



Annexure 3A

BSX Listing Rules

Yearly Disclosure

References Version 1, Operative 23/8/2000
Chapter 3, BSX Listing Rules

APN REGIONAL PROPERTY FUND

Name of entity

41 852 893 694

ABN

Half yearly (tick)

Annual (tick)

<input type="checkbox"/>
<input checked="" type="checkbox"/>

30 JUNE, 2006

Year ended 30 June, 2006
(‘Current period’)

Summary

Sales revenue or operating revenue	down	21.66%	to	\$A,000 6,684
Profit (loss) before abnormal items and after tax	down	54.54%	to	2,363
Abnormal items before tax		gain (loss) of		-
Profit (loss) after tax but before outside equity interests	down	54.54%	to	2,363
Extraordinary items after tax attributable to members		gain (loss) of		-
Profit (loss) for the period attributable to members	down	54.54%	to	2,363

Dividends (distributions)

Franking rate applicable

N/A

Current period

Final

2.23 cpu fully paid

Interim

6.56 cpu fully paid
1.764 cpu partly paid

Previous corresponding period

8.54 cpu fully paid
4.704 cpu partly paid

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Record date for determining entitlements to the dividend, (in the case of a trust distribution)

30 June, 2006 (as previously announced)

Short details of any bonus or cash issue or other items(s) of importance not previously released to BSX:

None. All previously released

Consolidated profit and loss account

	Current period \$A'000	Previous corresponding period \$A'000
Sales revenue or operating revenue	6,684	8,532
Expenses from ordinary activities	(1,563)	(1,428)
Borrowing costs	(2,758)	(1,907)
Share of net profit (loss) of associates and joint venture entities	-	-
Profit (loss) from ordinary activities before tax	2,363	5,197
Income tax on ordinary activities	-	-
Profit (loss) from ordinary activities after tax	2,363	5,197
Outside equity interests	-	-
Profit (loss) from ordinary activities after tax attributable to members	2,363	5,197
Profit (loss) from extraordinary activities after tax attributable to members	-	-
Profit (loss) for the period attributable to members	2,363	5,197
Dividends paid or payable	2,760	1,952
Net movement in undistributed income	(397)	3,245

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Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous corresponding period \$A'000
Profit (loss) from ordinary activities after tax before outside equity interests and amortisation of goodwill	2,363	5,197
Less (plus) outside equity interests	-	-
Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	2,363	5,197

Revenue and expenses from operating activities

	Current period \$A'000	Previous corresponding period \$A'000
Details of revenue and expenses		
Main Items:		
Revenue from properties	6,159	5,083
Changes in fair value of investment properties	-	3,356
Distribution Income	145	62
Interest income	104	46
Property management expenses	(1,310)	(888)
Responsible entity fees	(89)	(196)
Other trust operating expenses	(164)	(344)
Borrowing expenses	(2,758)	(1,907)

Intangible and extraordinary items

	Consolidated - current period		
	Before tax \$A'000	Related tax \$A'000	After tax \$A'000
Amortisation of goodwill	N/A	N/A	N/A
Amortisation of other intangibles	N/A	N/A	N/A
Total amortisation of intangibles	N/A	N/A	N/A
Extraordinary items (details)	N/A	N/A	N/A

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Total extraordinary items	N/A	N/A	N/A
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Comparison of half year profits

(Annual statement only)

	Current year - \$A'000	Previous year - \$A'000
Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year	1,009	4,084
Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	1,354	1,113

Consolidated balance sheet

Current assets	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly statement \$A'000
Cash	2,422	370	390
Receivable	302	147	687
Investments	-	-	-
Other – prepaid expenses & prepaid interest	443	1,344	1,673
Total current assets	3,167	1,861	2,750
Non-current assets			
Receivables	-	-	-
Investments	74,808	68,501	73,437
Inventories	-	-	-
Other property, plant and equipment (net)	-	-	-
Other (provide details if material)	-	-	-
Total non-current assets	74,808	68,501	73,437
Total assets	77,975	70,362	76,187
Current liabilities			
Accounts payable	371	232	485
Borrowings	-	-	-
Provisions	727	578	727
Other –security deposits \$59,623;	60	137	71

