

Macquarie Global Private Equity Securities Fund

ARSN 118 627 786

Annual report - 30 June 2010

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This financial report covers Macquarie Global Private Equity Securities Fund as an individual entity.

The Responsible Entity of Macquarie Global Private Equity Securities 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 Macquarie Global Private Equity Securities Fund, present their report together with the financial report of Macquarie Global Private Equity Securities Fund ("the Trust") for the year ended 30 June 2010.

Principal activities

The Trust invested in equity securities, derivatives and unlisted unit trusts 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, until the Trust ceased trading on 16 June 2010.

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
 N Roderick (resigned 29/03/2010)
 R Cartwright
 V Malley
 C Vignes
 M Rady (resigned 01/02/2010)
 C Swanger (appointed 08/02/2010)
 T Graham (appointed 29/03/2010)

Review and results of operations

During the year, the Trust continued to invest funds in accordance with target asset allocations as set out in the governing documents of the Trust and in accordance with the provisions of the Trust Constitution.

Results

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

	Year ended	
	30 June 2010	30 June 2009
Operating profit/(loss) before finance costs attributable to unitholders (\$)	<u>1,238,318</u>	<u>(6,253,569)</u>
<i>Distributions</i>		
Distribution paid and payable (\$)	-	-
Distribution (cents per unit)	-	-

Significant changes in state of affairs

The Trust ceased trading on 16 June 2010.

In the opinion of the directors, there were no other 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 2010 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 objectives and guidelines as set out in the governing documents of the Trust and in accordance with the provisions of 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. So long as the officers of Macquarie Investment Management Limited act in accordance with the Trust Constitution and the Law, the officers remain indemnified out of the assets of the Trust against losses incurred while acting on behalf of the Trust. The auditors of the Trust are in no way indemnified out of the assets of 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 statement 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.

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.

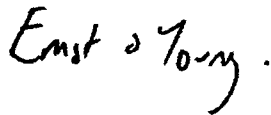
A handwritten signature in black ink, appearing to read 'R. Cartwright', with a large, sweeping flourish extending upwards and to the right.

R Cartwright
Director

Sydney
22 September 2010

Auditor's Independence Declaration to the Directors of Macquarie Investment Management Limited, as Responsible Entity for Macquarie Global Private Equities Securities Fund

In relation to our audit of the financial report of Macquarie Global Private Equities Securities Fund for the financial year ended 30 June 2010, 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 handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink, appearing to be 'G. McKenzie'.

Graeme McKenzie
Partner
22 September 2010

Statement of comprehensive income

	Notes	30 June 2010 \$	30 June 2009 \$
Investment income			
Interest income		3,579	2,172
Dividend income		150,429	209,035
Trust distributions		-	43,688
Net gains/(losses) on financial instruments held at fair value through profit or loss	5	1,140,265	(6,423,403)
Other operating income		<u>4,897</u>	<u>27,231</u>
Total net investment income/(loss)		<u>1,299,170</u>	<u>(6,141,277)</u>
Expenses			
Responsible Entity's fees	11	43,108	84,753
Custody fees		2,837	4,092
Withholding taxes		14,907	22,934
Other operating expenses		<u>-</u>	<u>513</u>
Total operating expenses		<u>60,852</u>	<u>112,292</u>
Operating profit/(loss)		<u>1,238,318</u>	<u>(6,253,569)</u>
Finance costs attributable to unitholders			
(Increase)/decrease in net assets attributable to unitholders	6	<u>(1,238,318)</u>	<u>6,253,569</u>
Profit/(loss) for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>-</u>	<u>-</u>

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

Statement of financial position

	Notes	30 June 2010 \$	30 June 2009 \$
Assets			
Cash and cash equivalents	7	-	266,782
Dividends receivable		-	4,396
Receivables		-	6,104
Financial assets held at fair value through profit or loss	8	-	<u>7,537,953</u>
Total assets		<u>-</u>	<u>7,815,235</u>
Liabilities			
Responsible Entity fees payable		-	17,953
Financial liabilities held at fair value through profit or loss	9	-	<u>3,557,454</u>
Total liabilities (excluding net assets attributable to unitholders)		<u>-</u>	<u>3,575,407</u>
Net assets attributable to unitholders - liability	6	<u>-</u>	<u>4,239,828</u>

