

# **van Eyk Blueprint Alternatives Fund**

ARSN 112 183 249

## **Annual report - 30 June 2011**

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This financial report covers van Eyk Blueprint Alternatives Fund as an individual entity and the consolidated entity consisting of van Eyk Blueprint Alternatives Fund and its subsidiaries.

The Responsible Entity of Van Eyk Blueprint Alternatives Fund is Macquarie Investment Management Limited (ABN 66 002 867 003). The Responsible Entity's registered office is Mezzanine Level, No. 1 Martin Place, Sydney, NSW 2000.

## Directors' report

The directors of Macquarie Investment Management Limited, a wholly owned subsidiary of Macquarie Group Limited, the Responsible Entity of van Eyk Blueprint Alternatives Fund, present their report together with the consolidated financial report of van Eyk Blueprint Alternatives Fund ("the Trust") and its controlled entities (collectively, "the consolidated entity") for the year ended 30 June 2011.

### Principal activities

The Trust invests in equities, unlisted unit trusts and derivatives in accordance with the provisions of the Trust Constitution.

The Trust did not have any employees during the year.

There were no significant changes in the nature of the Trust's activities during the year.

### Directors

The following persons held office as directors of Macquarie Investment Management Limited during the year or since the end of the year and up to the date of this report:

B N Terry  
 R Cartwright  
 V Malley  
 C Vignes  
 C Swanger (resigned 21/06/2011)  
 T Graham  
 K Vincent (appointed 21/06/2011)

### Review and results of operations

During the year, the Trust continued to be managed in accordance with the investment objective and strategy set out in the Trust's offer document and in accordance with the Trust Constitution.

#### Results

The performance of the consolidated entity and the Trust, as represented by the results of its operations, was as follows:

	Consolidated Year ended		Parent Year ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Operating profit before finance costs attributable to unitholders (\$'000)	<u>25,230</u>	<u>15,583</u>	<u>23,339</u>	<u>13,839</u>
<i>Distributions</i>				
Distribution paid and payable to the unitholders of parent entity (\$'000)	<u>15,845</u>	<u>14,207</u>	<u>15,845</u>	<u>14,207</u>
Distribution (cents per unit)	<u>7.54</u>	<u>0.80</u>	<u>7.54</u>	<u>0.80</u>

### Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Trust that occurred during the financial year under review.

## Directors' report (continued)

### Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2011 that has significantly affected, or may significantly affect:

- (i) the operations of the Trust in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Trust in future financial years.

### Likely developments and expected results of operations

The Trust will continue to be managed in accordance with the investment objective and strategy set out in the Trust's offer document and in accordance with the Trust Constitution.

The results of the Trust's operations will be affected by a number of factors, including the performance of investment markets in which the Trust invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Further information on likely developments in the operations of the Trust and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Trust.

### Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Trust in regards to insurance cover provided to either the officers of Macquarie Investment Management Limited or the auditors of the Trust. Under the Trust Constitution, Macquarie Investment Management Limited as Responsible Entity of the Trust is entitled to be indemnified out of the assets of the Trust for any liability incurred by it in properly performing or exercising any of its powers or duties in relation to the Trust.

### Fees paid to and interests held in the Trust by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of Trust property during the year are disclosed in note 11 of the financial statements.

No fees were paid out of Trust property to the directors of the Responsible Entity during the year.

The number of interests in the Trust held by the Responsible Entity or its associates as at the end of the financial year are disclosed in note 11 of the financial statements.

### Interests in the Trust

The movement in units on issue in the Trust during the year is disclosed in note 6 of the financial statements.

The value of the Trust's assets and liabilities is disclosed on the statements of financial position and derived using the basis set out in note 2 of the financial statements.

### Environmental regulation

The operations of the Trust are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

### Rounding of amounts to the nearest thousand dollars

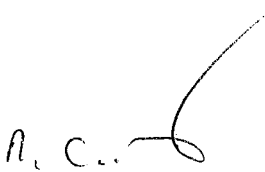
The Trust is an entity of the kind referred to in Class Order 98/0100 (as amended) issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

## Directors' report (continued)

### Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of the directors.

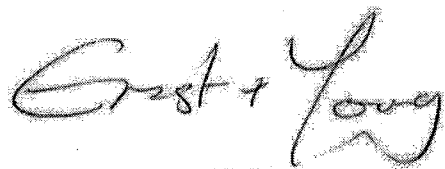


R Cartwright  
Director

Sydney  
28 September 2011

## Auditor's Independence Declaration to the Directors of Macquarie Investment Management Limited, as the Responsible Entity for van Eyk Blueprint Alternatives Fund

In relation to our audit of the financial report of van Eyk Blueprint Alternatives Fund for the financial year ended 30 June 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

A stylized, handwritten signature of the auditor, appearing to read 'Ernst & Young'.

Ernst & Young

A handwritten signature of Darren Handley-Greaves.

Darren Handley-Greaves  
Partner  
28 September 2011

**Statements of comprehensive income**

	Notes	Consolidated		Parent	
		30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
<b>Investment income</b>					
Interest income		1,195	2,270	-	1
Dividend/distribution income		7,446	8,647	17,736	12,685
Net gains on financial instruments held at fair value through profit or loss	5	19,632	7,788	7,601	2,255
Other operating income		427	414	427	412
<b>Total net investment income</b>		<u>28,700</u>	<u>19,119</u>	<u>25,764</u>	<u>15,353</u>
<b>Expenses</b>					
Responsible Entity fees	11	2,753	2,325	2,425	1,389
Performance fees		579	943	-	-
Other operating expenses		138	268	-	125
<b>Total operating expenses</b>		<u>3,470</u>	<u>3,536</u>	<u>2,425</u>	<u>1,514</u>
<b>Operating profit</b>		<u>25,230</u>	<u>15,583</u>	<u>23,339</u>	<u>13,839</u>
Distributions to unitholders of the parent entity					
		(15,845)	(14,207)	(15,845)	(14,207)
Distributions to minority interests					
		(2,875)	(1,150)	-	-
(Increase)/decrease in net assets attributable to unitholders of the parent entity					
	6	(7,494)	368	(7,494)	368
Decrease/(increase) in net assets attributable to minority interests					
		984	(594)	-	-
<b>Profit/(loss) for the year</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

Statements of financial position

	Notes	Consolidated		Parent	
		30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
<b>Assets</b>					
Cash and cash equivalents	7	22,694	55,818	11,034	1,051
Margin accounts		7,944	4,759	-	-
Due from brokers - receivable for securities sold		-	10	-	-
Distribution receivable		-	-	5,713	-
Other receivables		52	197	36	185
Financial assets held at fair value through profit or loss	8	186,907	173,545	189,101	223,220
<b>Total assets</b>		<u>217,597</u>	<u>234,329</u>	<u>205,884</u>	<u>224,456</u>
<b>Liabilities</b>					
Distributions payable		15,285	13,050	13,479	12,219
Redemptions payable		10,770	-	10,770	-
Application monies received in advance		108	-	108	-
Responsible Entity fees payable	11	345	275	327	221
Other payables		61	58	12	-
Financial liabilities held at fair value through profit or loss	9	303	158	-	-
Net assets attributable to minority interests		9,537	8,772	-	-
<b>Total liabilities (excluding net assets attributable to unitholders of the parent entity)</b>		<u>36,409</u>	<u>22,313</u>	<u>24,696</u>	<u>12,440</u>
<b>Net assets attributable to unitholders of the parent entity - liability</b>	6	<u>181,188</u>	<u>212,016</u>	<u>181,188</u>	<u>212,016</u>

The above statements of financial position should be read in conjunction with the accompanying notes.

**Statements of changes in equity**

	Consolidated		Parent	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
<b>Total equity at the beginning of the year</b>	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Transactions with owners in their capacity as owners	-	-	-	-
<b>Total equity at the end of the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Under Australian Accounting Standards, net assets attributable to unitholders are classified as a liability rather than equity. As a result there was no equity at the start or end of the year.

*The above statements of changes in equity should be read in conjunction with the accompanying notes.*

**Statements of cash flows**

	Notes	Consolidated		Parent	
		30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
<b>Cash flows from operating activities</b>					
Proceeds from sale of financial instruments held at fair value through profit or loss		98,239	171,042	101,178	171,095
Purchase of financial instruments held at fair value through profit or loss		(88,184)	(212,800)	(47,536)	(218,711)
Dividend/distribution received		626	767	96	767
Interest received		1,208	2,295	13	1
Other income received		603	464	583	447
Responsible Entity fees paid		(2,634)	(1,860)	(2,333)	(1,579)
Payment of other expenses		(803)	(80)	-	(77)
<b>Net cash inflow/(outflow) from operating activities</b>	12(a)	<u>9,055</u>	<u>(40,172)</u>	<u>52,001</u>	<u>(48,057)</u>
<b>Cash flows from financing activities</b>					
Proceeds from applications by unitholders		20,904	67,253	15,221	60,420
Payments for redemptions by unitholders		(47,043)	(14,641)	(43,024)	(6,668)
Distributions paid		(16,029)	(7,598)	(14,214)	(7,049)
<b>Net cash (outflow)/inflow from financing activities</b>		<u>(42,168)</u>	<u>45,014</u>	<u>(42,017)</u>	<u>46,703</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(33,113)</u>	<u>4,842</u>	<u>9,984</u>	<u>(1,354)</u>
Cash and cash equivalents at the beginning of the year		55,818	50,975	1,050	2,405
Effects of foreign currency exchange rate changes on cash and cash equivalents		(11)	1	-	-
<b>Cash and cash equivalents at the end of the year</b>	7	<u>22,694</u>	<u>55,818</u>	<u>11,034</u>	<u>1,051</u>
Non-cash financing activities	12(b)	446	1,039	359	73

The above statements of cash flows should be read in conjunction with the accompanying notes.

## 1 General information

This financial report includes separate financial statements for van Eyk Blueprint Alternatives Fund ("the Trust") as an individual entity and the consolidated entity consisting of van Eyk Blueprint Alternatives Fund and its subsidiaries (collectively, "the consolidated entity"). The Trust was constituted on 20 December 2004. The Trust is a registered managed investment scheme domiciled in Australia.

The Responsible Entity of the Trust is Macquarie Investment Management Limited (the "Responsible Entity"). The Responsible Entity's registered office is Mezzanine Level, No. 1 Martin Place, Sydney, NSW 2000. The financial report is presented in Australian currency.

The Investment Manager of the Trust is van Eyk Research Limited (the "Investment Manager").

During the year, the Trust continued to be managed in accordance with the investment objective and strategy set out in the Trust's offer document and in accordance with the Trust Constitution.

The financial statements were authorised for issue by the directors on 28 September 2011. The directors of the Responsible Entity have the power to amend and reissue the financial report.

## 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

### (a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001* in Australia.

The financial report is prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The statements of financial position is presented on a liquidity basis. Assets and liabilities are presented in the decreasing order of liquidity and do not distinguish between current and non current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to unitholders. The amount expected to be recovered or settled within twelve months after the end of each reporting period cannot be reliably determined.

Where necessary, comparative information has been reclassified to be consistent with current period disclosures.

#### *Compliance with International Financial Reporting Standards*

The financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### (b) Business combinations

Business combinations relate to the acquisition by the Trust of controlling interests in other entities. The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the consideration given plus costs directly attributable to the acquisition.

## 2 Summary of significant accounting policies (continued)

### (c) Principles of consolidation

#### (i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of van Eyk Blueprint Alternatives Fund ("the parent entity") as at 30 June 2011 and the results of all subsidiaries for the year then ended. van Eyk Blueprint Alternatives Fund and its subsidiaries together are referred to in this financial report as the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the parent entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the parent entity controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the parent entity. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the parent entity.

All transactions (including gains and losses) and balances between entities in the consolidated group are eliminated.

Minority interests in the results and net assets of subsidiaries are shown separately in the consolidated statements of comprehensive income and statements of financial position respectively.

Investments in subsidiaries are accounted for at fair value in the individual financial statements of the Trust.

### (d) Investments in subsidiaries

Investments in subsidiaries are measured in accordance with note 2(c).

### (e) Financial instruments

#### (i) Classification

The consolidated entity and the Trust's investments are categorised as at fair value through profit or loss. They comprise:

- Financial instruments held for trading

These include derivative financial instruments such as futures and exchange traded options. The Trust does not designate any derivatives as hedges in a hedging relationship.

- 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, such as investments in exchange traded equity instruments and unlisted unit trusts.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Trust's documented investment strategy. The Trust's policy is for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Loans and receivables/payables comprise amounts due to or from the Trust.

#### (ii) Recognition/derecognition

The consolidated entity and the Trust recognise financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cashflows from the investments has expired or the consolidated entity and the Trust have transferred substantially all risks and rewards of ownership.

## 2 Summary of significant accounting policies (continued)

### (e) Financial instruments (continued)

#### (iii) Measurement

##### (a) Financial assets and liabilities held at fair value through profit or loss

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any 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 at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the statements of comprehensive income.

Details on how the fair value of financial instruments is determined are disclosed in note 3.

- Fair value in an active market

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the statements of financial position date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices.

- Fair value in an inactive or unquoted market

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used in a market rate at the statements of financial position date applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the statements of financial position date. Fair values for unquoted equity investments are estimated, if possible, using applicable pricing/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange-traded is estimated at the amount that the Trust would receive or pay to terminate the contract at the statements of financial position date taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of an option contract is determined by applying the Black-Scholes option valuation model.

Investments in unlisted unit trusts are recorded at the redemption value per unit as reported by the managers of such trusts.

##### (b) Loans and receivables

Loan assets are measured initially at fair value plus transaction costs and subsequently amortised using the effective interest rate method, less impairment losses if any. Such assets are reviewed at each statements of financial position date to determine whether there is objective evidence of impairment.

If any such indication of impairment exists, an impairment calculation is undertaken and any impairment loss is recognised in the statements of comprehensive income as the difference between the asset's carrying amount and the present value of the revised estimated future cash flows discounted at the original effective interest rate.

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through the statements of comprehensive income.

### (f) Net assets attributable to unitholders

Units are redeemable monthly at the unitholders' option and are therefore classified as financial liabilities. The units can be put back to the Trust at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the statements of financial position date if unitholders exercised their right to put the units back to the Trust.

## 2 Summary of significant accounting policies (continued)

### (g) Cash and cash equivalents

For the purpose of presentation in the statements of cash flows, cash includes cash on hand and deposits held at call with financial institutions. Cash equivalents include other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Bank overdrafts, if any, are shown separately on the statements of financial position.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the consolidated entity and the Trust's main income generating activity.

### (h) Margin accounts

Margin accounts comprise cash held as collateral for derivative transactions and short sales. The cash is held by the broker and is only available to meet margin calls.

### (i) Investment income

Interest income is recognised in the statements of comprehensive income for all financial instruments that are not held at fair value through profit or loss using the effective interest method.

Dividend income is recognised on the ex-dividend date.

Trust distributions are recognised on an entitlements basis.

### (j) Expenses

All expenses, including Responsible Entity fees, are recognised in the statements of comprehensive income on an accruals basis.

### (k) Income tax

Under current legislation, the Trust is not subject to income tax provided the taxable income of the Trust is fully distributed either by way of cash or reinvestment (i.e. unitholders are presently entitled to the income of the Trust).

Financial instruments 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 Trust is not subject to capital gains tax.

Realised capital losses are not distributed to unitholders but are retained in the Trust to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is distributed to unitholders.

The benefits of imputation credits and foreign tax paid are passed on to unitholders.

### (l) Distributions

In accordance with the Trust Constitution, the Trust distributes its distributable (taxable) income, and any other amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. The distributions are recognised in the statements of comprehensive income as finance costs attributable to unitholders.

## 2 Summary of significant accounting policies (continued)

### (m) Increase/decrease in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. Movements in net assets attributable to unitholders are recognised in the statements of comprehensive income as finance costs.

### (n) Receivables

Receivables may include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the reporting date from the time of last payment in accordance with the policy set out in note 2(i) above. Amounts are generally received within 30 days of being recorded as receivables.

Receivables include such items as Reduced Input Tax Credits (RITC).

### (o) Payables

Payables include liabilities and accrued expenses owing by the consolidated entity and the Trust which are unpaid as at the reporting date.

The distribution amount payable to unitholders as at the reporting date is recognised separately on the statements of financial position when unitholders are presently entitled to the distributable income under the Trust Constitution.

### (p) Applications and redemptions

Applications received for units in the Trust are recorded net of any entry fees payable prior to the issue of units in the Trust. Redemptions from the Trust are recorded gross of any exit fees payable after the cancellation of units redeemed.

### (q) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Trust by third parties such as investment management fees have been passed onto the Trust. The Trust qualifies for RITC at a rate of at least 75% hence investment management fees and other expenses have been recognised in the statements of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statements of financial position. Cash flows relating to GST are included in the statements of cash flows on a gross basis.

### (r) Use of estimates

The consolidated entity and the Trust make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the consolidated entity and the Trust's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them. Models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other financial instruments, including amounts due from/to brokers and accounts payable, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

## 2 Summary of significant accounting policies (continued)

### (s) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2011 reporting periods. The directors' assessment of the impact of these new standards (to the extent relevant to the Trust) and interpretations is set out below:

(i) AASB 9 *Financial Instruments* and AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010 Amendment to Australian Accounting Standards arising from AASB 9 (December 2010)* (effective from 1 January 2013)

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013 but is available for early adoption.

AASB 9 permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not traded.

The consolidated entity and the Trust have not yet decided when to adopt AASB 9. Management does not expect this will have a significant impact on the consolidated entity and the Trust's financial statements as the consolidated entity and the Trust do not hold any available for sale investments.

(ii) Revised AASB 124 *Related Party Disclosures* and AASB 2009-12 *Amendments to Australian Accounting Standards* (effective from 1 January 2011)

In December 2009 the AASB issued a revised AASB 124 Related Party Disclosures. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively. The amendment clarifies and simplifies the definition of a related party and removes the requirement for government related entities to disclose details of all transactions with the government and other government related entities. The consolidated entity and the Trust will apply the amended standard from 1 July 2011. The amendments will not have any effect on the consolidated entity and the Trust's financial statements.

(iii) AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets* (effective for annual reporting periods beginning on or after 1 July 2011)

In November 2010, the AASB issued AASB 2010-6 Disclosures on Transfers of Financial Assets which amends AASB 1 First time Adoption of Australian Accounting and AASB 7 Financial Instruments: Disclosures to introduce additional disclosures in respect of risk exposures arising from transferred financial assets. The amendments will affect particularly entities that sell, factor, securitise, lend or otherwise transfer financial assets to other parties. The amendments will not have any impact on the consolidated entity and the Trust's disclosures. The consolidated entity and the Trust intend to apply the amendment from 1 July 2011.

(iv) Amendments to AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (effective for annual reporting periods beginning on or after 1 July 2010 / 1 January 2011)

In June 2010, the AASB made a number of amendments to Australian Accounting Standards as a result of the IASB's annual improvements project. The consolidated entity and the Trust does not expect that any adjustments will be necessary as a result of applying the revised rules.

(v) IFRS 10 *Consolidated Financial Statements*

IFRS 10 establishes a new control model that applies to all entities. It replaces parts of IAS 27 Consolidated and Separate Financial Statements dealing with the accounting for consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities.

This standard is yet to be approved by the Australian Accounting Standards Board and has not been issued in Australia. The standard is not applicable until 1 January 2013 but is available for early adoption.

The consolidated entity and the Trust have not yet decided when to adopt IFRS 10. Management does not expect this will have a significant effect on the consolidated entity and the Trust's financial statements.

(vi) IFRS 12 *Disclosures of Interests in Other Entities*

## 2 Summary of significant accounting policies (continued)

### (s) New accounting standards and interpretations (continued)

IFRS 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. New disclosures have been introduced about the judgements made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests.

This standard is yet to be approved by the Australian Accounting Standards Board and has not been issued in Australia. The standard is not applicable until 1 January 2013 but is available for early adoption.

The consolidated entity and the Trust have not yet decided when to adopt IFRS 12. Management does not expect this will have a significant effect on the consolidated entity and the Trust's financial statements.

### (vii) IFRS 13 *Fair Value Measurement*

IFRS 13 establishes a single source of guidance under IFRS for determining the fair value of assets and liabilities. IFRS 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value under IFRS when fair value is required or permitted by IFRS. Application of this definition may result in different fair values being determined for the relevant assets.

IFRS 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined.

This standard is yet to be approved by the Australian Accounting Standards Board and has not been issued in Australia. The standard is not applicable until 1 January 2013 but is available for early adoption.

The consolidated entity and the Trust have not yet decided when to adopt IFRS 13. Management does not expect this will have a significant effect on the consolidated entity and the Trust's financial statements.

### (t) Rounding of amounts

The consolidated entity and the Trust are entities of the kind referred to in Class Order 98/0100 (as amended), issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

### 3 Financial risk management

#### (a) Strategy in using financial instruments

The consolidated entity and the Trust's activities expose it to a variety of financial risks: market risk (including price risk), credit risk and liquidity risk.

##### **Consolidated Entity**

The consolidated entity's financial risk is managed by the investment manager of the individual unit trusts within the consolidated entity. No other risk management occurs for the consolidated entity.

##### **Parent Entity**

The Trust's overall risk management programme focuses on ensuring compliance with the Trust's governing documents and seeks to maximise the returns derived for the level of risk to which the Trust is exposed.

Financial risk management is carried out by the Investment Manager's risk management department under the terms of the investment management agreement between the Responsible Entity and the Investment Manager.

#### (b) Market risk

##### *(i) Price risk*

The consolidated entity and the Trust trade in financial instruments by taking positions in exchange traded equity securities, unlisted unit trusts and derivatives.

All securities investments present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities and other financial instruments within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Trust's overall market positions are monitored on a daily basis by each investment manager of the individual unit trusts within the consolidated entity.

In accordance with the Trust's policy, the risk management department of the Trust's Responsible Entity monitors the Trust's overall market price sensitivity on a daily basis. This risk is managed by seeking to ensure the Trust is fully invested in underlying trusts and equity securities in accordance with the Trust's offer document.

The consolidated entity and the Trust's investments in equities, unlisted unit trusts and derivatives are susceptible to market price risk arising from uncertainties about future prices of the investments.

At 30 June 2011, the consolidated entity's market risk is affected by changes in market prices. The consolidated entity invests in underlying unit trusts and equity securities which track a composite benchmark made up of the returns of the underlying trusts and equity securities. If the composite benchmark at 30 June 2011 had increased by 15% with all other variables held constant, this would have increased net assets attributable to unitholders by approximately \$28,035,900 (2010: \$26,008,050). Conversely, if the composite benchmark at 30 June 2011 had decreased by 15% with all other variables held constant, this would have decreased net assets attributable to unitholders by approximately \$28,035,900 (2010: \$26,008,050).

At 30 June 2011, the Trust's market risk is affected by changes in market prices. The Trust invests in underlying unit trusts and equity securities which track a composite benchmark made up of the returns of the underlying trust and equity securities. If the composite benchmark at 30 June 2011 had increased by 15% with all other variables held constant, this would have increased net assets attributable to unitholders by approximately \$27,990,396 (2010: \$33,483,000). Conversely, if the composite benchmark as at 30 June 2011 had decreased by 15% with all other variables held constant, this would have decreased net assets attributable to unitholders by approximately \$27,990,396 (2010: \$33,483,000).

##### *(ii) Foreign exchange risk*

The Trust does not hold assets or liabilities denominated in currencies other than the Australian dollar.

The consolidated entity holds both monetary and non-monetary assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk. Currency risk arises as the value of monetary assets denominated in other currencies will fluctuate due to changes in exchange rates. The consolidated entity is not exposed to foreign exchange risk as it does not hold a material amount of monetary assets denominated in a currency other than the Australian dollar.

### 3 Financial risk management (continued)

#### (b) Market risk (continued)

##### *(iii) Interest rate risk*

The majority of the consolidated entity and the Trust's financial assets and liabilities are non interest bearing. While the consolidated entity and the Trust are normally fully invested in financial instruments, a small cash balance may be maintained at times and interest may be earned. This is unlikely to ever be material. As a result, the Trust is not subject to significant amount of risk due to fluctuations in the prevailing levels of market interest rates.

#### (c) Credit risk

Credit risk arises from the Trust's investment in unlisted unit trusts.

Other credit risk arises from cash and cash equivalents, counterparties to derivatives, deposits with banks and other financial institutions. None of these assets are impaired nor past due but not impaired.

The exposure to credit risk for cash and cash equivalents and deposits with banks and other financial institutions, counterparties to derivatives and amounts due from brokers, is low as all counterparties have a rating of at least A- (2010: A- ) as determined by Standard & Poor's rating agency.

Other than for the cash and cash equivalents and the investment in the underlying trusts, the consolidated entity and the Trust do not have a concentration of a credit risk that arises from an exposure to a single counterparty. Furthermore, the Trust does not have a material exposure to a group of counterparties which are expected to be affected similarly by changes in economic or other conditions.

In accordance with the Trust's policy, the risk management department of the Responsible Entity monitors the credit position of the Trust on a daily basis. The Compliance Committee of the Responsible Entity reviews any identified exceptions to internal risk policies and procedures on a quarterly basis. Credit risk is not monitored on a consolidated basis.

#### (d) Liquidity risk

The consolidated entity and the Trust are exposed to monthly cash redemptions of redeemable units. The consolidated entity and the Trust therefore invest the majority of their assets in listed securities that can be traded on a stock exchange and unlisted unit trusts that have daily unit pricing and can be readily disposed of.

In accordance with the Trust's policy, the risk management department of the Responsible Entity monitors the Trust's liquidity position on a daily basis. This is managed by ensuring provisions are in place to manage liquidity obligations for all unitholders. Liquidity risk is not monitored on a consolidated basis.

The Compliance Committee of the Responsible Entity reviews any identified exceptions to internal risk policies and procedures on a quarterly basis.

Subject to the Trust Constitution, redeemable units are redeemed monthly at the unitholders' option. All liabilities are payable within 30 days except for future contracts that are settled within 90 days.

#### (e) Fair value estimation

The carrying amounts of all the consolidated entity and the Trust's financial assets and financial liabilities at the reporting date approximated their fair values as all financial assets and liabilities not fair valued are short term in nature.

The consolidated entity and the Trust classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

### 3 Financial risk management (continued)

#### (e) Fair value estimation (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Responsible Entity. The Responsible Entity considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The table below sets out the consolidated entity and the Trust's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2011 and 30 June 2010.

Consolidated - as at 30 June 2011	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total balance \$'000
<b>Financial assets</b>				
Financial assets designated at fair value through profit or loss				
- Equity securities	516	-	-	516
- Unlisted unit trusts	-	186,391	-	186,391
<b>Total</b>	<b>516</b>	<b>186,391</b>	<b>-</b>	<b>186,907</b>
<b>Financial liabilities</b>				
Financial liabilities held for trading:				
- Derivatives	303	-	-	303
<b>Total</b>	<b>303</b>	<b>-</b>	<b>-</b>	<b>303</b>
Parent - as at 30 June 2011	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total balance \$'000
<b>Financial assets</b>				
Financial assets designated at fair value through profit or loss				
- Equity securities	516	-	-	516
- Unlisted unit trusts	-	188,585	-	188,585
<b>Total</b>	<b>516</b>	<b>188,585</b>	<b>-</b>	<b>189,101</b>

### 3 Financial risk management (continued)

Consolidated - as at 30 June 2010	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total balance \$'000
<b>Financial assets</b>				
Financial assets held for trading:				
- Derivatives	1,028	-	-	1,028
Financial assets designated at fair value through profit or loss:				
- Equity securities	650	-	-	650
- Unlisted unit trusts	-	171,867	-	171,867
<b>Total</b>	<u>1,678</u>	<u>171,867</u>	<u>-</u>	<u>173,545</u>

#### Financial liabilities

Financial liabilities held for trading:				
- Derivatives	158	-	-	158
<b>Total</b>	<u>158</u>	<u>-</u>	<u>-</u>	<u>158</u>

Parent - as at 30 June 2010	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total balance \$'000
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#### Financial assets

Financial assets designated at fair value through profit or loss:				
- Equity securities	650	-	-	650
- Unlisted unit trusts	-	222,570	-	222,570
<b>Total</b>	<u>650</u>	<u>222,570</u>	<u>-</u>	<u>223,220</u>

During the year, there were no transfers between Level 1 and 2 or into/out of Level 3 (2010: nil).

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include unlisted unit trusts valued at the redemption value per unit, as reported by the managers of such trusts.

### 4 Auditor's remuneration

During the year the following fees were paid or payable for services provided by the auditor of the consolidated entity and the Trust:

	Consolidated		Parent	
	30 June 2011 \$	30 June 2010 \$	30 June 2011 \$	30 June 2010 \$
<b>Audit services</b>				
Audit and review of financial reports	13,800	10,300	7,350	6,000
Other audit work under the <i>Corporations Act 2001</i>	620	580	310	290
<b>Total remuneration for audit services</b>	<u>14,420</u>	<u>10,880</u>	<u>7,660</u>	<u>6,290</u>

Audit fees are paid out of the Investment Manager's own resources. All other expenses are paid by the consolidated entity and the Trust.

## 5 Net gains on financial instruments held at fair value through profit or loss

Net gains recognised in relation to financial instruments held at fair value through profit or loss:

	Consolidated		Parent	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
Net gains on financial instruments held for trading	4,924	6,178	-	-
Net gains on financial instruments designated as at fair value through profit or loss	<u>14,708</u>	<u>1,610</u>	<u>7,601</u>	<u>2,255</u>
Total net gains on financial instruments held at fair value through profit or loss	<u>19,632</u>	<u>7,788</u>	<u>7,601</u>	<u>2,255</u>

## 6 Net assets attributable to unitholders of the parent

Movements in number of units and net assets attributable to unitholders of the parent during the year were as follows:

As stipulated within the Trust Constitution, each unit represents a right to an individual share in the Trust and does not extend to a right to the underlying assets of the Trust. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Trust.

	Consolidated		Parent	
	30 June 2011 No. '000	30 June 2010 No. '000	30 June 2011 \$'000	30 June 2010 \$'000
Opening balance	246,934	186,964	212,016	158,559
Applications	16,576	67,279	15,113	60,420
Redemptions	(57,880)	(7,393)	(53,794)	(6,668)
Units issued upon reinvestment of distributions	408	84	359	73
Increase/(decrease) in net assets attributable to unitholders	-	-	<u>7,494</u>	<u>(368)</u>
Closing balance	<u>206,038</u>	<u>246,934</u>	<u>181,188</u>	<u>212,016</u>

### Capital risk management

The Trust considers its net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a monthly basis as the Trust is subject to monthly applications and redemptions at the discretion of unitholders.

The Trust monitors the level of monthly applications and redemptions relative to the liquid assets in the Trust.

## 7 Cash and cash equivalents

	Consolidated		Parent	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
Cash at bank	11,146	33,899	11,034	1,051
Deposits at call	<u>11,548</u>	<u>21,919</u>	-	-
Total	<u>22,694</u>	<u>55,818</u>	<u>11,034</u>	<u>1,051</u>

## 8 Financial assets held at fair value through profit or loss

	Consolidated		Parent	
	30 June 2011 Fair value \$'000	30 June 2010 Fair value \$'000	30 June 2011 Fair value \$'000	30 June 2010 Fair value \$'000
<b>Held for trading</b>				
Derivatives (note 10)	-	1,028	-	-
Total held for trading	-	1,028	-	-
	Consolidated	Parent	Consolidated	Parent
	30 June 2011 Fair value \$'000	30 June 2010 Fair value \$'000	30 June 2011 Fair value \$'000	30 June 2010 Fair value \$'000
<b>Designated at fair value through profit or loss</b>				
Equity securities	516	650	516	650
Unlisted unit trusts	186,391	171,867	188,585	222,570
Total designated at fair value through profit or loss	186,907	172,517	189,101	223,220
<b>Total financial assets held at fair value through profit or loss</b>	186,907	173,545	189,101	223,220
	Consolidated	Parent	Consolidated	Parent
	30 June 2011 Fair value \$'000	30 June 2010 Fair value \$'000	30 June 2011 Fair value \$'000	30 June 2010 Fair value \$'000
<b>Comprising:</b>				
<b>Equity securities</b>				
Australian equity securities listed on a prescribed stock exchange	516	650	516	650
Total equity securities	516	650	516	650
<b>Unlisted unit trusts</b>				
Units in Australian unit trusts	186,391	171,867	188,585	222,570
Total unlisted unit trusts	186,391	171,867	188,585	222,570
<b>Derivatives</b>				
International commodity futures	-	1,028	-	-
Total derivatives	-	1,028	-	-
<b>Total financial assets held at fair value through profit or loss</b>	186,907	173,545	189,101	223,220

## 9 Financial liabilities held at fair value through profit or loss

	Consolidated		Parent	
	30 June 2011 Fair value \$'000	30 June 2010 Fair value \$'000	30 June 2011 Fair value \$'000	30 June 2010 Fair value \$'000
<b>Held for trading</b>				
Derivatives (note 10)	303	158	-	-
Total held for trading	<u>303</u>	<u>158</u>	<u>-</u>	<u>-</u>
<b>Total financial liabilities held at fair value through profit or loss</b>	<u>303</u>	<u>158</u>	<u>-</u>	<u>-</u>

	Consolidated		Parent	
	30 June 2011 Fair value \$'000	30 June 2010 Fair value \$'000	30 June 2011 Fair value \$'000	30 June 2010 Fair value \$'000
<b>Comprising:</b>				
<b>Derivatives</b>				
International commodity futures	303	158	-	-
Total derivatives	<u>303</u>	<u>158</u>	<u>-</u>	<u>-</u>
<b>Total financial liabilities held at fair value through profit or loss</b>	<u>303</u>	<u>158</u>	<u>-</u>	<u>-</u>

## 10 Derivative financial instruments

In the normal course of business the consolidated entity or the Trust may enter into transactions in various derivative financial instruments with certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include instruments, such as forwards, futures and options. Derivatives are considered to be part of the investment process. The use of derivatives is an essential part of the consolidated entity's portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the consolidated entity or the Trust against a fluctuation in market values or to reduce volatility
- a substitution for trading of physical securities
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the consolidated entity or the Trust.

## 10 Derivative financial instruments (continued)

As at 30 June 2011, the Trust did not hold any derivative financial instruments (2010: \$nil).

The consolidated entity holds the following derivative instruments:

### Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange.

The consolidated entity's derivative financial instruments at year-end are detailed below:

Consolidated 30 June 2011	Contract/ notional '000	Fair Values	
		Assets \$'000	Liabilities \$'000
<b>Buy</b>			
International commodity futures	<u>19,231</u>	-	<u>303</u>
<b>Consolidated 30 June 2010</b>			
		Fair Values	
	Contract/ notional '000	Assets \$'000	Liabilities \$'000
<b>Buy</b>			
International commodity futures	<u>35,660</u>	<u>1,028</u>	-
<b>Sell</b>			
International commodity futures	<u>7,725</u>	-	<u>158</u>

## 11 Related party disclosures

### (a) Subsidiaries

The subsidiaries included in this financial report are:

- Commodities Strategies Long Short Commodity Fund
- van Eyk Gold Bullion Fund

The proportion of ownership interest and investment in the subsidiaries is disclosed in note 11(h).

### (b) Responsible Entity

The Responsible Entity of the Trust is Macquarie Investment Management Limited ("MIML"), a wholly owned subsidiary of Macquarie Group Limited.

## 11 Related party disclosures (continued)

### (c) Key management personnel

The following persons held office as directors of MIML during the year or since the end of the year and up to the date of this report.

B N Terry  
R Cartwright  
V Malley  
C Vignes  
C Swanger (resigned 21/06/2011)  
T Graham  
K Vincent (appointed 21/06/2011)

No amount is paid by the consolidated entity or the Trust directly to the directors of the Responsible Entity. Consequently, no compensation as defined in AASB 124 "Related Party Disclosures" is paid by the consolidated entity or the Trust to the directors as key management personnel.

### (d) Key management personnel unitholdings

At 30 June 2011, no key management personnel held units in the consolidated entity or the Trust (2010: nil).

### (e) Key management personnel loan disclosures

The consolidated entity and the Trust have 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 (2010: nil).

### (f) Responsible Entity fees and other transactions

For the year ended 30 June 2011, in accordance with the Trust Constitution, the Responsible Entity received a total fee of 0.70% of net asset value (inclusive of GST, net of RITC available to the Trust) per annum (2010: 0.70%).

All expenses in connection with the preparation of accounting records and the maintenance of the unit register have been fully borne by the Responsible Entity.

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the year and amounts payable at year end between the consolidated entity and the Trust and the Responsible Entity were as follows:

	Consolidated		Parent	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$
Management fees for the year paid to the Responsible Entity	<u>2,699,048</u>	<u>1,660,575</u>	<u>2,424,878</u>	<u>1,389,680</u>
Rebate of fees received from the Responsible Entity *	<u>415,720</u>	<u>411,964</u>	<u>415,720</u>	<u>411,964</u>
Aggregate amounts payable to the Responsible Entity at the reporting date	<u>343,908</u>	<u>234,966</u>	<u>327,286</u>	<u>220,980</u>

\* The Responsible Entity rebates fees charged by other schemes managed by the Responsible Entity where the Trust invests into those schemes.

### (g) Related party schemes' unitholdings

Parties related to the consolidated entity and the Trust (including MIML, its related parties and other schemes managed by MIML), held no units in the consolidated entity and the Trust (2010: nil).

## 11 Related party disclosures (continued)

### (h) Investments

The Trust held investments in the following trusts which are also managed by MIML or its related parties:

	Parent					
	Fair value of investment		Interest held		Distributions received/receivable	
	2011	2010	2011	2010	2011	2010
	\$	\$	%	%	\$	\$
Macquarie Treasury Fund	47,720,306	47,454,225	1.60	1.51	1,951,472	1,362,465
van Eyk Gold Bullion Fund	<u>11,042,027</u>	<u>20,023,572</u>	61.56	72.79	<u>4,575,980</u>	<u>4,038,419</u>

The Trust held an investment in the following trust that is a subsidiary of the Trust:

	Parent					
	Fair value of investment		Interest held		Distributions received/receivable	
	2011	2010	2011	2010	2011	2010
	\$	\$	%	%	\$	\$
Commodities Strategies Long Short Commodity Fund	30,349,616	30,579,640	91.35	93.98	5,713,481	-

As at 30 June 2011, distribution amounting to \$5,713,481 was receivable by the Trust from its subsidiaries (2010: \$nil).

### (i) Other transactions within the consolidated entity and the Trust

Apart from those details disclosed in this note, no key management personnel of the Responsible Entity have entered into a material contract with the consolidated entity and the Trust since the end of the previous financial year and there were no material contracts involving director's interests subsisting at year end.

The bank accounts for the consolidated entity and the Trust may be held with Macquarie Bank Limited. The consolidated entity and the Trust may use Macquarie Securities (Australia) Limited and Macquarie Bank Limited (both Macquarie Group entities), for broking and clearing services respectively. Fees and expenses are negotiated on an arm's length basis for all transactions with related parties.

Bond Street Custodians Limited, a wholly owned subsidiary of Macquarie Group Limited, is the custodian of the Trust.

## 12 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	Consolidated		Parent	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
<b>(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>				
Increase/(decrease) in net assets attributable to unitholders	6,510	226	7,494	(368)
Dividend/distribution reinvested	(1,101)	(7,880)	(11,920)	(11,918)
Net gains on financial instruments held at fair value through profit or loss	(19,632)	(7,788)	(7,601)	(2,255)
Proceeds from sale of financial instruments held at fair value through profit or loss	98,239	171,042	101,178	171,095
Purchase of financial instruments held at fair value through profit or loss	(88,184)	(212,800)	(47,536)	(218,711)
Distributions to unitholders	18,720	15,357	15,845	14,207
Movement in amortised interest on financial instruments held at fair value through profit or loss	-	1,356	-	-
Net change in receivables and other assets	(5,560)	528	(5,566)	113
Net change in payables and other liabilities	63	(213)	107	(220)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>9,055</b>	<b>(40,172)</b>	<b>52,001</b>	<b>(48,057)</b>
<b>(b) Non-cash financing and investing activities</b>				
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	446	1,039	359	73

As described in note 2(m), income not distributed is included in net assets attributable to unitholders. The change in this amount each year (as reported in (a) above) represents a non-cash financing cost as it is not settled in cash until such time as it becomes distributable (i.e. taxable).

## 13 Events occurring after year end

No significant events have occurred since year end which would impact on the financial position of the consolidated entity and the Trust disclosed in the statements of financial position as at 30 June 2011 or on the results and cash flows of the consolidated entity and the Trust for the year ended on that date.

## 14 Contingent assets, contingent liabilities and commitments

There are no outstanding contingent assets, contingent liabilities or commitments as at 30 June 2011 and 30 June 2010.

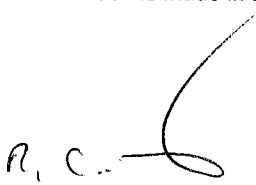
## Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 6 to 27 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance, for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

The directors declare that the notes to the financial statements include an explicit and unreserved statement of compliance with the International Financial Reporting Standards (see note 2(a)).

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



R Cartwright  
Director

Sydney  
28 September 2011

## Independent auditor's report to the unitholders of van Eyk Blueprint Alternatives Fund

We have audited the accompanying financial report of van Eyk Blueprint Alternatives Fund (the "fund"), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### Directors' responsibility for the financial report

The directors of Macquarie Investment Management Limited, the responsible entity of the fund, 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 controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with 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 about 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 judgment, 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 controls relevant to the 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 responsible entity's internal controls. 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.

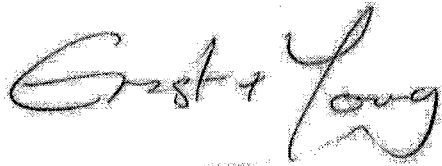
### Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the responsible entity a written Auditor's Independence Declaration, a copy of which is included with the directors' report.

## Opinion

In our opinion:

- a. the financial report of van Eyk Blueprint Alternatives Fund is 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 2011 and of its performance for the year ended on that date; and
  - ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.



Ernst & Young



Darren Handley-Greaves  
Partner  
Sydney  
28 September 2011