

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

ARSN 099 428 743

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2011**



MACQUARIE

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Annual Report

for the year ended 30 June 2011

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This financial report covers Macquarie Nine Film & Television Investment Fund as an individual entity.

Responsible Entity:

Macquarie Financial Products Management Limited
ABN 38 095 135 694
No.1, Martin Place,
Sydney,
New South Wales, 2000
AUSTRALIA

Neither the Responsible Entity, nor any member of the Macquarie Group, guarantees the performance of the Macquarie Nine Film & Television Investment Fund, the repayments of capital or the payment of a particular rate of return on the interests issued.

Macquarie Financial Products Management Limited is not an authorised deposit-taking institution for the purposes of the Banking Act (Cth) 1959, and Macquarie Financial Products Management Limited's obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Financial Products Management Limited.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Directors' Report

30 June 2011

The Directors of Macquarie Financial Products Management Limited (ABN 38 095 135 694) (a wholly owned subsidiary of Macquarie Group Limited), the Responsible Entity of Macquarie Nine Film & Television Investment Fund ("the Fund"), submit their report together with the financial report of the Fund, for the year ended 30 June 2011.

Principal activities

The principal activity of the Fund is to act as a vehicle through which interest holders of the Fund invest in Australian film and television productions.

Following the sale of the assets in the Fund, the process of winding up the Fund commenced. The process of winding up the Fund includes the redemption of all the interests in the Fund. The wind up process will be completed upon the filing of the financial report of the Fund with the Australian Securities and Investments Commission.

The Fund did not have any employees during the year.

There has been no significant changes in the nature of this activity during the year.

Directors

The names of the Directors of the Responsible Entity in office during the financial year and until the date of this report are:

Antony Clubb (appointed on 11/02/2011)
Simone Alison Mosse (resigned on 11/02/2011)
Jason King
Peter Bruce Lucas
William Dudley Fox

The Directors were in office from the beginning of the financial year until the date of this report, unless otherwise stated.

Review of results and operations

In accordance with the provisions of the Fund Constitution the term of the Fund expired on 1 July 2009 and the financial statements have been prepared on a liquidation basis. There have been no other significant changes to the operations of the Fund since the previous financial year.

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

| | Year ended | |
|---|--------------|----------------|
| | 30 June 2011 | 30 June 2010 |
| | \$ | \$ |
| Net (loss)/profit before finance costs attributable to interest holders | <u>(41)</u> | <u>273,047</u> |
| Distributions | | |
| Distribution paid | - | 273,010 |
| Distribution (cents per interests) | - | 1.16 |

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Directors' Report
30 June 2011 (continued)

Significant changes in the state of affairs

The process of winding up of the Fund has commenced and the Fund has redeemed all interests on issue. The wind up process will be completed upon the filing of the financial report of the Fund with the Australian Securities and Investments Commission. In the opinion of the Directors, there were no significant changes to the state of affairs of the Fund during the year.

Significant events after the balance date

There are no matters or circumstances that have arisen since the 30 June 2011 that significantly affect the Fund.

Likely developments and expected results

This is the last financial report for the Fund and wind up process will be complete upon the filing of the financial report with the Australian Securities and Investments Commission.

Indemnification and insurance of Directors and officers

No insurance premiums are paid for out of the assets of the Fund in regards to insurance cover provided to either the Directors or officers of the Responsible Entity. So long as they act in accordance with the Fund Constitution and the *Corporations Act 2001 (the Act)*, the Directors and officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

Fees paid to and interests held in the Fund by the Responsible Entity and associates

Fees paid to the Responsible Entity and associates out of Fund property during the year are disclosed in note 9 of the financial statements.

No fees were paid out of Fund property to the Directors of the Responsible Entity during the year (2010: \$Nil).

All interests in the Fund held by the Responsible Entity and associates have been redeemed during the year as disclosed in note 9 of the financial statements.

Interests on issue

All interests have been redeemed during the year as disclosed in note 6 of the financial statements (2010: 23,551,000).