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Total current liabilities	1,158	947	1,283
Non-current liabilities			-
Accounts payable	-	-	-
Borrowings	46,499	43,774	44,485
Provisions	-	-	-
Other	-	-	-
Total non-current liabilities	46,499	43,774	44,485
Total liabilities	47,657	44,721	45,768
Net assets attributable to unitholders - Liability	30,318	-	30,419
Equity			
Net assets attributable to unitholders at redemption price	30,318	-	30,267
Adjustments arising from different unit pricing and AIFRS valuation principles	-	-	152
Total equity	-	25,641	30,419
Preference capital and related premium included	-	-	-

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Consolidated statement of cash flows

Cash flows related to operating activities	Current period \$A'000	Previous corresponding period \$A'000
Receipts from rent properties	6,238	4,925
Payments to suppliers	(1,815)	(1,820)
Dividends received	80	-
Interest and other items of similar nature received	85	46
Other	445	73
Net operating cash flows	5,033	3,224
Cash flows related to investing activities		
Payments for purchases of property, plant and equipment	(5,583)	(6,429)
Proceeds from sale of property, plant and equipment	-	-
Payment for purchases of equity investments	(3,067)	(1,701)
Proceeds from sale of equity investments	2,522	-
Loans to other entities	-	-
Loans repaid by other entities	-	-
Net investing cash flows	(6,128)	(8,130)
Cash flows related to financing activities		
Proceeds from equity	5,093	26,736
Buy back of shares	-	(34,440)
Proceeds from borrowings	3,265	43,774
Repayment of borrowings	-	(24,147)
Distributions paid	(2,611)	(1,520)
Borrowing costs paid	(2,581)	(2,583)
Payments associated with fund raising	(19)	(3,251)
Net financing cash flows	3,147	4,569
Net increase (decrease) in cash held	2,052	(337)
Cash at beginning of period (see Reconciliation of cash)	370	707
Exchange rate adjustments	-	-

Annexure 3A
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Cash at end of period (see Reconciliation of cash)	2,422	370
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Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

None

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A'000	Previous corresponding period \$A'000
Cash on hand and at bank	1,299	370
Deposits at call	1,123	-
Bank overdraft	-	-
Other (provide details)	-	-
Total cash at end of period	2,422	370

Ratios

Profit before tax/sales

Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue

Current period

Previous
corresponding period

	35.4%	60.9%
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Profit after tax/equity interests

Consolidated profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period

	7.8%	20.3%
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Earnings per security (EPS)

Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share

(a) Basic EPS

(b) Diluted EPS (if materially different from (a))

Current period

Previous
corresponding period

7.54 cpu	8.00 cpu	
7.54 cpu	8.00 cpu	

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Yearly Disclosure**

NTA backing	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$0.93	\$0.93

Details of specific receipts/outlays, revenues/expenses

	Current period A\$'000	Previous corresponding period \$A'000
Interest revenue included	104	38
Interest revenue included but not yet received (if material)	-	-
Interest costs excluded from borrowing costs capitalised in asset values	246	136
Outlays (excepts those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
Depreciation (excluding amortisation of intangibles)	-	-
Other specific relevant items	-	-

Control gained over entities having material effect

Name of entity	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity since the date in the current period on which control was acquired	\$-
Date from which such profit has been calculated	-
Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period	\$-

Loss of control of entities having material effect

Name of entity	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity for the current period to the date of loss of control	\$-
Date from which the profit (loss) has been calculated	-

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Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period	\$-
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$-

Reports for industry and geographical segments

Segments - The Trust earned all of its property income in Australia from ownership of properties in various regional areas of NSW. Other minor sources of income were interest and distributions from investments in listed property trusts.

Operating Revenue

Sales to customers outside the economic entity

Inter-segment sales

Unallocated revenue

Total revenue

Segment result

Unallocated expenses

Consolidated profit from ordinary activities after tax (before equity accounting)

Segment assets	***Refer Note Above***)	<i>Comparative data for segment assets should be as at the end of the previous corresponding period</i>
Unallocated assets)	
Total assets)	

Dividends

Date the dividend is payable	31/7/06(already paid)
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Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm)	30/6/06(as previously announced)
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Annexure 3A Yearly Disclosure

Amount per security

		Franking rate applicable	%	%	%
<i>(annual report only)</i>					
Final dividend:	Current year		N/A	N/A	N/A
	2.23cpu fully paid				
	Previous year	N/A	N/A	N/A	N/A
(Half yearly and annual statements)					
Interim dividend:	Current year – Details are:		N/A	N/A	N/A
	6.56 cpu fully paid & 2.94 cpu partly paid				
	Previous year	N/A	N/A	N/A	N/A

Total annual dividend (distribution) per security

(Annual statement only)

	Current year	Previous year
Ordinary securities	Fully paid 8.79 cpu Partly paid 1.764 cpu	Fully paid 8.54 cpu Partly paid 4.704 cpu
Preference securities	N/A	N/A

Total dividend (distribution)

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	2,760	1,952
Preference securities	N/A	N/A
Total	2,760	1,952

Annexure 3A Yearly Disclosure

Annual report – final dividend (distribution) on all securities

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities – for June'06 Qtr.	727	578
Preference securities	N/A	N/A
Total	727	578

The dividend or distribution plans shown below are in operation.

