

Wholesale Investment Funds Concise Financial Report

2004/2005 financial year



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Letter from the CEO

Dear Investor,

I am pleased to present to you the INVESCO Wholesale Investment Funds Concise Financial Report for the 2004/2005 financial year.

The year has been profitable for most investment markets, with investors who have maintained their investments in growth asset classes being well rewarded. The Australian economy has fared very well relative to the larger global developed markets and continues to do so. Despite record oil prices and some uncertainty on future interest rates, global growth has continued to be favourable and the global markets have produced solid returns.

I'm happy to report INVESCO has again delivered great results, with our key funds producing terrific investment performance over the year to June. The one-year return for the Australian Share Fund was 28.9%¹, while the Australian Smaller Companies Fund returned 30.6%¹ for the same period. The Global Matrix Funds returned 17.8%¹ for the hedged product and 5.9%¹ for the unhedged product. The one-year return for the Diversified Growth Fund was 14.7%¹. The returns of all these funds were significantly above their benchmarks.

Also, our Wholesale Global Matrix Fund – hedged was ranked number one out of 75 managers of global equities in the key market survey (*Mercer IDPS overseas shares survey June 2005*).

Last month, the INVESCO Global Matrix Fund was the winner of the 2005 Standard & Poor's Australian Funds Awards in the Global Equities category. This is a terrific accolade for the product, and is recognition of the high quality investment products INVESCO has brought to investors in Australia. Also, in late 2004 we won the Morningstar / *Insto* magazine Most Improved Fund Manager of the Year award for Australian equities.

INVESCO is part of AMVESCAP plc, one of the world's largest, listed investment managers. AMVESCAP plc has resources, experience, and expertise spanning the world's major markets. Globally, the group has more than 6,000 employees spread across over 40 offices and clients in 150 countries.

I look forward to sharing with you our successes and milestones of the next financial year through our INVESCO Funds Quarterly report. Thank you for your continued support.

Yours sincerely

Mark Armour
Chief Executive Officer

¹ Post fee returns. Past returns are not a reliable indicator of future returns. Future returns may be affected by a range of factors including economic and market influences.

A Product Disclosure Statement (PDS) for any INVESCO fund referred to in this document is available from INVESCO. You should read the relevant PDS and consider whether a fund is appropriate for you before making a decision to invest. This document contains general information only and does not take into account your individual objectives, taxation position, financial situation or needs. You should assess whether the information is appropriate for you and consider obtaining independent taxation, legal, financial or other professional advice before making an investment decision.

Discussion & analysis

Introduction

We are happy to present to you the INVESCO Wholesale Investment Funds Concise Financial Report for the 2004/2005 financial year. The report contains information on the investment performance and financial position of each of the INVESCO Retail Investment Funds. Also included for your benefit is a brief assessment of economic and investment environments.

Economic backdrop

The 2005 financial year was another strong year for the global economy. While global growth slowed a little from 2004, momentum remained solid – led by the US and China. Importantly, economic conditions in Japan and Europe improved through the first half of 2005, laying the foundations for stronger and more synchronised international growth through the second half of the year. Inflation has risen moderately in response to stronger growth and higher commodity prices but remains at comfortable levels. Global financial conditions remain supportive of global growth, and have tended to counter rising oil prices through the year.

The US economy demonstrated exceptional stability and resilience to higher oil prices over 2004/05. GDP growth through the year averaged 3.7%, down a little from 4.1% in FY2004, but still very solid growth. The US unemployment rate fell to 5.0% at year end down from 5.6% 12 months earlier. Encouragingly, the inventory-induced weakness in industrial sector activity earlier in the year had largely passed by year end with global consumer and business surveys strengthening towards the end of the June quarter. This strongly suggests that the international / US economies have successfully navigated this inventory adjustment with minimal disruption to the global business cycle.

With the US economic expansion moving onto a sustainable path, the Federal Reserve continued to remove the substantive monetary stimulus that had been in place for some time. The Federal Reserve raised the funds rate by 200bp over the year to 3.25%. Even with this rise in interest rates, monetary policy was still quite accommodative throughout the year, providing strong support to interest rate sensitive sectors of the economy such as housing. The US labour market continued to improve during the year, supporting household incomes while strong profit growth and healthy corporate balance sheets underpinned stronger levels of investment. Elsewhere, the Chinese economy continued to expand very strongly and remain a key driver of global growth.