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Directors' Report
30 June 2011 (continued)

Fund Assets

The value of the Fund's assets and liabilities at 30 June 2011 is disclosed in the statement of financial position and derived using the basis set out in Note 2 to the financial statements.

Environmental regulation and performance

The operations of the Fund are not subject to any particular or significant environmental regulations under a law of the Commonwealth, State or Territory. There have been no known significant breaches of any other environmental requirements applicable to the Fund.


Auditor's Independence Declaration

An independence declaration has been provided to the Directors by the auditor of Macquarie Nine Film & Television Investment Fund, Ernst & Young, and is attached to the Director's report.

Rounding of amounts

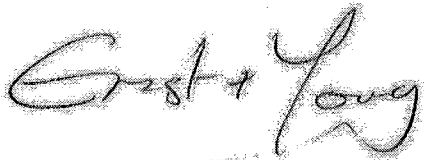
Amounts in the financial report have been rounded off to the nearest dollar unless otherwise indicated.

Signed in accordance with a resolution of the Directors.


.....
Director
Sydney
27 September 2011

**Auditor's Independence Declaration to the Directors of Macquarie
Financial Products Management Limited, as the Responsible Entity for
Macquarie Nine Film & Television Investment Fund**

In relation to our audit of the financial report of Macquarie Nine Film & Television Investment 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.



Ernst & Young



Darren Handley-Greaves
Partner
Sydney
27 September 2011

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Statement of Comprehensive Income

for the year ended 30 June 2011

| | Notes | Year ended | |
|--|-------|--------------|------------------|
| | | 30 June 2011 | 30 June 2010 |
| | | \$ | \$ |
| Income | | | |
| Interest revenue | | - | 8,689 |
| Sale proceeds of copyrights | | - | 200,000 |
| Licence fees | | - | 64,358 |
| Total income | | - | 273,047 |
| Expenses | | | |
| Other expenses | | 41 | - |
| Total expenses | | 41 | - |
| Net (loss)/profit before finance costs and income tax | | (41) | 273,047 |
| Finance costs attributable to interest holders | | | |
| Distribution to interest holders | 5 | - | (273,010) |
| Decrease/(increase) in net assets attributable to interest holders | 6 | 41 | (37) |
| Total finance costs attributable to interest holders | | 41 | (273,047) |
| Profit/(loss) for the year | | - | - |
| Other comprehensive income/(loss) | | - | - |
| Total comprehensive income/(loss) for the year | | - | - |

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

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Statement of Financial Position

at 30 June 2011

| | Notes | 30 June 2011 \$ | 30 June 2010 \$ |
|--|-------|--------------------|--------------------|
| Assets | | | |
| Cash and cash equivalents | 7 | - | 391,830 |
| Total assets | | <u>-</u> | <u>391,830</u> |
| Liabilities | | | |
| Distribution payable | 5 | - | 147,368 |
| Responsible Entity fees payable | 9 | - | 121,000 |
| Other payables | 8 | - | 123,421 |
| Total liabilities (excluding net assets attributable to interest holders) | | <u>-</u> | <u>391,789</u> |
| Net assets attributable to interest holders - liability | 6 | <u>-</u> | <u>41</u> |

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

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Statement of Changes in Equity

for the year ended 30 June 2011

| | Year ended | |
|---|--------------|--------------|
| | 30 June 2011 | 30 June 2010 |
| | \$ | \$ |
| Total equity at the beginning of the financial year | - | - |
| Profit/(loss) for the year | - | - |
| Other comprehensive income/(loss) for the year | - | - |
| Total comprehensive income and loss for the year | - | - |
| Transactions with owners in their capacity as owners | - | - |
| Total equity at the end of the financial year | - | - |