N/A

The last date(s) for receipt of election notices to the dividend or distribution plans N/A

Any other disclosures in relation to dividends (distributions)

No

Equity accounted associated entities and other material interests

Equity accounting information attributable to the to the economic entity's share of investments in associated entities must be disclosed in a separate notice. See AASB 1016: Disclosure of Information about Investments in Associated Companies.

Entities share of:	Current period A\$'000	Previous corresponding period A\$'000
Profit (loss) from ordinary activities before tax.	N/A	N/A
Income tax	N/A	N/A
Profit (loss) from ordinary activities after tax	N/A	N/A
Extraordinary items net of tax	N/A	N/A
Net profit (loss)	N/A	N/A
Outside equity interests	N/A	N/A
Net profit (loss) attributable to members	N/A	N/A

Annexure 3A Yearly Disclosure

Material interests in entities which are not controlled entities

The entity has an interest (that is material to it) in the following entities.

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to profit (loss) from ordinary activities and extraordinary items after tax	
	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
Equity accounted associates and joint venture entities				
N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A
Other material interests	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A

Issued and listed securities

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities	Number issued	Number listed	Issue Price (cents)	Paid-up value (cents)
Preference securities (description)	N/A	N/A	N/A	N/A
Changes during current period	N/A	N/A	N/A	N/A
Ordinary securities	32,616,337	32,616,337	\$1.00	\$1.00
Changes during current period	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A

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Yearly Disclosure**

Convertible debt securities <i>(description and conversion factor)</i>	N/A	N/A	N/A	N/A
Changes during current period	N/A	N/A	N/A	N/A
Options <i>(description and conversion factor)</i>	N/A	N/A	N/A	N/A
Changes during current period	N/A	N/A	N/A	N/A
Exercised during current period	N/A	N/A	N/A	N/A
Expired during current period	N/A	N/A	N/A	N/A
Debentures	N/A	N/A	N/A	N/A
Unsecured Notes	N/A	N/A	N/A	N/A

Discontinuing Operations - Please Note all Operations are Continuing

Consolidated profit and loss account

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Sales revenue or operation revenue	N/A	N/A	N/A	N/A	N/A	N/A
Other revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenses from ordinary activities	N/A	N/A	N/A	N/A	N/A	N/A
Profit (loss) before tax	N/A	N/A	N/A	N/A	N/A	N/A

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Yearly Disclosure**

Less tax	N/A	N/A	N/A	N/A	N/A
Profit (loss) from ordinary activities after tax	N/A	N/A	N/A	N/A	N/A

Consolidated statement of cash flows

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Net operating cash flows	N/A	N/A	N/A	N/A	N/A	N/A
Net investing cash flows	N/A	N/A	N/A	N/A	N/A	N/A
Net financing cash flows	N/A	N/A	N/A	N/A	N/A	N/A

Other disclosures

	Current period A\$'000	Previous corresponding period A\$'000
Carrying amount of items to be disposed of:		
- total assets	N/A	N/A
- total liabilities	N/A	N/A
Profit (loss) on disposal of assets or settlement of liabilities	N/A	N/A
Related tax		
Net profit (loss) on discontinuance	N/A	N/A

Description of disposals

N/A

**Annexure 3A
Yearly Disclosure**

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Comments by *directors*

Basis of accounts preparation

If this statement is a half yearly statement it should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period.

Material factors affecting the revenues and expenses of the entity for the current period including seasonal or cyclical factors

None

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

None

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

N/A

Annexure 3A Yearly Disclosure

Changes in accounting policies since the last annual report and estimates of amounts reported in prior years are disclosed as follows.

This is the Fund's first annual Annexure 3A prepared in accordance with Australian International Financial Reporting Standards – AIFRS.

