Facility has been reduced from \$44.5 million to \$7.8 million as at 30 June 2012
- The Responsible Entity will continue with the strategy of reducing the OCBC Debt Facility
- There are a number of material events that are expected to occur during FY2013 that will allow the Fund to further reduce the outstanding debt amount however at this stage the timing is uncertain. For example:
 - Unitholders voted to wind up Stockland Direct Office Trust No. 3, which MPS has a 6.7% interest;
 - Unitholders voted to wind up APGF Real Estate Investment Trust, which MPS has a 2.6% interest;
 - Centro MCS 33 intend to provide unitholders with a liquidity event on or around 30 September 2012, the termination date of the syndicate; and
 - Toga Accommodation Fund have engaged an external advisor to sell its Australia hotel portfolio
- We will continue to work closely with all of the underlying managers to ensure the best outcome is achieved for our investors
- In addition, we are working on other initiatives, which will be disclosed in due course, that are designed to maximise the returns for our investors
- In FY2013, if the OCBC Debt Facility has been repaid or refinanced on acceptable terms, the Responsible Entity intends to recommence regular income distributions
- Our primary objective is to provide investors with regular income and potential for capital growth and continue to fulfil our obligation to protect investors' interest in the Fund

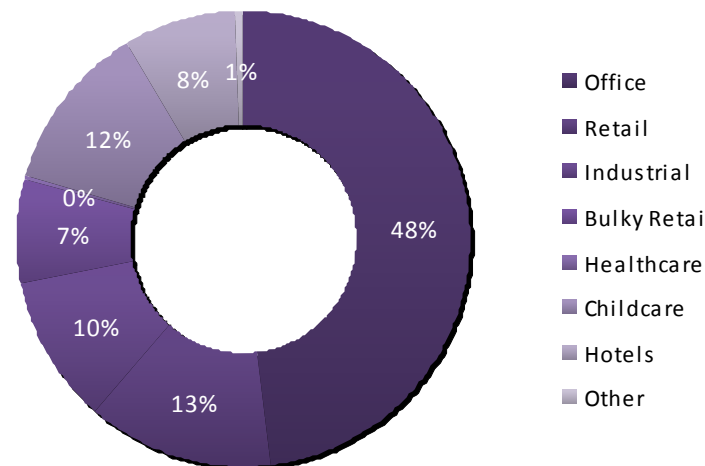


Portfolio Analysis

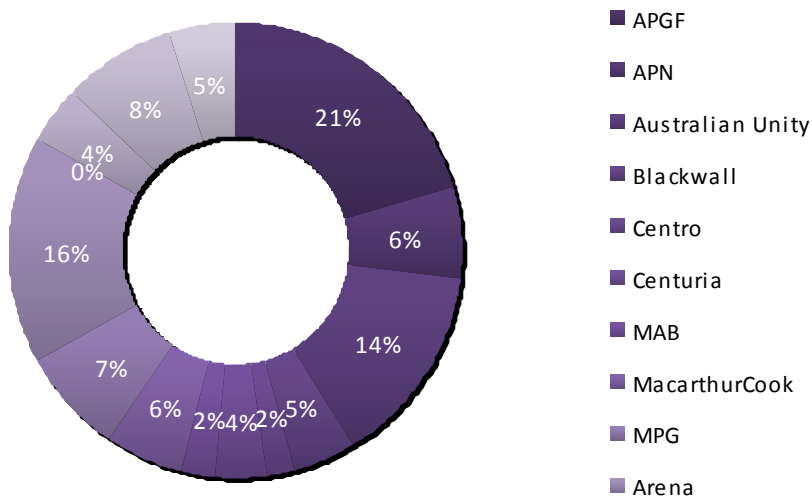
Portfolio by Asset



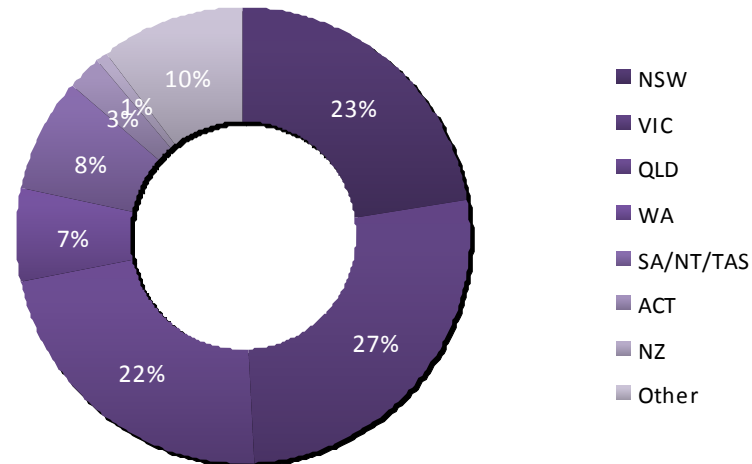
Portfolio by Sector



Portfolio by Manager

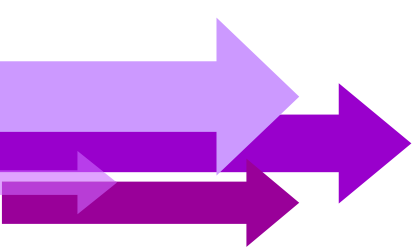


Portfolio by Region



Investment Portfolio – as at 30 June 2012

Investment	Sector	Fund Size (A\$m)	Investment Allocation (%)	Fund Ownership of Vehicle (%)	Distribution Yield	Investment Value (\$m)	Term Expiry
Unlisted Securities							
PFA Diversified Property Trust	Diversified	\$544.00	15.74%	4.9%	8.8%	\$9,131,941	Review 30 June 2018
Australian Unity Office Property Fund	Office	\$306.48	14.37%	5.8%	7.9%	\$8,333,860	Open-ended
Arena Childcare Property Trust	Childcare	\$226.10	11.78%	5.1%	8.2%	\$6,836,002	Open-ended
Centuria Direct Property Fund	Diversified	\$14.00	3.77%	18.0%	0.0%	\$2,184,000	20-Aug-13
APN Champion Retail Fund	Retail	\$77.75	5.23%	14.4%	0.0%	\$3,032,800	1-Oct-13
Toga Accommodation Fund	Hotels	\$290.00	7.93%	3.7%	5.4%	\$4,600,000	31-Dec-12
MPG Bulky Goods Retail Trust	Retail	\$52.90	7.24%	19.7%	7.2%	\$4,202,000	31-Mar-13
MacarthurCook Office Property Trust	Office	\$15.12	5.82%	35.1%	N/A	\$3,375,006	Open-ended
Rimcorp Property Trust - No. 4	Industrial	\$32.04	4.76%	19.7%	3.3%	\$2,760,000	18-Dec-13
Arena Commercial Office Fund	Office	\$318.13	4.57%	2.0%	N/A	\$2,649,500	Open-ended
Stockland Direct Office Trust No.3	Office	\$96.92	4.14%	6.7%	N/A	\$2,400,000	30-Jun-14
Austgrowth Property Syndicate #23	Office	\$26.00	2.23%	18.9%	0.0%	\$1,295,000	21-Dec-12
Centro MCS 33	Retail	\$143.73	1.84%	1.5%	4.2%	\$1,065,000	30-Sep-12
MAB International Retail Trust	Retail	\$57.02	2.29%	9.2%	4.4%	\$1,330,000	7-Mar-14
APGF Real Estate Investment Trust	Diversified	\$121.16	1.51%	2.6%	0.0%	\$876,432	Open-ended
Domaine Hunter Fund	Diversified	\$6.21	1.07%	14.0%	N/A	\$618,200	Open-ended
APN/UKA Poland Retail Trust	Retail	\$40.50	0.00%	18.5%	N/A	\$0	1-Dec-16
Total Unlisted Investments			94.3%			\$54,689,741	
Listed Securities							
Blackwall Property Funds Limited	Diversified	\$10.51	0.48%	5.4%		\$276,200	Listed
P-REIT	Diversified	\$123.14	4.09%	10.9%	0.0%	\$2,371,097	Listed
APN Regional Property Fund	Diversified	\$57.51	1.16%	9.8%	0.0%	\$670,000	Listed
Total Listed Investments			5.72%			\$3,317,297	
TOTAL INVESTMENTS		2,559.23	100%			\$58,007,038	



AIMS' Track Record

Since AIMS acquired MacarthurCook Ltd in August 2009, we have focused on maximising the value of each fund in the group while protecting unitholder interests

MacarthurCook Industrial Property Fund (MIF)

- After taking control of MIF, AIMS successfully reduced gearing and reinstated distributions;
- Resulting in an increase in the NTA per unit and the trading price on the ASX almost doubling from \$0.17 to \$0.31;
- These improvements attracted offers from a number of global real estate investors for the A\$106m portfolio;
- In May 2010, REIT Management & Research LLC, which manages over \$US21 billion of real estate across 5 publicly traded vehicles, made a A\$0.41 per unit cash offer, which subsequently rose to A\$0.44 per unit;
- In June 2010, MIF unitholders voted overwhelmingly in favour to accept the final cash offer and MIF was delisted from the ASX (and renamed CWH (Australia) Trust) and MFML remains the responsible entity;
- The portfolio has now grown to circa A\$300m.



Select properties from CWH (Australia) Trust

1. 320 Pitt St, Sydney, NSW 2. 44 Mandan St, Villawood, NSW 3. 9-13 Titanium Court, Crestmead, QLD 4. 16 Rodborough Rd, Frenchs Forest, NSW 5. 22 Rodborough Rd, Frenchs Forest, NSW.

AIMS' Track Record



Overview – AIMS AMP Capital Industrial REIT

AIMS AMP Capital Industrial REIT	3QFY10	4QFY12
No. of properties	21	25
Total Assets	S\$658.2	S\$939.0m
Investment properties	S\$631.1m	S\$930.9m
Market capitalisation	S\$60.0m	S\$583.6m ¹
Gearing	44.7%	28.8%
DPU	N/A	8.0% ¹
Rating (S&P)	N/A	BBB-

NOTES

1. Based on closing price of S\$1.31 per unit on 27 August 2012

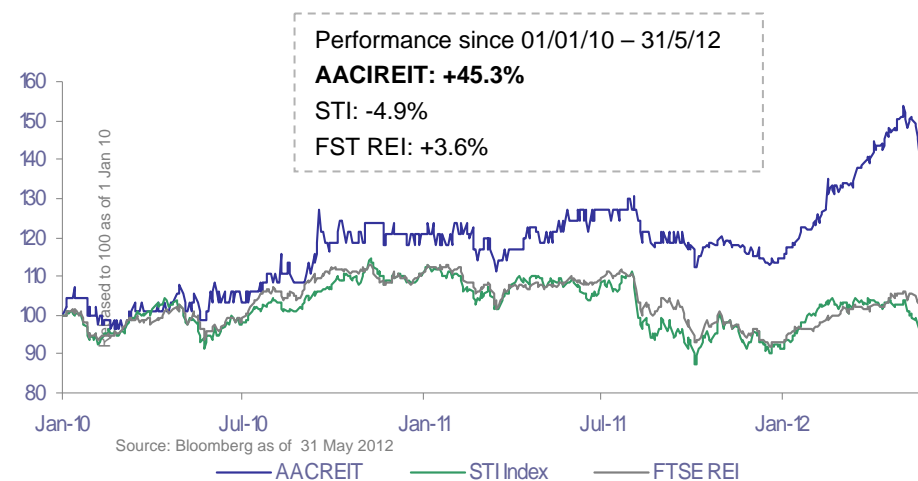
Substantial unitholders as at 30 April 2012

Investor Total Returns	%
Investors since IPO (19/4/07 – 31/3/12)	-4.0%
Institutional investors (23/10/09 – 31/3/12) ⁽¹⁾	20.5%
Retail investors (1/01/10 – 31/3/12) ⁽²⁾	16.0%

NOTES

- Assuming participation in Placement in Nov 09, Rights Issue in Dec 09, Rights Issue in Oct 10, Placement in Feb 11 & reinvestment of distribution
- Assuming participation in Rights Issue in Oct 10 & reinvestment of distributions

Price Performance^{1,2}



NOTES

- Assumes dividends reinvested
- Price is adjusted for Equity Transactions

Substantial unitholders as at 30 April 2012

Name	% Interest
AMP Capital Investors Limited	14.34%
Dragon Pacific Assets Limited	11.92%
APG Algemene Pensioen	9.37%
Universities Superannuation Scheme	7.23%
AIMS Group	6.99%