



**LEX Retail Property Trust
(ARSN 115 789 243)**

**Responsible Entity:
LEX Property Management Limited
(ABN 53 111 779 689)**

**Annual Financial Report
30 June 2007**

Contents

DIRECTORS' REPORT	2
AUDITORS' INDEPENDENCE DECLARATION	5
INCOME STATEMENT	6
BALANCE SHEET	7
CASH FLOW STATEMENT	8
STATEMENT OF CHANGES IN EQUITY	9
1 CORPORATE INFORMATION	10
2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	10
3 REVENUES	13
4 OTHER EXPENSES	13
5 RESPONSIBLE ENTITY'S FEES	14
6 DISTRIBUTIONS PAID OR PAYABLE	14
7 INVESTMENT PROPERTY	15
8 CASH AND CASH EQUIVALENTS	16
9 TRADE AND OTHER RECEIVABLES (CURRENT)	17
10 OTHER FINANCIAL ASSETS	17
11 BORROWING COSTS (NON CURRENT)	17
12 TRADE AND OTHER PAYABLES (CURRENT)	18
13 INTEREST BEARING BORROWINGS	18
14 UNIT CAPITAL	18
15 UNDISTRIBUTED INCOME	19
16 CAPITAL DISTRIBUTION RESERVE	19
17 NET TANGIBLE ASSET VALUE PER UNIT	19
18 FINANCIAL INSTRUMENTS	20
19 COMMITMENTS AND CONTINGENCIES	21
20 RELATED PARTY DISCLOSURES	22
21 AUDITORS' REMUNERATION	23
22 DIRECTOR DISCLOSURES	23
23 SUBSEQUENT EVENTS	24
DIRECTORS' DECLARATION	25
AUDIT REPORT	26

DIRECTORS' REPORT

In accordance with the Corporations Act 2001 and the Australian Accounting Standards Board, the Directors of LEX Property Management Limited (ABN 53 111 779 689), the Responsible Entity of LEX Retail Property Trust ("the Fund") a managed investment scheme (ARSN 115 789 243), provide this report for the year ended 30 June 2007.

DIRECTORS

The names, details and qualifications of the directors in office during the year and until the date of this report are below. Directors were in office for this entire period unless otherwise stated.

Alan W Tribe CPA, FCCA

Non Executive Director and Chairman

Over 29 years experience in a broad range of commercial roles in Australia and overseas. He became Managing Director of Cebas Pty Ltd (the IKEA franchisee for South Australia and Western Australia) in 1997 and maintains overall control of retail operations and the performance of the retail business with specific responsibility for the planning and development of Cebas' franchise expansion opportunities. He has broad experience in corporate matters in both the public and private sectors. He is an associate of The Queensgate Trust which is the major shareholder of the Responsible Entity and unitholder of the Fund.

Nicholas C Wyatt BA (Hons), ACA (UK)

Managing Director

A Chartered Accountant from the UK, who has worked in commerce and industry for over 16 years and gained an exposure to a range of industries. During this time, he has developed his career through various finance and company secretarial functions into broader operational and corporate management roles, more recently specialising in acquisitions, property development and corporate finance opportunities. He is an associate of The Bridgewater Trust which is a shareholder of the Responsible Entity and a unitholder of the Fund. As Managing Director, he has overseen all aspects of the Responsible Entity's formation and strategic growth to date, including the structuring, debt-funding and capital raising completed for both the Fund and LEX Property Fund.

Stephen R Dixon B.Bus, CPA

Director – Funds Management

A CPA with broad experience in all aspects of fund management with specific experience in managing listed property trusts, unlisted property trusts, property excluded offers, life insurance, superannuation, retail and wholesale managed funds. Extensive experience through a variety of previous roles with Armstrong Jones, Guardian Funds Management Limited, Acumen Capital Limited. He was a founding shareholder and director of Macro Funds Limited, a shareholder of the Responsible Entity. As Director – Funds Management, he has a focus on product structuring, capital raising and operational matters.

Peter M Morrison CPA

Non Executive Director

A CPA with over 23 years experience in the funds management industry. Joining Armstrong Jones in 1980, he gained experience across all funds management business units including listed and unlisted property trusts, mortgage funds and managed investment funds. Following roles at Oakvale Capital Limited and Settlers Lifestyle Limited, he became a founding shareholder and director of Macro Funds Limited, a shareholder of the Responsible Entity.

DIRECTORS' INTERESTS

Details of the interests of the directors in the units of the Fund at the end of the year are set out below:

	2007		2006	
	<i>Directly</i>	<i>Indirectly</i>	<i>Directly</i>	<i>Indirectly</i>
Specified Directors				
Alan W Tribe	1,182,468	2,600,100	1,182,468	2,600,100
Nicholas C Wyatt	100,000	240,000	100,000	240,000
Stephen R Dixon	-	75,000	-	75,000
Peter M Morrison	-	250,000	-	250,000

PRINCIPAL ACTIVITY

The Fund is a managed investment scheme, which was registered with ASIC on 26 August 2005. The Fund was established by the Responsible Entity for the purpose of developing a purpose-built IKEA store in Adelaide, South Australia to be leased to the IKEA franchise for that state.

REVIEW AND RESULTS OF OPERATIONS

The tenant occupied the building on 14 March 2006 and commenced the payment of rent from that date. The IKEA store itself was formally opened to the public by the tenant and commenced trading on 20 April 2006.

Distributions for the quarter ended 30 September 2006, 31 December 2006 and 31 March 2007 were paid to unitholders in the year ended 30 June 2007. The distribution for the quarter ended 30 June 2007 was paid on 20 July 2007. Cash distributions paid to unitholders for the year ended 30 June 2007 amounted to 9.95 cents per unit.

The Directors obtained an independent valuation of the property as at 30 June 2007 of \$49,500,000, \$4,400,000 higher than the previous valuation. This revaluation is the primary reason for the increase in net tangible asset value per unit from \$1.00 to \$1.22 in the year.

The total cash distribution paid (9.95 cents per unit), together with the increased net asset value per unit (21.55 cents per unit) produced a total unitholder return of 31.5 cents per unit in the year, equivalent to 31.5% of the issue price of units issued pursuant to the Product Disclosure Statement dated 9 September 2005.

SUBSEQUENT EVENTS AFTER THE BALANCE SHEET DATE

On 19 July 2007, the Directors resolved to reduce the Fund's borrowings with National Australia Bank ("NAB") from \$24,770,000 to \$24,400,000 through the application of surplus cash funds. This repayment will reduce interest payments over the term of the loan.

On the same date, the Fund's bill facility limit with NAB was reduced from \$25,500,000 to \$24,600,000.

On 20 July 2007, cash payments totalling \$549,643 (2.6425 cents per unit) were made to all unitholders for the quarter ending 30 June 2007.

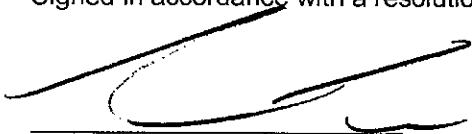
ROUNDING

The amounts contained in the annual financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Fund under ASIC Class Order 98/0100. LEX Retail Property Trust is an entity to which the Class Order applies.

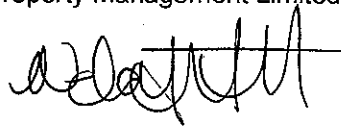
AUDITORS' INDEPENDENCE DECLARATION

In accordance with Section 307C of the Corporations Act 2001, the Directors have obtained a declaration of independence from PKF Chartered Accountants, the entity's auditors. The declaration of independence is at page 5 of this report.

Signed in accordance with a resolution of the Directors of LEX Property Management Limited:



Alan W Tribe
Chairman
Perth, 24 September 2007



Nicholas C Wyatt
Managing Director

AUDITOR'S INDEPENDENCE DECLARATION

As lead engagement partner for the audit of LEX Retail Property Trust for the year ended 30 June 2007, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the independence requirements of 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.



PKF
Chartered Accountants



Ian Olson
Partner

Dated at Perth, Western Australia this 24th day of September 2007

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Income Statement

FOR THE YEAR ENDED 30 JUNE 2007

	<i>Notes</i>	2007 \$'000	2006 \$'000
Continuing Operations			
Revenue			
Rental income	3	5,142	1,520
Other property income		488	54
Interest income		42	81
Fair value adjustment to investment property	7	4,613	5,068
Total revenue		<u>10,285</u>	<u>6,723</u>
Property ground rent		(992)	(293)
Other property expenses		(488)	(54)
Responsible entity's fees	5	(348)	(213)
Administrative expenses	4(a)	(56)	(32)
Other expenses	4(b)	(23)	(19)
Net profit from continuing operations before finance costs		<u>8,378</u>	<u>6,112</u>
Finance costs	4(c)	(1,730)	(506)
Net profit from continuing operations attributable to unitholders of the LEX Retail Property Trust		<u>6,648</u>	<u>5,606</u>

STATEMENT OF DISTRIBUTION

Undistributed income at the beginning of the financial period		5,068	-
Net profit attributable to unitholders of the LEX Retail Property Trust		6,648	5,606
Distributions paid or payable	6	(2,035)	(538)
Undistributed income at the end of the financial period	15	<u>9,681</u>	<u>5,068</u>

The income statement is to be read in conjunction with the attached notes.

Balance Sheet

AS AT 30 JUNE 2007

	<i>Notes</i>	<i>2007</i>	<i>2006</i>
		<i>\$'000</i>	<i>\$'000</i>
ASSETS			
Current Assets			
Cash and cash equivalents	8	1,594	1,325
Trade and other receivables	9	-	3
Other financial assets	10	209	206
Total Current Assets		<u>1,803</u>	<u>1,534</u>
Non Current Assets			
Investment property	7	49,500	45,100
Borrowing costs	11	159	204
Total Non Current Assets		<u>49,659</u>	<u>45,304</u>
TOTAL ASSETS		<u>51,462</u>	<u>46,838</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	12	835	872
Distributions payable	6	576	483
Total Current Liabilities		<u>1,411</u>	<u>1,355</u>
Non Current Liabilities			
Interest bearing borrowings	13	24,770	24,770
Unit capital	14	15,675	15,675
Total Non Current Liabilities		<u>40,445</u>	<u>40,445</u>
TOTAL LIABILITIES		<u>41,856</u>	<u>41,800</u>
NET ASSETS		<u>9,606</u>	<u>5,038</u>
UNITHOLDERS' EQUITY			
Equity attributable to unitholders of LEX Retail Property Trust			
Undistributed income	15	9,681	5,068
Capital distribution reserve	16	(75)	(30)
TOTAL UNITHOLDERS' EQUITY		<u>9,606</u>	<u>5,038</u>
Net tangible asset value per unit	17	<u>\$1.22</u>	<u>\$1.00</u>

The balance sheet is to be read in conjunction with the attached notes.

Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2007

	<i>Notes</i>	2007 \$'000	2006 \$'000
Cash flows from operating activities			
Receipts from customers		6,463	5,102
Payments to suppliers		(2,200)	(371)
Payments to responsible entity		(373)	(213)
Interest received		42	81
Interest paid		(1,676)	(600)
Net cash flows from operating activities	8	<u>2,256</u>	<u>3,999</u>
Cash flows from investing activities			
Payment of investment property costs		-	(37,257)
Payment of borrowing costs		-	(172)
Net cash flows used in investing activities		<u>-</u>	<u>(37,429)</u>
Cash flows from financing activities			
Proceeds from issue of units		-	18,140
Costs of issuing units		-	(1,477)
Proceeds from borrowings – related company loans		-	10,962
Repayments of borrowings – related company loans		-	(17,250)
Proceeds from borrowings – external		-	24,770
Distributions paid		(1,987)	(808)
Net cash flows from financing activities		<u>(1,987)</u>	<u>34,337</u>
Net increase in cash and cash equivalents		269	907
Cash and cash equivalents at beginning of period		1,325	418
Cash and cash equivalents at end of period	8	<u>1,594</u>	<u>1,325</u>

The cash flow statement is to be read in conjunction with the attached notes.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2007

	<i>Undistributed income</i> \$'000	<i>Capital distribution reserve</i> \$'000	\$'000
Balance at 1 July 2005	-	-	-
Net profit for the year	5,606	-	5,606
Capital distributions payable	-	(30)	(30)
Income distributions payable	(538)	-	(538)
Balance at 30 June 2006	5,068	(30)	5,038
Net profit for the year	6,648	-	6,648
Capital distributions payable	-	(45)	(45)
Income distributions payable	(2,035)	-	(2,035)
Balance at 30 June 2007	9,681	(75)	9,606

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

1 CORPORATE INFORMATION

The financial report of the LEX Retail Property Trust (“the Fund”) for the year ended 30 June 2007 was authorised for issue in accordance with a resolution of the directors of LEX Property Management Limited (“the Responsible Entity”) on 24 September 2007.

The Fund is a managed investment scheme with its main asset being an investment property situated on land leased under long term lease arrangements with a third party.

The investment property is constructed on the leased land and is a purpose-built IKEA store in Adelaide, South Australia. The investment property is leased to Cebas Pty Ltd (“Cebas”), the IKEA franchisee for South Australia and Western Australia.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and Interpretations (AASB’s) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. International Financial Reporting Standards (IFRS) form the basis of Australian Accounting Standards adopted by AASB. The financial report has also been prepared on a historical cost basis, except for the investment property which has been measured at fair value.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$’000) unless otherwise stated under the option available to the Fund under ASIC Class Order 98/100. The Fund is an entity to which the class order applies.

(b) Changes to accounting standards, not yet adopted

Certain Australian Accounting Standards and UIG interpretations have recently been issued or amended but are not yet effective. These standards have not been adopted by the Fund for the year ended 30 June 2007. Amendments issued affecting the Fund are outlined below:

Reference	Title	Summary	Application date of standard	Impact on the Fund’s financial report	Application date for the Fund
AASB 101	Presentation of Financial Statements (Revised).	Removes Australian specific requirements for AASB 101, but incorporates amendments made on the introduction of AASB 7 surrounding the disclosure of the entity’s objectives, policies and processes for managing capital.	1 July 2007	AASB 101 is a disclosure standard, so will have no direct impact on amounts in the financial report. However amendments will result in changes in disclosures in the financial report.	1 July 2007
AASB 2005-10	Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]	Amendments arise from the release in August 2005 of AASB 7 Financial Instruments: Disclosures.	1 July 2007	AASB 7 is a disclosure standard so will have no direct impact on the amounts included in the Fund’s financial statements. However, the amendments will result in changes to the financial instrument disclosures included in the Fund’s financial report.	1 July 2007

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

Reference	Title	Summary	Application date of standard	Impact on the Fund's financial report	Application date for the Fund
AASB 7	Financial Instruments: Disclosures.	New standard replacing disclosure requirements of AASB 132.	1 July 2007	As above.	1 July 2007
AASB 123	Borrowing Costs (Revised).	Eliminates the option of expensing borrowing costs relating to qualifying assets, instead requiring capitalisation. Transitional provisions require prospective application to borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after application date. An entity may however, designate any date before the application date and apply the Standard to borrowing costs relating to all qualifying assets for which the commencement date for capitalisation is on or after that date.	1 July 2009	Unless the Fund becomes involved in a qualifying asset in future periods; amendments are not expected to have any impact on the financial report.	1 July 2009
AASB 2007-6	Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12].	These amendments arise from the issuance in June 2007 of a revised AASB 123 Borrowing Costs.	1 July 2009	As above.	1 July 2009

(c) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured.

The following specific recognition criteria must also be met before revenue is recognised:

Rental Income

Rental income is recognised as income when receivable under the terms of the relevant lease agreement.

Interest Income

Interest income is recognised as income when control of the right to receive the interest payment is attained.

(d) Borrowing costs

Borrowing costs are recognised as an expense when incurred with the exception of charges in relation to the establishment, arrangement and documentation of loans. These debt funding costs are deferred and amortised over five years, being the period of the loan following practical completion of the investment property.

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

For the purposes of the Cash Flow Statement, cash and cash equivalents are as defined above.

(f) Trade and other receivables

Trade receivables have less than 90 day terms and are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

(g) Investment property

The investment property represents an investment interest in land and buildings held for the purpose of producing rental income.

Land, buildings and integral fixed assets are considered to have the function of an investment and are therefore regarded as a composite asset. Accounting Standards do not require investment properties to be depreciated. Accordingly, the buildings and components thereof (including plant and equipment) are not depreciated.

Initially, the investment property was measured at cost including transaction costs.

Subsequent to initial recognition and, from the date of practical completion of the investment property asset, the investment property is stated at fair value.

Fair value is determined by independent valuations of property investments which are obtained at intervals of not more than three years. Notwithstanding this, the Directors of the Responsible Entity assess the carrying value at each reporting period to ensure carrying values do not differ materially from fair values. When carrying value differs from fair values, those assets are adjusted to their fair value.

A revaluation increment is credited directly to the income statement.

Expenditure capitalised as leasehold improvements includes the cost of acquisition, capital and refurbishment additions, and during development includes rates, taxes, financing charges and related fees incurred, and net of sundry cost recoveries.

Where assets have been revalued, the potential effect of CGT on disposal has not been taken into account in the determination of the revalued carrying amount because the Fund does not expect to be ultimately liable for CGT in respect of assets.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

Any gains or losses on the derecognition of an investment property are recognised in the income statement in the period of derecognition. Any potential effect of CGT on derecognition of an investment property has not been taken into account because the Fund does not expect to be ultimately liable for CGT in respect of assets.

(h) Interest bearing borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

(i) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreements so as to reflect the risks and benefits incidental to ownership.

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

Operating Leases

The minimum rental revenues of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased items, are included in the determination of the net profit in equal instalments over the lease term.

(j) Unit capital

Unit capital represents receipts from unitholders, less the capital raising costs.

Pursuant to AASB 132, unitholders' funds are recognised as liabilities rather than equity as the Fund's Constitution contains a perpetuity clause.

(k) Capital raising costs

All costs directly related to the raising of equity funds for the Fund are offset against unitholders' equity as a reduction of proceeds from the issue of units in accordance with AASB 132.

(l) Taxation

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

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax ("GST") except where the GST incurred on a purchase of goods or services is not recoverable from the taxation authority.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables in the Balance Sheet.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

3 RENTAL INCOME

	2007	2006
	\$'000	\$'000
Property rent	5,142	1,520

4 OTHER EXPENSES

(a) Administrative Expenses

	2007	2006
	\$'000	\$'000
Professional fees	44	30
Other administrative expenses	12	2
	56	32

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

(b) Other Expenses

	2007 \$'000	2006 \$'000
Custodian's fees	16	13
Compliance committee fees	7	6
	<u>23</u>	<u>19</u>

(c) Finance Costs

	2007 \$'000	2006 \$'000
Interest charges and fees – banks	1,685	476
Amortisation of debt funding costs	45	30
	<u>1,730</u>	<u>506</u>

5 RESPONSIBLE ENTITY'S FEES

	2007 \$'000	2006 \$'000
Management fees	348	213
Capital raising arrangement fees	-	122
Issuer fees	-	1,352
	<u>348</u>	<u>1,687</u>

Management fees

The Responsible Entity is entitled to a monthly fee of up to 1% per annum (plus GST) of the gross asset value of the Fund but has agreed to waive part of this fee and accept a fee of 0.75% per annum (plus GST) in the years ended 30 June 2006 and 2007 respectively.

Capital raising arrangement fees

The Responsible Entity is entitled to be reimbursed for any expenses incurred in establishing and operating the Fund.

Issuer fees

The Responsible Entity is entitled to a fee of up to 5% per annum (plus GST) of money raised or borrowed by the Fund but agreed to waive part of this fee, and accept a fee of 3% (plus GST) in the year ended 30 June 2006.

6 DISTRIBUTIONS PAID OR PAYABLE

	30 June 2007 \$'000	30 June 2006 \$'000
(a) Distributions payable		
At 1 July 2006	483	8
Distributions paid or payable to unitholders (note 6(b))	2,080	1,283
Cash distributions paid to unitholders (note 6(c))	(1,987)	(808)
At 30 June 2007	<u>576</u>	<u>483</u>

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

	30 June 2007 \$'000	30 June 2006 \$'000
(b) Distributions paid or payable to unitholders		
30 June 2006		
Net profit attributable to unitholders	-	538
Amortisation of debt funding costs	-	30
Return of capital	-	715
30 June 2007		
Net profit attributable to unitholders	2,035	-
Amortisation of debt funding costs	45	-
	<u>2,080</u>	<u>1,283</u>

	30 June 2007 Cents per unit	30 June 2006 Cents per unit	30 June 2007 \$'000	30 June 2006 \$'000
(c) Cash distributions paid to unitholders				
30 June 2006				
June 2005 income distribution	-	0.0385	-	8
December 2005 return of capital	-	1.6274	-	338
March 2006 return of capital	-	1.8125	-	377
March 2006 income distribution	-	0.4087	-	85
30 June 2007				
June 2006 income distribution	2.0996	-	437	-
June 2006 capital distribution	0.1442	-	30	-
September 2006 income distribution*	2.3750	-	494	-
December 2006 income distribution*	2.3750	-	494	-
March 2007 income distribution*	2.5575	-	532	-
	<u>9.5513</u>	<u>3.8871</u>	<u>1,987</u>	<u>808</u>

*A further payment for the 2007 quarter was made to unitholders of 2.6425 cents per unit on 20 July 2007, producing a total cash distribution for the year ended 30 June 2007 of 9.95 cents per unit.

Income distributions

Income distributions represent distributions from the profit attributable to unitholders of the Fund.

Capital distributions

Capital distributions relate to amortisation arising from establishment fees associated with the debt.

7 INVESTMENT PROPERTY

Reconciliation of Movements

	2007 \$'000	2006 \$'000
At 1 July 2006	45,100	-
Cost of leasehold improvements completed in the period and transferred to investment properties at completion	(213)	40,032
Fair value adjustment to investment property	4,613	5,068
Fair value of investment property at 30 June 2007	<u>49,500</u>	<u>45,100</u>

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

Valuation Policy

Investment properties are carried at fair value.

Fair value is determined by a full independent valuation of property investments which are obtained at intervals of not more than three years. Notwithstanding this, the Directors of the Responsible Entity assess the carrying value at each reporting period to ensure carrying values do not differ materially from fair values. When carrying value differs from fair values, those assets are adjusted to their fair value.

Costs of \$213,000 previously carried in the accounts for payments that were forecast to be paid during the year were written back against the value of the Property. The effect of this is to decrease the cost of the construction and increase the revaluation uplift.

The Directors have assessed the fair value of the investment property at 30 June 2007 to be \$49,500,000 using a short form independent valuation report prepared by Knight Frank Valuations (SA) as at the balance sheet date. This independent report was prepared for reporting purposes and was prepared as an update of the previous full detailed independent valuation report prepared by Knight Frank Valuations (SA) and Knight Frank (WA) Pty Ltd which was included within the Product Disclosure Statement dated 9 September 2005.

Valuation Methodology and Significant Assumptions

Independent valuations are carried out by a valuer who holds a relevant professional qualification and has recent experience in the location and category of the investment property.

Operating Leases

The investment property is a purpose-built IKEA Store in Adelaide, South Australia constructed on land which is held by the Fund (as lessee) under long term lease arrangements with Adelaide Airport Limited ("AAL"). The Fund (as lessor) has entered into long term lease arrangements with the tenant of the investment property, Cebas Pty Ltd.

The key terms of both of these operating lease arrangements are included in detail in Note 19.

8 CASH AND CASH EQUIVALENTS

	2007 \$'000	2006 \$'000
Reconciliation of cash		
For the purposes of the Cash Flow Statement, cash and cash equivalents comprise the following:		
Cash at bank	1,594	1,325

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$'000	2006 \$'000
Reconciliation from the net profit after tax to the net cash flows from operations		
Net profit attributable to unitholders of LEX Retail Property Trust	6,648	5,606
<i>Adjustments for:</i>		
Amortisation of debt funding costs	45	30
Fair value adjustments of investment property	(4,613)	(5,068)
<i>Changes in assets and liabilities</i>		
Decrease/(increase) in trade and other receivables	3	(3)
Increase in prepayments and other assets	(3)	(206)
Increase in trade and other payables	75	109
Increase in GST recoverable	101	3,531
Net cash flows from operating activities	<u>2,256</u>	<u>3,999</u>