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

Statement of changes in equity

	30 June 2010 \$	30 June 2009 \$
Total equity at the beginning of the year	-	-
Total comprehensive income for the year	-	-
Transactions with owners in their capacity as owners	-	-
Total equity at the end of the year	<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 statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

	Notes	30 June 2010 \$	30 June 2009 \$ (Restated)
Cash flows from operating activities			
Proceeds from sale of financial instruments held at fair value through profit or loss		80,263,411	92,008,933
Purchase of financial instruments held at fair value through profit or loss		(75,185,250)	(90,401,944)
Dividends received		139,963	246,956
Interest received		3,579	2,172
Other income received		12,011	28,299
Responsible Entity's fees paid		(60,583)	(126,611)
Payment of other expenses		(4,325)	(4,603)
Net cash inflow from operating activities	12(a)	<u>5,168,806</u>	<u>1,753,202</u>
Cash flows from financing activities			
Proceeds from applications by unitholders		2,540,845	3,629,344
Payments for redemptions by unitholders		(8,018,992)	(4,329,570)
Distributions paid		-	(939,102)
Net cash outflow from financing activities		<u>(5,478,147)</u>	<u>(1,639,328)</u>
Net (decrease)/increase in cash and cash equivalents		(309,341)	113,874
Cash and cash equivalents at the beginning of the year		266,782	242,269
Effects of foreign currency exchange rate changes on cash and cash equivalents		<u>42,559</u>	<u>(89,361)</u>
Cash and cash equivalents at the end of the year	7	<u>-</u>	<u>266,782</u>

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

1 General information

This financial report covers Macquarie Global Private Equity Securities Fund ("the Trust") as an individual entity. The Trust was constituted on 15 March 2006.

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.

During the year, the Trust invested funds in accordance with target asset allocations as set out in the current offer document and in accordance with the provisions of the Trust Constitution until the Trust ceased trading on 16 June 2010.

The financial statements were authorised for issue by the directors on 22 September 2010. 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.

Compliance with International Financial Reporting Standards (IFRS)

The financial statements have been prepared in accordance with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

(b) Financial instruments

(i) Classification

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 including foreign currency forward contracts. 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.

2 Summary of significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Recognition/derecognition

The Trust recognises 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 Trust has transferred substantially all risks and rewards of ownership.

(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 statement of comprehensive income.

- 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 statement 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 derivatives that are not exchange-traded is estimated at the amount that the Trust would receive or pay to terminate the contract at the statement 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 a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

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 statement of financial position date to determine whether there is objective evidence of impairment for example when there has been a significant or prolonged decline in the fair value below carrying amount.

If any such indication of impairment exists, an impairment loss is recognised in the statement 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 statement of comprehensive income.

(c) Net assets attributable to unitholders

Units are redeemable 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 statement of financial position date if unitholders exercised their right to put the units back to the Trust.

2 Summary of significant accounting policies (continued)

(d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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 and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts, if any, are shown separately in the statement 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 Trust's main income generating activity.

(e) Investment income

Interest income is recognised in the statement 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.

(f) Expenses

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

(g) 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 and foreign tax paid.

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.

The Trust currently incurs withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the statement of comprehensive income.

(h) 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 statement of comprehensive income as finance costs attributable to unitholders.

(i) 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 statement of comprehensive income as finance costs.

2 Summary of significant accounting policies (continued)

(j) Foreign currency translation

i) Functional and presentation currency

Items included in the Trust's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Trust competes for funds and is regulated. The Australian dollar is also the Trust's presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

The Trust does not isolate that portion of gains or losses on securities and derivative financial instruments that are measured at fair value through profit or loss and which is due to changes in foreign exchange rates from that which is due to changes in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit or loss.

(k) Due from/to brokers

Amounts due from/to brokers represent payables for securities purchased and receivables for securities sold that have been contracted for but not yet delivered by the end of the year. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Trust will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from brokers is impaired.

(l) 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(e) above. Amounts are generally received within 30 days of being recorded as receivables.

Receivables include such items as Reduced Input Tax Credits (RITC) and application monies receivable from unitholders.

(m) Payables

Payables includes liabilities and accrued expenses owing by 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 statement of financial position when unitholders are presently entitled to the distributable income under the Trust's Constitution.

(n) 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.