Under Australian Accounting Standards, net assets attributable to interest holders 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.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Statement of Cash Flows

for the year ended 30 June 2011

| | Notes | Year ended | |
|---|-------|------------------|------------------|
| | | 30 June 2011 | 30 June 2010 |
| | | \$ | \$ |
| <i>Cash flows from operating activities</i> | | | |
| Interest received | | - | 8,689 |
| Other expense | | (41) | - |
| Licence fees received | | - | 189,995 |
| Funds received from Nine network | | - | 103,041 |
| Responsible Entity's fees paid | | (121,000) | - |
| Funds received from Nine network paid | | (103,041) | - |
| Net GST paid | | (20,000) | (18,181) |
| Net cash (used in)/provided by operating activities | 10(a) | <u>(244,082)</u> | <u>283,544</u> |
| <i>Cash flows from financing activities</i> | | | |
| WHT paid | | (380) | (386) |
| Distributions paid | | (147,386) | (501,055) |
| Net cash used in financing activities | | <u>(147,748)</u> | <u>(501,441)</u> |
| <i>Cash flows from investing activities</i> | | | |
| Sales proceeds of copyrights | | - | 220,000 |
| Net cash (used in)/provided by financing activities | | <u>-</u> | <u>220,000</u> |
| Net (decrease)/increase in cash and cash equivalents | | (391,830) | 2,103 |
| Cash and cash equivalents at 1 July | | 391,830 | 389,727 |
| Cash and cash equivalents at 30 June | 7 | <u>-</u> | <u>391,830</u> |

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

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements

for the year ended 30 June 2011

1. Corporate information

This financial report covers Macquarie Nine Film & Television Investment Fund ("the Fund") as an individual entity. The Fund was registered on 13 February 2002. The term of the Fund expired on 1 July 2009 in accordance with the provisions of the Fund Constitution and the financial statements have been prepared on a liquidation basis.

Macquarie Nine Film & Television Investment Fund is a managed investment scheme. The Responsible Entity of the Fund is Macquarie Financial Products Management Limited ("the Responsible Entity"). The Responsible Entity's registered office is No.1, Martin Place, Sydney, New South Wales 2000, Australia. The financial report is presented in the Australian currency.

The financial statements of Macquarie Nine Film & Television Investment Fund for the year ended 30 June 2011 were authorised for issue in accordance with a resolution of the Board of Directors on 27 September 2011.

2. 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 financial years presented, unless otherwise stated in the following text.

2.1 Basis of preparation

The Fund is in the process of being wound up. Consequently, the Directors have determined that the going concern basis of preparation is no longer appropriate. The financial report is a general purpose financial report, which has been prepared in accordance with requirement of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on a liquidation basis.

Amounts in the financial report have been rounded off to the nearest dollar unless otherwise indicated.

Following the sale of the assets in the Fund, the process of winding up the Fund commenced. The process of winding up the Fund includes the redemption of all the interests in the Fund. The wind up process will be completed upon the filing of the financial report of the Fund with the Australian Securities and Investments Commission. This is the last financial report for the Fund.

Statement of compliance

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

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements for the year ended 30 June 2011 (continued)

2.1 Basis of preparation (continued)

New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Fund for the annual reporting period ended 30 June 2011. The impact of these standards and interpretations has been assessed and to the extent applicable to the Fund are discussed below. Standards and Interpretations that are not expected to have a material impact on the Fund have not been included.

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

AASB 9 Financial Instruments addresses the classification and measurement of financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not traded. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss. The Fund has not yet decided when to adopt AASB 9. However, management does not expect any impact on the Fund's financial statements as the Fund does 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 amendments will not have any effect on the Fund's financial statements.

(iii) *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 Fund does not expect that any adjustments will be necessary as the result of applying the revised rules.

(iv) *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 Trust has not yet decided when to adopt IFRS 10. Management does not expect this will have a significant effect on the Trust's financial statements.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements

for the year ended 30 June 2011 (continued)

2.1 Basis of preparation (continued)

New accounting standards and interpretations (continued)

(v) 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 Trust has not yet decided when to adopt IFRS 12. Management does not expect this will have a significant effect on the Trust's financial statements.

(vi) 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 Trust has not yet decided when to adopt IFRS 13. Management does not expect this will have a significant effect on the Trust's financial statements.

2.2 Summary of significant accounting policies

(a) Financial instruments

(i) Classification

The legal form of the investment in television and film copyright is that they are investments made directly by interest holders of the Fund. However, these investments are recognised as assets of the Fund as it is the Fund, and not the individual interest holders, who under Australian Accounting Standards, control these assets.

The Fund's investments in television and film copyright are classified as at fair value through profit or loss. They comprise financial instruments designated at fair value through profit or loss upon initial recognition. These financial assets are not held for trading purposes.

(ii) Recognition/derecognition

The Fund 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 cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements

for the year ended 30 June 2011 (continued)

2.2 Summary of significant accounting policies (continued)

(a) Financial instruments (continued)

(iii) Measurement

Financial assets and liabilities at fair value through the profit or loss

Financial assets and liabilities at fair value through profit and 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 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.

Television and film copyright

The net fair value of the television and film copyright is principally driven by the expected discounted future cash flows arising from the contractual right to receive cash from Nine Films and Television Pty Limited ("Nine network").

(b) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand, demand deposits, investments in money market instruments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(c) Investment income & expenses

Licence fees and guaranteed income received from television and film projects by the Fund on behalf of its interest holders are recognised as income of the Fund on an accrual basis.

Interest income and expenses are recognised in the statement of comprehensive income for all debt instruments using the effective interest method. Interest income on assets at fair value through the profit or loss is included in the net gains/(losses) on financial instruments. Other changes in fair value for such instruments are recorded in accordance with the policies described in Note 2.2(a).

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(d) Income tax

Under current Australian legislation, the Fund is not subject to income tax provided the interest holders are presently entitled to the income of the Fund and the Fund fully distributes its net taxable income.

Distributable income is determined by reference to the net taxable income of the Fund.

For taxation purposes, the Fund is a tax law partnership in relation to the receipt of assessable income from television projects, while income and expenses from film projects are included directly in the assessable income of the interest holders.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements

for the year ended 30 June 2011 (continued)

2.2 Summary of significant accounting policies (continued)

(e) Distributions to interest holders

In accordance with the Fund Constitution, the Fund fully distributes its distributable (taxable) income to interest holders. The distributions are payable at the end of June each financial year and are recognised in the statement of comprehensive income as finance costs. Distributions by the Fund typically include the net income, licence fees and guaranteed income received on behalf of interest holders, as well as certain transfers to and from net assets attributable to interest holders permitted by the Fund Constitution.

(f) Increase/decrease in net assets attributable to interest holders

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

(g) Receivables

Receivables may include amounts for interest and Goods and Services Tax receivable from the Australian Taxation Office (ATO).

(h) Payables

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

(i) Goods and Services Tax (GST)

Management fees and other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the ATO. The Fund qualifies for tax credits at a rate of 100%. The net amount of GST payable to the ATO is included in payables in the statement of financial position. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

(j) Functional and presentation currency

Items included in the Fund'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 Fund competes for capital and is regulated. The Australian dollar is also the Fund's presentation currency.

(k) Net assets attributable to interest holders

Interests are redeemable at the end of Fund's finite life and are therefore classified as financial liabilities. The fair value of redeemable interests is measured at the redemption amount that would be received if interests were redeemed at the reporting date.

(l) Use of estimates

In preparing the financial statements no estimates were made which included a high degree of judgement.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements

for the year ended 30 June 2011 (continued)

3. Financial risk management

The Fund may be exposed to a variety of financial risks: market risk (including market price risk and interest rate risk), credit risk and liquidity risk arising from the financial instruments it holds. The Fund's overall risk management programme focuses on ensuring compliance with the Fund's Product Disclosure Statement and seeks to maximise the returns derived for the level of risk to which the Fund is exposed.

The Fund uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks and ratings analysis for credit risk.

The risk management policies employed by the Fund to manage these risks are discussed below.

(a) Market risk

(i) Market price risk

Market price risk is the risk that the value of the Fund's financial instruments will fluctuate due to changes in market prices. The Fund is not exposed to market price risk at the reporting date, as the Fund has sold its investment in copyright during the previous financial year (2010: valued at \$Nil) and therefore, no sensitivity analysis for changes in market prices is presented.

(ii) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

No interest rate risk analysis is presented as the Fund has no significant interest bearing assets.

(b) Credit risk

Credit risk is the risk that a counterparty will fail to perform contractual obligations, either in whole or in part, under a contract. The Fund is not exposed to credit risk as it has realised all its assets at the reporting date. For June 2010, the potential areas of credit risk consisted of cash balances at bank and receivables.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements for the year ended 30 June 2011 (continued)

3. Financial risk management (continued)

(b) Credit risk (continued)

Maximum exposure to credit risk

There is no exposure to credit risk as the fund did not have any financial assets at the reporting date. For June 2010 the carrying amounts of financial assets best represent the maximum credit risk exposure. The credit quality of financial assets is managed by the Fund using external credit ratings, where available. The table below details credit quality of financial assets held by the Fund.

| Credit Quality | Neither past due nor impaired | | | | | Total |
|--|-------------------------------|------------------------|----------|----------|-----------------------------------|----------------|
| | Investment Grade | Below Investment Grade | Default | Unrated | Past due or individually impaired | |
| As at 30 June 2010 | \$ | \$ | \$ | \$ | \$ | \$ |
| Cash and cash equivalents | | | | | | |
| Financial institutions | 391,830 | - | - | - | - | 391,830 |
| Financial assets at fair value through profit or loss | | | | | | |
| Financial institutions | - | - | - | - | - | - |
| Other | - | - | - | - | - | - |
| Other assets | | | | | | |
| Financial institutions | - | - | - | - | - | - |
| Total | 391,830 | - | - | - | - | 391,830 |

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. The Fund is not exposed to liquidity risk as the Fund did not have any financial liabilities as at the reporting date.

For June 2010, the table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at 30 June 2010 to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

| As at 30 June 2010 | Less than 1 month | 1 to 3 months | 3 to 6 months | 6 to 12 months | 1 to 5 years | Total |
|---|-------------------|----------------|---------------|----------------|--------------|----------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Distribution payable | 137,642 | 9,726 | - | - | - | 147,368 |
| Responsible Entity fees payable | 121,000 | - | - | - | - | 121,000 |
| Other payables | - | 123,421 | - | - | - | 123,421 |
| Net assets attributable to Interest holders | - | - | 41 | - | - | 41 |
| Total undiscounted cash flows | 258,642 | 133,147 | 41 | - | - | 391,830 |

(d) Fair value estimation

The Fund did not have any financial assets and financial liabilities at the reporting date.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements
for the year ended 30 June 2011 (continued)

4. Auditor's remuneration

| | Year ended | |
|---|--------------|--------------|
| | 30 June 2011 | 30 June 2010 |
| | \$ | \$ |
| Amounts received or due and receivable by Ernst and Young | | |
| - an audit and review of the financial report of the Fund | 7,940 | 7,710 |
| - an audit of compliance plan | 310 | 290 |
| | <u>8,250</u> | <u>8,000</u> |

No non-audit fees were paid/payable during the year (2010: \$Nil).

The Responsible Entity pays fees to auditors on behalf of the Fund. It is not the intention of the Responsible Entity to recharge the fees to the Fund, as permitted by the Constitution. No contingent liability has been recognised by the Fund in relation to the fees.

5. Distribution to interest holders

The distributions paid/payable to interest holders for the year is as follows:

| | Year ended | |
|-------------------------------------|----------------|----------------|
| | 30 June 2011 | 30 June 2010 |
| | \$ | \$ |
| Distribution paid – Current year | - | 262,904 |
| Distribution paid – Prior years | <u>147,368</u> | <u>238,151</u> |
| | <u>147,368</u> | <u>501,055</u> |
| Distribution payable – Current year | - | 9,726 |
| Distribution payable – Prior years | <u>-</u> | <u>137,642</u> |
| | <u>-</u> | <u>147,368</u> |

Distributions paid/payable above is net of withholding tax.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements
for the year ended 30 June 2011 (continued)

6. Net assets attributable to interest holders

Movements in number of interests and net assets attributable to interest holders during the year were as follows:

| | Interests on issue | | Interest holders' funds | |
|---|---------------------|---------------------|-------------------------|--------------------|
| | 30 June 2011 No. | 30 June 2010 No. | 30 June 2011 \$ | 30 June 2010 \$ |
| Opening balance | 23,551,000 | 23,551,000 | 41 | 4 |
| Interests redeemed | (23,551,000) | - | - | - |
| (Decrease)/increase in net assets attributable to interest holders | - | - | (41) | 37 |
| Closing balance | - | 23,551,000 | - | 41 |

As stipulated within the Fund Constitution, each interests represent a right to an individual share in the Fund and do not extend to a right to the underlying assets of the Fund. There are no separate classes of interests and each interest has the same rights attaching to it as all other interests of the Fund.

Capital risk management

The Fund considers its net assets attributable to interest holders as capital, notwithstanding net assets attributable to interest holders are classified as a liability. The Fund has issued 23,551,000 interests @ \$1/interests in June 2002 and has redeemed all interests during the year.

7. Cash and cash equivalents

| | 30 June 2011 \$ | 30 June 2010 \$ |
|---------------------------------|--------------------|--------------------|
| Cash at bank (banking services) | - | 221,203 |
| Cash at bank (money market) | - | 170,627 |
| | - | 391,830 |

8. Other payables

| | 30 June 2011 \$ | 30 June 2010 \$ |
|-------------------------|--------------------|--------------------|
| GST Payable | - | 20,000 |
| Withholding Tax Payable | - | 380 |
| Payable to Nine network | - | 103,041 |
| | - | 123,421 |

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements

for the year ended 30 June 2011 (continued)

9. Related party disclosures

(a) Responsible Entity

The Responsible Entity of the Macquarie Nine Film & Television Investment Fund is Macquarie Financial Products Management Limited, whose immediate and ultimate holding company is Macquarie Group Limited.

(b) Details of Key management personnel

(i) Directors

The directors of Macquarie Financial Products Management Limited Responsible Entity are considered to be Key Management Personnel of the Fund. The Directors of the Responsible Entity in office during the year and up to the date of the report are:

Antony Clubb (appointed on 11/02/2011)
Simone Alison Mosse (resigned on 11/02/2011)
Jason King
Peter Bruce Lucas
William Dudley Fox

(ii) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly, during the financial year.

(iii) Compensation of Key Management Personnel

No amount is paid by the Fund directly to the Directors of the Responsible Entity. Consequently, no compensation as defined in AASB 124 "Related Party Disclosures" is paid by the Fund to the Directors as Key Management Personnel.

Compensation is paid to the Responsible Entity in the form of fees and is disclosed in note below.

(c) Interests holdings of Related Party and Key Management Personnel

Parties related to the Fund (including the Responsible Entity, its Directors, its affiliates and other Funds managed by the Responsible Entity), held interests in the Fund as follows:

| 30 June 2011 Interest holder | Number of Interests held opening (Interests) | Number of Interests held closing (Interests) | Interests held (%) | Number of interests acquired (Interests) | Number of interests disposed (Interests) | Distributions paid/payable by the Fund (\$) |
|---------------------------------|---|---|-----------------------|---|---|--|
| Macquarie Bank Limited | 525,000 | - | - | - | 525,000 | - |
| William Dudley Fox | 20,000 | - | - | - | 20,000 | - |

The Investors have redeemed all of their interests on issue at the reporting date.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements

for the year ended 30 June 2011 (continued)

9. Related party disclosures (continued)

(c) Interests holdings of Related Party and Key Management Personnel (continued)

| 30 June 2010 Interest holder | Number of Interests held opening (Interests) | Number of Interests held closing (Interests) | Interests held (%) | Number of interests acquired (Interests) | Number of interests disposed (Interests) | Distributions paid/payable by the Fund (\$) |
|---------------------------------|---|---|-----------------------|---|---|--|
| Macquarie Bank Limited | 525,000 | 525,000 | 2.23% | - | - | 6,090 |
| William Dudley Fox | 20,000 | 20,000 | 0.08% | - | - | 232 |

(d) Related Party transactions

(i) Related Parties

Macquarie Group Limited ("MGL"), a related party of the Responsible Entity, and the companies within the MGL Group have undertaken various transactions with, and performed various services for the Fund as follows:

The Fund places funds on deposit with Macquarie Bank Limited ("MBL"), a wholly-owned subsidiary of MGL. The carrying value of these deposits is disclosed in Note 7 to the Financial Statements. Interest income from deposits with MBL is \$Nil (2010: \$8,689) for the year ended 30 June 2011.

Payments, if any, made from the Fund to the Responsible Entity do not include any amounts directly attributable to the compensation of Directors of the Responsible Entity.

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

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to the Responsible Entity, its affiliates and other Funds managed by the Responsible Entity at any time during the reporting period.

All related party transactions are made on normal commercial terms and conditions.

(ii) Key management personnel loan disclosures

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

Apart from those details disclosed in this note, no Director has entered into a material contract with the Fund since the end of the previous financial year and there were no material contracts involving Directors' interests existing at the financial year end.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements for the year ended 30 June 2011 (continued)

9. Related party disclosures (continued)

(e) Fees

For the year ended 30 June 2011, the Responsible Entity has not received any fee from the fund (2010: \$Nil).

In accordance with the Constitution the Responsible Entity's performance fee is 15% of distributions over \$1.30 per interests over the life of the Fund. No performance fees have been incurred in the current year (2010: \$Nil).

The transactions during the year and amounts payable at year end between the Fund and the Responsible Entity were as follows:

| | 30 June 2011 | 30 June 2010 |
|--|--------------|--------------|
| | \$ | \$ |
| Management fees for the year by the Fund to the Responsible Entity (Net of GST Credit) | - | - |
| Management fees payable by the Fund to the Responsible Entity (including GST) | - | 121,000 |

10. Statement of cash flows reconciliation

| | Year ended | |
|---|------------------|----------------|
| | 30 June 2011 | 30 June 2010 |
| | \$ | \$ |
| (a) Reconciliation of net profit/(loss) to net cash (used in)/provided by operating activities | | |
| Profit/(loss) for the year | - | - |
| (Decrease)/increase in net assets attributable to interest holders | (41) | 37 |
| Distribution made to interest holders | - | 273,010 |
| (Increase)/decrease in receivables | - | 119,201 |
| (Decrease)/increase in responsible entity fees payable | (121,000) | - |
| (Decrease)/increase in other payables | (123,041) | 111,296 |
| Net cash (used in)/provided by operating activities | (244,082) | 503,544 |

(b) Non-cash financing activities

The Fund did not engage in any non-cash financing and investment activities during the year (2010: Nil).

11. Segment information

The Fund operates solely in the business of investment management within Australia. Consequently, no segment reporting is provided in the Fund's financial statements.

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND

Notes to the Financial Statements
for the year ended 30 June 2011 (continued)

12. Events after balance date

Since 30 June 2011 there have been no other matter or circumstances not otherwise dealt with in the financial report that have significantly affected or may affect the Fund (2010: none).

13. Commitments and contingencies

There are no commitments or contingencies at the reporting date (2010: none).

MACQUARIE NINE FILM & TELEVISION INVESTMENT FUND


Directors' Declaration

30 June 2011

In the opinion of the Directors of the Responsible Entity::

- (a) the financial statements and notes set out on pages 6 to 22 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 Fund'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 Fund will be able to pay its debts as and when they become due and payable.
- (c) the financial statements also comply with International Financial Reporting Standards as issued by International Accounting Standards Board.

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


.....
Director
Sydney
27 September 2011

Independent auditor's report to the unitholders of Macquarie Nine Film & Television Investment Fund

We have audited the accompanying financial report of Macquarie Nine Film & Television Investment 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 Financial Products 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.

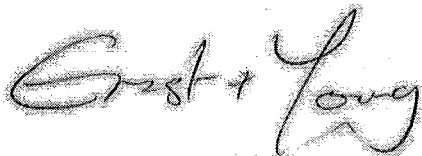
Independence

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 Macquarie Nine Film & Television Investment 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.

A stylized, handwritten signature of the Ernst & Young firm, written in dark ink.

Ernst & Young

A handwritten signature of Darren Handley-Greaves, written in dark ink.

Darren Handley-Greaves
Partner
Sydney
27 September 2011