9 TRADE AND OTHER RECEIVABLES (CURRENT)

	2007 \$'000	2006 \$'000
Trade receivables	-	3

10 OTHER FINANCIAL ASSETS

	2007 \$'000	2006 \$'000
Prepaid ground rent expenses	84	82
Prepaid interest charges	125	124
	<u>209</u>	<u>206</u>

11 BORROWING COSTS (NON CURRENT)

	2007 \$'000	2006 \$'000
Cost		
At 1 July 2006	234	62
Additions in the period	-	172
At 30 June 2007	<u>234</u>	<u>234</u>
Amortisation		
At 1 July 2006	30	-
Amortisation charges	45	30
At 30 June 2007	<u>75</u>	<u>30</u>
Net Book Value		
At 30 June 2007	<u>159</u>	<u>204</u>

These borrowing costs comprise all the costs in relation to the establishment, arrangement and documentation of the debt facilities including the establishment fees, legal fees, mortgage stamp duty and other costs associated with the debt facilities. These costs are deferred and amortised over five years, being the committed period of the term of the loan.

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

12 TRADE AND OTHER PAYABLES (CURRENT)

	2007 \$'000	2006 \$'000
Trade creditors and accruals	835	872

Trade payables are non-interest bearing and are normally settled on 30-day terms. Australian Accounting Standard AASB 101 requires financial liabilities to be classified as current when they are due to be settled within twelve months after the reporting date.

13 INTEREST BEARING BORROWINGS

	Date of Maturity	2007 \$'000	2006 \$'000
Non Current			
Term debt loan	14/03/11	24,770	24,770

At 30 June 2007, the Fund had access to bank bill lines totalling \$25,500,000 through facility agreements with National Australia Bank Limited. The amount of credit unused at 30 June 2007 was \$730,000. On 19 July 2007, the Directors resolved to reduce this bill facility limit from \$25,500,000 to \$24,600,000.

The facility is for a period of five years following practical completion and is due to expire on 14 March 2011.

The term debt loan facility is secured by the following :

- Registered Mortgage Debenture over the assets and undertakings of LEX Property Management Limited ATF LEX Retail Property Trust;
- Mortgage by way of sub-demise over the leasehold site; and
- Bank Guarantees from Cebas equal to six months' ground rent and six months' property rent.

The facility is an interest only facility with all of the interest subject to an agreed schedule of fixed rates for the term of the loan.

14 UNIT CAPITAL

	2007	2006
Issued capital		
Fully paid units on issue	20,800,100	20,800,100
	<i>No. of units 2007</i>	<i>No. of units 2006</i>
Movements in issued capital		
Balance brought forward	20,800,100	100
Issued on 9 August 2005	-	2,800,000
Issued on 27 October 2005	-	18,000,000
Balance carried forward	20,800,100	20,800,100

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$'000	2006 \$'000
Balance brought forward	15,675	-
<i>Proceeds from issue of units on:</i>		
9 August 2005	-	140
27 October 2005	-	18,000
<i>Returns of capital for quarters ended:</i>		
December 2005	-	(338)
March 2006	-	(377)
Equity raising costs	-	(1,750)
Balance carried forward	<u>15,675</u>	<u>15,675</u>

Unit capital represents receipts from unitholders less capital raising costs incurred. As the unit capital has a finite life, it is treated as a liability under AASB 132 "Financial Instruments: Presentation".

15 UNDISTRIBUTED INCOME

	2007 \$'000	2006 \$'000
Balance brought forward	5,068	-
Net profit attributable to unitholders	6,648	5,606
Income distributions payable to unitholders	(2,035)	(538)
Balance carried forward	<u>9,681</u>	<u>5,068</u>

The balance of undistributed income at the end of the financial year represents the fair value adjustment to the investment property which has been accounted for to date and credited to the Profit & Loss Statement after initial recognition at cost in accordance with AASB 140 "Investment Properties". This treatment is consistent with the Directors having elected to adopt the fair value method.

Under the terms of the Fund's Constitution, the Responsible Entity has the discretion to distribute both the capital and income of the Fund. As the fair value adjustment to investment property is credited to the Profit & Loss Account to comply with the fair value method, the Directors have deemed that such an adjustment to the Profit & Loss Account will not be distributed to unitholders. It is therefore carried forward at the balance sheet date as an undistributed income balance.

16 CAPITAL DISTRIBUTION RESERVE

	2007 \$'000	2006 \$'000
Balance brought forward	(30)	-
Capital distributions	(45)	(30)
Balance carried forward	<u>(75)</u>	<u>(30)</u>

Capital distributions represent the amount distributed by the Fund in excess of the taxable income and arise from the non cash impact of amortisation charges expensed for accounting purposes in respect of debt funding costs incurred.

17 NET TANGIBLE ASSET VALUE PER UNIT

	2007 \$'000	2006 \$'000
Net tangible assets (\$'000)	25,281	20,714
Number of units on issue used in the calculation	20,800,100	20,800,100
Net tangible asset value per unit	\$1.22	\$1.00

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

The net tangible assets of the Fund take into account unit capital and total equity of the Fund as shown in the balance sheet. Net tangible asset value per unit is calculated as if unit capital is classified as equity even though AASB 132 "Financial Instruments: Presentation" requires unit capital to be disclosed as non current liabilities. The definition of "liability" in the Fund's Constitution was amended allowing the unit capital to be classified as equity for the purposes of calculating net tangible assets.

18 FINANCIAL INSTRUMENTS

The Fund's principal financial instrument comprises of a bank term debt loan.

The main purpose of the term debt loan was to refinance the construction debt advanced during the construction of the investment property.

The Fund has various other financial instruments, such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Fund's financial instruments are interest rate risk, liquidity risk, and credit risk. The directors of the Responsible Entity review and agree policies for managing each of these risks and they are summarised below:

Interest rate risk

The Fund's exposure to market risk for changes in interest rates relating to the Fund's long-term debt obligations has been addressed by adopting fixed rate interest rate borrowings.

At 30 June 2007, 100% of the interest on the term debt funding loan drawn by the Fund was subject to an agreed fixed interest rate schedule with the lender over the term of the loan.

The following table sets out the carrying amount, by maturity, of the financial instruments that are exposed to interest rate risk:

Year ended 30 June 2007	<1 year \$'000	>1 - <2 years \$'000	>2 - <3 years \$'000	>3 - <4 years \$'000	>4 - <5 years \$'000	>5 years \$'000	Total \$'000
<i>Fixed rate</i>							
Term debt loan	-	-	-	(24,770)	-	-	(24,770)
<i>Floating rate</i>							
Cash and cash equivalents	1,594	-	-	-	-	-	1,594
Trade and other receivables	-	-	-	-	-	-	-
Trade and other payables	(835)	-	-	-	-	-	(835)
Year ended 30 June 2006	<1 year \$'000	>1 - <2 years \$'000	>2 - <3 years \$'000	>3 - <4 years \$'000	>4 - <5 years \$'000	>5 years \$'000	Total \$'000
<i>Fixed Rate</i>							
Term debt loan	-	-	-	-	(24,770)	-	(24,770)
<i>Floating rate</i>							
Cash and cash equivalents	1,325	-	-	-	-	-	1,325
Trade and other receivables	3	-	-	-	-	-	3
Trade and other payables	(872)	-	-	-	-	-	(872)

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until maturity of the instrument.

The other financial instruments of the Fund that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in realising assets or otherwise raising funds to meet commitments associated with financial instruments. Cash flow risk is the risk that future cash flows associated with the financial instruments will fluctuate in amount.

The main receipts are expected from the tenant and the main payments are expected to the unitholders. Due to the timing of the receipts and payments, the Fund believes its exposure to liquidity risk is not significant.

Credit risk

Credit risk represents the risk that a counterparty will fail to perform contractual obligations under a contract. The Fund's maximum credit risk exposure at balance date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet.

19 COMMITMENTS AND CONTINGENCIES

Operating lease commitments - the Fund as lessee

The Fund has entered into long term lease arrangements with AAL for the land area on which the investment property is situated, the key terms of which are as follows:

- The initial term of the lease commenced on 19 March 2005 and expires on 27 May 2048.
- The term of renewal is for 49 years less one day commencing on 28 May 2048 and may be executed upon the satisfaction of certain conditions.
- The rent is reviewed annually to the Consumer Price Index ("CPI"), except on the market review dates, which are at the commencement of year 6 and every succeeding fifth year during the term, when it is reviewed to market rent.
- The Fund has provided a bank guarantee in the amount equivalent to six months' rent.

Future minimum rentals payable under the lease as at 30 June 2007 are as follows:

	2007 \$'000	2006 \$'000
Within one year	1,014	983
After one year but not more than five years	4,055	3,935
More than five years	36,429	36,320
	<u>41,498</u>	<u>41,238</u>

Operating lease commitments - the Fund as lessor

The Fund has entered into long term lease arrangements for the investment property with Cebas Pty Ltd, the key terms of which are as follows:

- The initial term of the lease is fifteen years, commencing on 14 March 2006 - the date of Practical Completion.
- Cebas has the option to renew the lease for three further periods of five years each.
- The current rent comprises property rent of approximately \$4,266,000 per annum and ground rent recoveries at cost.

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

- The property rent is reviewed annually to CPI plus 1%, except on the market review dates when it is reviewed to market rent. The market review dates are every five years throughout the term of the lease. The rent payable following any review cannot be lower than the rent in the preceding year.
- Cebas has provided a bank guarantee in the amount equivalent to six months' rent.
- Cebas has first right of refusal to purchase the IKEA store.
- Cebas is responsible for all outgoings and maintaining certain insurances.

Future minimum rentals receivable under the lease with Cebas as at 30 June 2007 are as follows:

	2007 \$'000	2006 \$'000
Within one year	5,280	5,083
After one year but not more than five years	21,120	20,335
More than five years	45,971	49,356
	<u>72,371</u>	<u>74,774</u>

Guarantees

The Fund has guaranteed an amount equivalent to six months' ground rent payments to AAL under the terms of the lease. The tenant has provided a bank guarantee to the Fund for the same amount under the terms of the lease between the Fund (as lessor) and Cebas (as lessee).

20 RELATED PARTY DISCLOSURES

The following table provides the total amount of transactions which have been entered into with related parties for the relevant financial year:

Related party	Receipts from related parties \$'000	Payments to related parties \$'000	Loan advances received from related parties \$'000	Loan repayments to related parties \$'000
Year ended 30 June 2007				
Cebas Pty Ltd	5,630	-	-	-
LEX Pty Ltd	-	(14)	-	-
LEX Property Management Limited	-	(348)	-	-
Year ended 30 June 2006				
Cebas Pty Ltd	5,286	-	10,962	(17,622)
LEX Pty Ltd	-	(176)	-	-
LEX Property Management Limited	-	(1,687)	-	-
The Queensgate Trust	-	(650)	-	-

Relationship with Cebas

Cebas is the tenant of the investment property. Mr Tribe has an indirect interest in Cebas as a beneficiary of a discretionary trust that indirectly controls Cebas.

As tenant, Cebas has made lease rental payments to the Fund of \$5,142,000 for the period to 30 June 2007. Cebas has also paid operating costs of \$488,000 during the same period in respect of property outgoings.

Relationship with LEX Pty Ltd

Mr Tribe and Mr Wyatt are directors of LEX Pty Ltd and Mr Tribe has an indirect interest in LEX Pty Ltd as a beneficiary of a discretionary trust that controls LEX Pty Ltd.

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

During the year to 30 June 2007, payments totalling \$14,000 were made to LEX Pty Ltd for services provided in respect of development management fees for the defect liability period and asset management disbursements.

Relationship with LEX Property Management Limited

LEX Property Management Limited is the responsible entity for the Fund. The directors of the responsible entity each have an ownership interest in the responsible entity, with Mr Tribe holding an indirect controlling interest as a beneficiary of a discretionary trust that indirectly controls LEX Property Management Limited.

During the year to 30 June 2007, the Fund made payments totalling \$348,000 to the Responsible Entity in respect of management fees.

21 AUDITORS' REMUNERATION

	2007 \$'000	2006 \$'000
Amounts received or due and receivable by PKF for:		
• audit and financial report	15	22
• taxation services	13	8
	<u>28</u>	<u>30</u>

22 DIRECTOR DISCLOSURES

(a) Details of Specified Directors

The following persons were specified directors of the responsible entity, LEX Property Management Limited during the financial year:

Mr Alan W Tribe	Non Executive Director and Chairman
Mr Nicholas C Wyatt	Managing Director
Mr Stephen R Dixon	Director – Funds Management
Mr Peter M Morrison	Non Executive Director

(b) Remuneration of Specified Directors

Remuneration Policy

The right of the Responsible Entity to be remunerated and indemnified by the Fund is set out in the Constitution of the Fund. The Constitution is available from ASIC and is available to unitholders on request.

Remuneration expenses of the Responsible Entity are not borne by the Fund. Directors are remunerated by the Responsible Entity in accordance with service agreements entered into.

(c) Unit holdings

Details of the interests of the directors in the units of the Fund at the end of the year are set out below:

	2007		2006	
	<i>Directly</i>	<i>Indirectly</i>	<i>Directly</i>	<i>Indirectly</i>
Specified Directors				
Alan W Tribe	1,182,468	2,600,100	1,182,468	2,600,100
Nicholas C Wyatt	100,000	240,000	100,000	240,000
Stephen R Dixon	-	75,000	-	75,000
Peter M Morrison	-	250,000	-	250,000

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2007

23 SUBSEQUENT EVENTS

On 19 July 2007, the Directors resolved to reduce the Fund's borrowings with National Australia Bank ("NAB") from \$24,770,000 to \$24,400,000 through the application of surplus cash funds. This repayment will reduce interest payments over the term of the loan.

On the same date, the Fund's bill facility limit with NAB was reduced from \$25,500,000 to \$24,600,000.

On 20 July 2007, cash payments totalling \$549,643 (2.6425 cents per unit) were made to all unitholders for the quarter ending 30 June 2007.

Directors' Declaration

In accordance with a resolution of the directors of LEX Property Management Limited, Responsible Entity for the LEX Retail Property Trust ("the Fund"), I state that :

1. In the opinion of the directors:
 - (a) the financial statements and notes of the Fund are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Fund's financial position as at 30 June 2007 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards and Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declaration required to be made by the directors in accordance with section 295A of the Corporations Act 2001 for the financial period ended 30 June 2007.

For and on behalf of the board of LEX Property Management Limited.



Alan W Tribe
Chairman
Perth, 24 September 2007

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF LEX RETAIL PROPERTY TRUST**

We have audited the accompanying financial report of LEX Retail Property Trust, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' of LEX Property Management Limited responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

PKF is a national association of independent chartered accounting and consulting firms, each trading as PKF. PKF Australia Ltd is also a member of PKF International, an association of legally independent chartered accounting and consulting firms.

Tel: 61 8 9278 2222 | Fax: 61 8 9278 7700 | www.pkf.com.au
West Australian Partnership | ABN 39 542 778 278
Level 7, BGC Centre | 28 The Esplanade | Perth | Western Australia 6000 | Australia
PO Box Z5066 | St Georges Terrace | Perth | Western Australia 6831

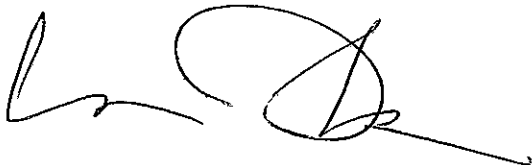
Auditor's Opinion

In our opinion the financial report of LEX Retail Property Trust is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Trust's financial position as at 30 June 2007 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.



PKF
Chartered Accountants

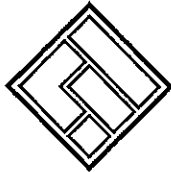


Ian Olson
Partner

Dated at Perth, Western Australia this 24th day of September 2007

lodging party or agent name _____
 office, level, building name or PO Box no. _____
 street number & name _____
 suburb/city _____ state/territory _____ postcode _____
 telephone () _____
 facsimile () _____
 DX number _____ suburb/city _____

ASS.	<input type="checkbox"/>	REQ-A	<input type="checkbox"/>
CASH.	<input type="checkbox"/>	REQ-P	<input type="checkbox"/>
PROC.	<input type="checkbox"/>		



Australian Securities & Investments Commission

form **5111**

Corporations Act 2001
601HG(7)

compliance plan audit report of a registered scheme

name of scheme LEX PROPERTY FUND
 ARSN 123 437 838
 name of responsible entity LEX PROPERTY MANAGEMENT LIMITED
 ACN 111 779 689
 audit report for financial year ending 30/6/2007

Details of current compliance plan auditor

name (family & given names) NEIL SMITH
 Auditor Registration no: 162 525
 name of firm PKF CHARGED ACCOUNTANTS & BUSINESS ADVISERS
 office level 7 building name BGC CENTRE
 street number & name 28 THE ESPLANADE
 suburb / city PERTH state / territory WA postcode 6000
 Business Registration number (if applicable) 39 542 778 278 State / Territory registered in _____

Auditor report

Does the auditor's report (section 601HG(3)) for the financial year contain a qualified opinion:

- (a) that the responsible entity has not complied with the scheme's compliance plan during the financial year?
 Yes No
- (b) that the compliance plan does not meet the requirements of Part 5C.4 of the Corporations Act 2001?
 Yes No

Certification

I certify that the attached documents marked () are a true copy of the audit report required under Section 601HG.

print name NICHOLAS CLIVE WYATT capacity DIRECTOR
 sign here [Signature] date 24/9/7

Small Business (less than 20 employees), please provide an estimate of the time taken to complete this form

Include

- The time actually spent reading the instructions, working on the question and obtaining the information
- The time spent by all employees in collecting and providing this information

hrs mins



Chartered Accountants
& Business Advisers

INDEPENDENT AUDIT REPORT

TO THE DIRECTORS OF LEX PROPERTY MANAGEMENT LIMITED:

Scope of Audit

We have audited the compliance plan of Lex Property Fund, which was established by Lex Property Management Limited as the responsible entity for the scheme, for the financial year ended 30 June 2007. As directors of the responsible entity, you are responsible for the design, documentation, operation and monitoring of the compliance plan and the adequacy of compliance measures contained in the plan, including the relevant internal controls systems, policies and procedures, and compliance therewith. These responsibilities are set out in Part 5C.2 of the *Corporations Act 2001*. We have conducted an independent audit of the compliance plan in order to express an opinion on it to the responsible entity.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance regarding the compliance plan. Accordingly, we have performed such tests and procedures as we considered necessary in the circumstances. Our procedures included obtaining an understanding of the compliance plan and the compliance measures which it contains and examining, on a test basis, evidence supporting the operation of these compliance measures. These procedures have been undertaken to form an opinion whether, in all material respects, the responsible entity has complied with the compliance plan during the financial year ended 30 June 2007, and the compliance plan continues to meet the requirements of Part 5C.4 of the *Corporations Act 2001* as at that date.

This audit report has been prepared for Lex Property Management Limited as the responsible entity of Lex Property Fund in accordance with section 601HG of the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this report to any person other than the responsible entity, or for any purpose other than that for which it was prepared.

Inherent Limitations

Because of the inherent limitations of any compliance plan, it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected. An audit is not designed to detect all weaknesses in a compliance plan and the compliance measures in the plan, as an audit is not performed continuously throughout the financial year and the audit procedures performed on the compliance plan and compliance measures are undertaken on a test basis.

Any projection of the evaluation of the compliance plan to future periods is subject to the risk that the compliance measures in the plan may become inadequate because of changes in conditions or circumstances, or that the degree of compliance with them may deteriorate.

The audit opinion expressed in this report has been formed on the above basis.

PKF is a national association of independent chartered accounting and consulting firms, each trading as PKF. PKF Australia Ltd is also a member of PKF International, an association of legally independent chartered accounting and consulting firms.

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PO Box Z5066 | St Georges Terrace | Perth | Western Australia 6831

Audit Opinion

In our opinion, in all material respects:

- (a) Lex Property Management Limited has complied with the compliance plan of Lex Property Fund for the financial year ended 30 June 2007; and
- (b) the plan continues to meet the requirements of Part 5C.4 of the *Corporations Act 2001* as at that date.



PKF
Chartered Accountants



Neil Smith
Partner

Dated at Perth, Western Australia this 24th day of September 2007



Copy of financial statements and reports

If there is insufficient space in any section of the form, you may photocopy the relevant page(s) and submit as part of this lodgement

Company/scheme details

Company/scheme name

LEX PROPERTY FUND

ACN/ARB/ARSN/PIN/ABN

123 437 838

Lodgement details

Who should ASIC contact if there is a query about this form?

Firm/organisation

Contact name/position description

BEN HIGGINS - COMPANY ACCOUNTANT

ASIC registered agent number (if applicable)

Telephone number

08 9446 2966

Postal address

PO BOX 1451, OSBORNE PARK, WA6916

1 Reason for lodgement of statement and reports

Tick appropriate box

- A public company or a disclosing entity which is not a registered scheme or prescribed interest undertaking (A)
- A registered scheme (B)
- Amendment of financial statements or directors' report (company) (C)
- Amendment of financial statements or directors' report (registered scheme) (D)
- A large proprietary company that is not a disclosing entity (H)
- A small proprietary company that is controlled by a foreign company for all or part of the period and where the company's profit or loss for the period is not covered by the statements lodged with ASIC by a registered foreign company, company, registered scheme, or disclosing entity (I)
- A small proprietary company that is requested by ASIC to prepare and lodge statements and reports (J)
- A prescribed interest undertaking that is a disclosing entity (K)

Dates on which financial year begins and ends

Financial year begins

01 / 07 / 06
[D] [D] [M] [M] [Y] [Y]

to

Financial year ends

30 / 06 / 07
[D] [D] [M] [M] [Y] [Y]

Date of annual general meeting (if applicable)

[] [] / [] [] / [] []
[D] [D] [M] [M] [Y] [Y]

2 Details of large proprietary company

If the company is a large proprietary company that is not a disclosing entity, please complete the following information as at the end of the financial year for which the financial statements relate:

A What is the consolidated revenue of the large proprietary company and the entities that it controls?

B What is the value of the consolidated gross assets of the large proprietary company and the entities that it controls?

C How many employees are employed by the large proprietary company and the entities that it controls?

D How many members does the large proprietary company have?

3 Auditor's report

Were the financial statements audited?

Yes

No

If no, is there a class order exemption current for audit relief?

Yes

No

If yes, does the auditor's report (s308) for the financial year contain a statement of:

Reasons for the auditor not being satisfied as to the matters referred to in s307?

Yes

No

Details of the deficiency, failure or shortcoming concerning any matter referred to in s307?

Yes

No

4 Details of current auditor

Registered schemes must advise ASIC of the appointment of an auditor on a Form 5137 *Appointment of scheme auditor* within 14 days of the appointment of the auditor.

Auditor registration number (for individual auditor or authorised audit company)

Family name

Given name

or

Company name

ACN/ABN

or

Firm name (if applicable)

4 Continued... Details of current auditor

Office, unit, level

LEVEL 7

Street number and Street name

BGC CENTRE, 28 THE ESPLANADE

Suburb/City

PERTH

State/Territory

WA

Postcode

6000

Country (if not Australia)

Date of appointment

01/02/07
[D] [D] [M] [M] [Y] [Y]

5 Statements and reports to be attached to this form

Financial statements for the year (as per s295(2) and accounting standards)

Income statement for the year

Balance sheet as at the end of the year

Statement of cash flows for the year

Statement of changes in equity or statement of recognised income and expense for the year

If required by accounting standards - the consolidated income statement, balance sheet, statement of cash flows and statement of changes in equity/statement of recognised income and expense

Notes to financial statements (as per s295(3))

Disclosures required by the regulations

Notes required by the accounting standards

Any other information necessary to give a true and fair view (see s297)

The directors' declaration about the statements and notes (as per s295(4))

The directors' report for the year, including the auditor's independence declaration (as per s298 to s300A)

Auditor's report required under s308 and s314

Concise report (if any) (s314)

Signature

I certify that the attached documents marked (A) are a true copy of the annual reports required under s319.

See Guide for details of signatory.

Name

NICHOLAS CLIVE WYATT

Signature



Capacity

Director

Company secretary

Date signed

24/09/07
[D] [D] [M] [M] [Y] [Y]

Lodgement

Send completed and signed forms to:
Australian Securities and Investments Commission,
PO Box 4000, Gippsland Mail Centre VIC 3841.

For help or more information

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