The AIFRS compliant accounting policies have been applied in preparing the annual financial statement for the year ended 30 June 2006, the comparative for the year ended 30 June 2005 and the preparation of an opening AIFRS balance sheet at 1 July 2004.

In preparing its opening AIFRS balance sheet, comparative information for the year ended 30 June 2005, the consolidated entity has adjusted amounts previously reported in Annexure 3A prepared in accordance with its old basis of accounting (previous AGAAP).

An explanation of how the transition from previous GAAP to AIFRSs has affected the fund's financial position and financial performance is set out below. There has been no impact on cashflows from transition to AIFRS.

- (A) Under AASB 140 "Investment Property", for investment properties measured at fair value, any gains or losses arising from changes in fair value are recognised in the Income Statement, for the period in which they arise. Upon transition to AIFRS, fair value adjustments for investment properties of \$3,356,000 previously recorded in the Asset Revaluation Reserve have been reclassified to retained earnings.
- (B) In the current financial year the Fund adopted AASB 132: *Financial Instruments: Disclosure & Presentation* and AASB 139: *Financial Instruments: Recognition and Measurement*. This change in accounting policy has been adopted in accordance with the transition rules contained in AASB 1, which does not require the restatement of comparative information for financial instruments within the scope of AASB 132 and AASB 139.

The adoption of AASB 139 has resulted in the Fund recognising financial assets and liabilities at fair value. This change has been accounted for by recognising these financial instruments at fair value through the profit and loss and reclassifying unitholders' funds as a liability as at 1 July 2005. The impact at 1 July 2005 is set out below.

- (i) Under previous Australian GAAP, the Fund classified unitholders' fund as equity and were measured at mid-price. In accordance with AASB 132 unitholders' funds are now classified as a liability and measured at the redemption price.

The effect in the Fund is to increase liability by \$22,285,000 and decrease equity by \$22,285,000 at 1 July 2005, reducing net assets of the Fund in the balance sheet to nil.

As a result of reclassification of unitholders' fund as a liability, changes in net assets attributable to unitholders, which, under previous GAAP was referred to as transfers to unitholders' funds and distributions to unitholders are now recognised as a financing cost, reducing net profit of the Fund in the income statement to nil. However, AASB 132 permits an income statement presentation which reconciles changes in net assets attributable to unitholders, rather than a nil profit.

- (ii) Under previous GAAP, the Fund measured financial assets at net market values. In accordance with AASB 139, financial assets are no longer initially recognised at net cost, they are now initially recognised at fair value (transaction price) except for transaction costs which are expensed immediately. Subsequent to initial recognition, all financial assets classified at fair value through profit and loss are no longer measured at net market value (mid-price), they are now measured at fair value (bid-price).

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There was no material impact resulting from this change in policy.

- (C) As mentioned in point (A), under previous Australian GAAP, the revaluation of controlled entities is recognised to an Asset Revaluation Reserve. In accordance with AIFRS, these revaluations will be recognised in the income statement. At 1 July 2005, the Asset Revaluation Reserve is transferred to the Net assets attributable to unitholders – Liability. This has the impact of increasing Net assets attributable to unitholders – Liability by \$3,356,000 and decreasing the Asset Revaluation Reserve to \$Nil.

Changes in the amounts of contingent liabilities or assets since the last annual report are disclosed as follows.

None

Additional disclosure for trusts

Number of units held by the management company or responsible entity to their related parties.

12,000,000

i.e. an entity managed by the same RE.

A statement of the fees and commissions payable to the management company or responsible entity.

\$89,085

Identify:

- Management fees

Annual meeting

(Annual statement only)

The annual meeting will be held as follows:

Place

N/A

Date

-

Time

-

Approximate date the annual report will be available

By 30 September, 2006

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This statement, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 In the case of a half-yearly report the same accounting standards and methods of computation are followed as compared with the most recent annual accounts.
- 4 This statement does give a true and fair view of the matters disclosed.
- 5 This statement is based on financial statements to which one of the following applies:
(Tick one)
 The financial statements have been audited.
 The financial statements have been subject to review by a registered auditor (or overseas equivalent).
 The financial statements are in the process of being audited or subject to review.
 The financial statements have *not* yet been audited or reviewed.
- 6 If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications will follow immediately they are available* (*delete one*).
- 7 The entity does not have a formally constituted audit committee.



Sign here: Date:7/9/06
.....
(Company secretary)

Print name: PETER NICHOLSON.....

Notes

True and fair view If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

Income tax If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

Additional information An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement.