



**Half-yearly
Financial Report**

**CVC Trinity Property Fund
and its Controlled Entities**

for the half-year ended 31 December 2007

chairman's report

for the half-year ended 31 December 2007

Dear Shareholder

The Directors of CVC Trinity Property Managers Limited, the Manager and Responsible Entity, wish to report a loss of \$1,800,592 for the first half of 2007 for CVC Trinity Property Fund ("the Fund").

This loss was primarily the result of the requirement to carry the recently acquired Ricoh Building located in Frenchs Forest Sydney at fair value in accordance with accounting standards. The associated acquisition costs of \$1.6 million, which include stamp duty and legal fees, have been treated as a one off loss for the period.

The Manager is also addressing the future financing requirements of the Fund in order to meet its short term and long term funding requirements for both the acquisition of the Ricoh Building and future acquisitions.

Since the end of the financial period 31 December 2007, two significant events have occurred.

Firstly, the joint venture between CVC Limited and Trinity Group to manage the Fund has been dissolved. In light of the current downturn in worldwide equities and property markets, both companies felt the need to focus on their core operations.

Although it is regrettable to report the separation, CVC Limited has considerable property expertise gained during its 23 years of operations. Further, we are in discussions with other property related groups to assist in the management of the Fund moving forward.

The second event is the favourable ruling from the Land and Environment Court of New South Wales ("the Court") relating to the challenge to the Development Application ("DA") for a 14,000m² bulky goods development site at Belrose Sydney. The Court referred the matter back to Warringah Council and subject to certain conditions being satisfied, should approve the DA early March.

We look forward to reporting the details of the new management team in the near future.

Geoffrey Leaver
Chairman

income statement (condensed)

for the half-year ended 31 December 2007

	31 Dec 2007 \$	31 Dec 2006 \$
INCOME		
Interest income	77,364	36,372
Rental income	383,161	-
Other income	58,676	-
Change in fair value of investment property	-	50,420
Total income	519,201	86,792
EXPENSES		
Change in fair value of investment property	1,603,176	-
Administrative expenses	151,730	60,919
Borrowing costs	562,797	-
Property related expenses	2,090	28,190
Total expenses	2,319,793	89,109
Loss attributable to unitholders	(1,800,592)	(2,317)
FINANCE COSTS ATTRIBUTABLE TO UNITHOLDERS		
Net decrease in net assets attributable to unitholders	-	(2,317)
Net loss	(1,800,592)	-
Earnings per unit		
Basic and diluted earnings per unit (cents)	(1.70)	-

balance sheet (condensed)

as at 31 December 2007

	31 Dec 2007 \$	30 Jun 2007 \$
CURRENT ASSETS		
Cash and cash equivalents	1,362,982	3,020,196
Trade and other receivables	56,713	77,691
Current tax assets	17,887	25,587
Total current assets	1,437,582	3,123,474
NON-CURRENT ASSETS		
Property, plant and equipment	15,372,296	15,319,452
Investment property	21,000,000	-
Total non-current assets	36,372,296	15,319,452
TOTAL ASSETS	37,809,878	18,442,926
CURRENT LIABILITIES		
Trade and other payables	641,071	266,317
Loans Payable	6,092,790	-
Total current liabilities	6,733,861	266,317
NON-CURRENT LIABILITIES		
Retention payable	1,350,000	1,350,000
Loans payable	14,700,000	-
Total non-current liabilities	16,050,000	1,350,000
TOTAL LIABILITIES	22,783,861	1,616,317
NET ASSETS	15,026,017	16,826,609
UNITHOLDERS' EQUITY	15,026,017	16,826,609

cash flow statement (condensed)

for the half-year ended 31 December 2007

	31 Dec 2007	31 Dec 2006
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash payments in the course of operations	(169,237)	(130,140)
Cash receipts in the course of operations	441,837	-
Interest paid	(416,257)	-
Interest received	96,606	33,388
Net cash used in operating activities	(47,051)	(96,752)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investment property	-	1,380,000
Payment for property	(22,360,163)	-
Net cash provided by investing activities	(22,360,163)	1,380,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	20,750,000	-
Net cash used in financing activities	20,750,000	-
Net increase in cash and cash equivalents held	(1,657,214)	1,283,248
Cash and cash equivalents at the beginning of the half-year	3,020,196	1,140,882
Cash and cash equivalents at the end of the half-year	1,362,982	2,424,130

statement of changes in equity (condensed)

for the half-year ended 31 December 2007

	31 Dec 2007	31 Dec 2006
	\$	\$
INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY		
Net income reflected directly in equity		
Net loss for the half-year	(1,800,592)	-
Total recognised income and expense for the half-year	(1,800,592)	-
TRANSACTIONS WITH UNITHOLDERS IN THEIR CAPACITY AS UNITHOLDERS		
Reclassification of unitholders' equity as a result of change of Constitution	-	2,420,366
Total transactions with unitholders in their capacity as unitholders	-	2,420,366
Net (reduction)/increase in equity for the half-year	(1,800,592)	2,420,366
Equity at the beginning of the half-year	16,826,609	-
EQUITY AT THE END OF THE HALF-YEAR	15,026,017	2,420,366