2 Summary of significant accounting policies (continued)

(o) 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 75% hence investment management fees and other expenses have been recognised in the statement 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 statement of financial position. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

(p) Use of estimates

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

(q) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2010 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 2009 *Financial Instruments* and related amendment AASB 2009-11 replacing AASB 139 *Financial Instruments: Recognition and Measurement*

The Australian Accounting Standards Board has now issued AASB 9 Financial Instruments which altered the classification and measurement of financial instruments. Under the new standard only two possible classifications arise, rather than the four existing classifications currently available under AASB 139 Financial Instruments: Recognition and Measurement, and will result in all financial assets being measured at amortised cost or fair value through profit or loss, or through other comprehensive income. Financial liabilities are currently excluded from the scope of this standard. The standard is mandatorily applicable for annual reporting periods beginning on or after 1 January 2013. The Trust has not adopted this standard early and is still assessing the full impact of this standard.

3 Financial risk management

(a) Strategy in using financial instruments

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

The Trust's overall risk management programme focuses on ensuring compliance with the Trust's governing documents and the law and seeks to maximise the returns derived for the level of risk to which the Trust is exposed. The Trust uses derivative financial instruments to alter certain risk exposures.

Financial risk management is carried out by the Responsible Entity's risk management team under policies approved by Responsible Entity's senior managers or by the board of directors of the Responsible Entity (the Board).

(b) Market risk

(i) Price risk

The Trust traded in financial instruments by taking positions in international listed private equity securities, unlisted unit trusts and foreign currency forward contracts.

3 Financial risk management (continued)

(b) Market risk (continued)

All securities investments presented 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 the Trust's Investment Manager.

In accordance with the Trust's policy, the risk management department of the Trust's Investment Manager 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
- restricting investments in risky, long dated floats
- limiting exposure to floats
- managing exposure to particular sectors and single securities
- seeking to ensure stock weights are close to benchmark weights
- seeking to ensure that the Trust is closely tracking its benchmark

The Trust's equity securities and trading derivative financial instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments.

At 30 June 2010, the Trust's market risk is not affected by changes in market prices as the Trust ceased trading on 16 June 2010.

At 30 June 2009, the Trust's market risk was affected by changes in market prices. If the MSCI World Ex Australia Hedged 100% Index at 30 June 2009 had increased by 15% with all other variables held constant, this would have increased net assets attributable to unitholders by approximately AUD \$597,075. Conversely, if the MSCI World Ex Australia Hedged 100% Index at 30 June 2009 had decreased by 15% with all other variables held constant, this would have decreased net assets attributable to unitholders by approximately AUD \$597,075.

(ii) Foreign exchange risk

The Trust is not exposed to foreign exchange risk as all monetary assets are denominated in Australian dollars. The foreign exchange risk related to non-monetary assets and liabilities is a component of the price risk.

(iii) Interest rate risk

The majority of the Trust's financial assets and liabilities are non-interest bearing. As a result, the Trust is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

(c) Credit risk

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

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

The Trust restricts its exposure to credit losses on cash and cash equivalents by managing exposures to single issuers and only investing in banks.

In accordance with the Trust's policy, the risk management area of the Responsible Entity monitors the Trust's credit position 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.

(d) Liquidity risk

The Trust was exposed to daily cash redemptions of redeemable units. It therefore invested the majority of its assets in investments that were traded in an active market and can be readily disposed of.

3 Financial risk management (continued)

(d) Liquidity risk (continued)

The Trust may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Trust may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as a deterioration in the creditworthiness of any particular issuer. No such investments were held at the end of the reporting period.

In accordance with the Trust's policy, the risk management area of the Investment Manager monitors the Trust's liquidity position on a daily basis. This is managed by:

- monitoring liquidity with respect to liquid assets and large single client holdings
- restricting exposure to illiquid, long-dated stock floats

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

Subject to *Corporations Act 2001* and the Trust's Constitution, redeemable units are redeemed on demand at the unitholder's option. All other liabilities are payable within 30 days.

4 Auditor's remuneration

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

	30 June 2010 \$	30 June 2009 \$
Audit services		
Audit and review of financial reports	4,300	7,358
Other audit work under the <i>Corporations Act 2001</i>	<u>290</u>	<u>1,400</u>
Total remuneration for audit services	<u>4,590</u>	<u>8,758</u>

Audit fees are paid out of the Responsible Entity's own resources.

5 Net gains/(losses) on financial instruments held at fair value through profit or loss

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

	30 June 2010 \$	30 June 2009 \$
Net gains/(losses) on financial instruments held for trading	519,592	(1,812,177)
Net gains/(losses) on financial instruments designated as at fair value through profit or loss	<u>620,673</u>	<u>(4,611,226)</u>
Net gains/(losses) on financial instruments held at fair value through profit or loss	<u>1,140,265</u>	<u>(6,423,403)</u>

6 Net assets attributable to unitholders

Movements in number of units and net assets attributable to unitholders 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.

	30 June 2010 No.	30 June 2009 No.	30 June 2010 \$	30 June 2009 \$
Opening balance	12,162,924	14,587,871	4,239,828	11,193,623
Applications	5,803,910	5,902,721	2,540,846	3,629,344
Redemptions	(17,966,834)	(8,327,668)	(8,018,992)	(4,329,570)
Increase/(decrease) in net assets attributable to unitholders	-	-	1,238,318	(6,253,569)
Closing balance	-	12,162,924	-	4,239,828

Capital risk management

The Trust manages 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 daily basis as the Trust is subject to daily applications and redemptions at the discretion of unitholders.

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

7 Cash and cash equivalents

	30 June 2010 \$	30 June 2009 \$
Cash at bank	-	101,876
Foreign currency cash at bank	-	164,906
	-	266,782

8 Financial assets held at fair value through profit or loss

	30 June 2010 Fair value \$	30 June 2009 Fair value \$
Held for trading		
Derivatives (note 10)	-	3,549,375
Total held for trading	-	3,549,375
Designated at fair value through profit or loss		
Equity securities	-	3,497,080
Unlisted money market trusts	-	491,498
Total designated at fair value through profit or loss	-	3,988,578
Total financial assets held at fair value through profit or loss	-	7,537,953

8 Financial assets held at fair value through profit or loss (continued)

	30 June 2010 Fair value \$	30 June 2009 Fair value \$
Comprising:		
Equity securities		
International equity securities listed on a prescribed stock exchange	-	<u>3,497,080</u>
Total equity securities	-	<u>3,497,080</u>
Derivatives		
Foreign currency forward contracts	-	<u>3,549,375</u>
Total derivatives	-	<u>3,549,375</u>
Unlisted unit trusts		
Australian money market trusts	-	<u>491,498</u>
Total unlisted unit trusts	-	<u>491,498</u>
Total financial assets held at fair value through profit or loss	-	<u>7,537,953</u>

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in note 3.

9 Financial liabilities held at fair value through profit or loss

	30 June 2010 Fair value \$	30 June 2009 Fair value \$
Held for trading		
Derivatives (note 10)	-	<u>3,557,454</u>
Total held for trading	-	<u>3,557,454</u>
Total financial liabilities held at fair value through profit or loss	-	<u>3,557,454</u>
	30 June 2010 Fair value \$	30 June 2009 Fair value \$
Comprising:		
Derivatives		
Foreign currency forward contracts	-	<u>3,557,454</u>
Total derivatives	-	<u>3,557,454</u>
Total financial liabilities held at fair value through profit or loss	-	<u>3,557,454</u>

An overview of the risk exposures relating to financial liabilities at fair value through profit or loss is included in note 3.

10 Derivative financial instruments

In the normal course of business the Trust enters 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 a wide assortment of 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 Trust'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 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 Trust.

At 30 June 2010 no derivative financial instruments were held by the Trust.

At 30 June 2009, the Trust held the following derivative instruments.

(a) Foreign currency forward contracts

Foreign currency forward contracts are primarily used by the Trust to hedge against foreign currency exchange rate risks on its non-Australian dollar denominated trading securities. The Trust agrees to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Foreign currency forward contracts are valued at the prevailing bid price at the reporting date. The Trust recognises a gain or loss equal to the change in fair value at the reporting date.

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

30 June 2009	Contract/ notional	Fair Values	
		Assets \$	Liabilities \$
Buy			
Foreign currency forward contracts - Australian Dollars (AUD)	3,573,576	3,549,375	-
		3,549,375	-
Sell			
Foreign currency forward contracts - British Pound (GBP)	432,809	-	879,808
Foreign currency forward contracts - Japanese Yen (JPY)	8,094,106	-	103,677
Foreign currency forward contracts - Swedish Krone (SEK)	1,070,597	-	170,606
Foreign currency forward contracts - United States Dollar (USD)	983,930	-	1,215,839
Foreign currency forward contracts - Canadian Dollar (CAD)	216,991	-	230,863
Foreign currency forward contracts - European Currency (EUR)	552,519	-	956,661
		-	3,557,454
		3,549,375	3,557,454

11 Related party transactions

Responsible Entity

The Responsible Entity of Macquarie Global Private Equity Securities Fund is Macquarie Investment Management Limited (MIML), a wholly owned subsidiary of Macquarie Group Limited.

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
N Roderick (resigned 29/03/2010)
R Cartwright
V Malley
C Vignes
M Rady (resigned 01/02/2010)
C Swanger (appointed 08/02/2010)
T Graham (appointed 29/03/2010)

No amount is paid by 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 Scheme to the directors as key management personnel.

Key management personnel unitholdings

At 30 June 2010 no key management personnel held units in the Trust (2009: Nil).

Key management personnel loan disclosures

The Trust has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period (2009: Nil).

Responsible Entity's fees and other transactions

For the year ended 30 June 2010, in accordance with the Trust Constitution, the Responsible Entity received a total fee of 1.33% of net asset value (inclusive of GST, net of RITC available to the Trust) per annum (2009: 1.33%).

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 Trust and the Responsible Entity were as follows:

	30 June 2010	30 June 2009
	\$	\$
Management fees for the year paid by the Trust to the Responsible Entity	<u>43,108</u>	<u>84,753</u>
Aggregate amounts payable to the Responsible Entity at the reporting date	<u>-</u>	<u>17,953</u>

Related party schemes' unitholdings

Parties related to the Trust (including MIML, its related parties and other schemes managed by MIML), hold no units in the Trust (2009: Nil).

11 Related party transactions (continued)

Investments

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

	Fair value of investment		Interest held		Distributions received/receivable	
	2010 \$	2009 \$	2010 %	2009 %	2010 \$	2009 \$
Macquarie Treasury Fund	-	491,498	-	0.01	-	43,688

No distributions receivable remain unpaid as at 30 June 2010 (2009: \$Nil).

Other transactions within the Trust

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

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

	30 June 2010 \$	30 June 2009 \$ (Restated)
(a) Reconciliation of profit/(loss) to net cash inflow from operating activities		
Increase/(decrease) in net assets attributable to unitholders	1,238,318	(6,253,569)
Distributions reinvested	-	(43,688)
Net (gains)/losses on financial instruments held at fair value through profit or loss	(1,140,265)	6,423,403
Proceeds from sale of financial instruments held at fair value through profit or loss	80,263,411	92,008,933
Purchase of financial instruments held at fair value through profit or loss	(75,185,250)	(90,401,944)
Net change in receivables and other assets	10,500	68,047
Net change in payables and other liabilities	(17,908)	(47,980)
Net cash inflow from operating activities	5,168,806	1,753,202

As described in note 2(i), 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 Trust disclosed in the statement of financial position as at 30 June 2010 or on the results and cash flows of the Trust for the year ended on that date.

14 Contingent assets and liabilities and commitments

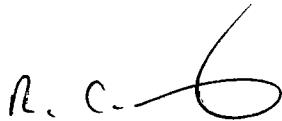
There are no outstanding contingent assets and liabilities or commitments as at 30 June 2010 and 30 June 2009.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 6 to 21 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 Trust's financial position as at 30 June 2010 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

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



R Cartwright
Director

Sydney
22 September 2010

Independent auditor's report to the unitholders of Macquarie Global Private Equities Securities Fund

We have audited the accompanying financial report of Macquarie Global Private Equities Securities Fund, ("the Fund") which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Responsible Entity, Macquarie Investment Management Limited, are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls 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. In Note 2(a), the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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 our 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, we consider internal controls relevant to the fund'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 fund'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.

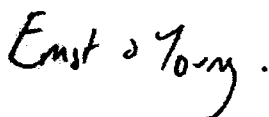
Independence

In conducting our audit we have met 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 in the directors' report.

Auditor's Opinion

In our opinion:

1. the financial report of Macquarie Global Private Equities Securities Fund is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of Macquarie Global Private Equities Securities Fund at 30 June 2010 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.



Ernst & Young



Graeme McKenzie
Partner
Sydney
22 September 2010