The Australian economy slowed through FY2005, in part due to capacity constraints in labour and product markets after an extended period of very strong domestically driven growth. GDP growth moderated to around 2.0% for the year, down from 4.1% in FY2004. Cyclical weaknesses in housing, slower consumer spending and poor net exports were the key sources of economic weakness. Importantly, the economy was showing signs of modest reacceleration in the June quarter with this improved momentum expected to carry through to the FY2006 year. The Australian economy continues to benefit greatly from the strong growth being experienced in China, particularly through the strength in commodity export prices and volumes.

International markets

International equity market returns slowed in FY2005 after the strong gains the previous year. Rising US interest rates, persistently high energy prices and a peak in economic and corporate earnings cycle combined to slow down equity markets. The MSCI world index rose by 10.6% during the year in local currency terms. The US S&P 500 underperformed, rising 6.3%, the Dow Jones index rose 0.7%, while the NASDAQ rose just 0.5%. European markets performed much more strongly with the UK FTSE100 rising 18.6% and the German Dax 13.2%.

For much of FY2005, global equity investors felt that the continual rise in oil prices, and monetary tightening by the US Federal Reserve would act to constrain global economic growth, pressuring margins and corporate profitability. Lower bond yields have however, negated much of the rise in the federal funds rates, providing stimulus to interest rate sensitive sectors of economies. And while US corporate earnings growth has slowed from the rapid pace of 2003 and 2004, profit growth remains very solid and has continued to exceed market expectations. With growth re-gathering momentum into the second half of 2005, the prospects for continued solid earnings growth appear good. In addition equity valuations do not appear overly extended.

Discussion & analysis (cont.)

The performance of global bond markets was one of the surprises of 2005. With the US Federal Reserve raising short term rates, expectations were that 2005 would be a difficult year for bond returns. However, bond markets performed quite well in 2005, helped by positive structural forces working to keep inflation low (ie, globalisation and technology-related productivity gains) and an excess of global savings over investment, which placed downward pressure on global bond yields.

The global bond return was 7.2% in FY2005 (US\$ terms), above the 4.7% return the previous year but underperforming the international equity market by 3.4% (US\$ terms). This was the second year in succession that bonds have underperformed equities. US 10-year bond yields fell 67bp to 3.94% during the year while Australian 10-year bonds fell 77bp to 5.10%.

The Australian market

The Australian equity market continued to perform very well in FY2005, with the ASX 200 returning 26.4%. This compares with a return of 6.3% from the S&P 500 and 10.6% from the MSCI world equity market index. Australia extended its exceptional period of out-performance over the year, bringing total out-performance of global equities over the past five years to around 70%. This out-performance has reflected a number of factors but particularly a strong domestic economy that has driven a big increase in corporate earnings growth, which in turn has underpinned high equity market returns. In addition, the earnings cycle of the resources sector has been boosted by the industrialisation occurring in China. Finally, underlying demand for equities in Australia has been very strong due to the compulsory superannuation arrangements and a cooling in the investment in the housing sector.

After two years of very strong equity returns and some slowing in corporate earnings growth (particularly for domestically exposed companies), it is likely returns will moderate in FY2006. Returns are however, expected to remain healthy given still favourable economic fundamentals, supportive policy settings, still favourable valuations and strong underlying demand for equities.

After reaching a high of almost US80c in March, the Australian dollar finished the year at US76.3c, a rise of 9.3% over the year. On a trade-weighted basis, the Australian dollar rose 9.1% to 64.5 cents.

Distributions

'Distributions Payable' represents the distributions due to unitholders as at 30 June 2005. The 'Distributions paid and payable' figure, as shown in Note 5 on pages 20-21, adds the total of distributions paid during the financial year ended 30 June 2005 and those distributions payable as at 30 June 2005.

Changes in net fair value of investments

| Fund | Financial year ended June 2005 (\$'000) | Financial year ended June 2004 (\$'000) |
|---|---|---|
| INVESCO Wholesale Australian Share Fund | 18,493 | 19,867 |
| INVESCO Wholesale Australian Smaller Companies Fund | 59,194 | 46,946 |
| INVESCO Wholesale Australian Property Securities Fund | 3,776 | 3,180 |
| INVESCO Wholesale Global Matrix Fund - Unhedged | 966 | 2,568 |
| INVESCO Wholesale Global Matrix Fund - Hedged | 7,778 | 7,061 |
| INVESCO Wholesale Asian Share Fund | -1,136 | 7,706 |
| INVESCO Wholesale Diversified Growth Fund | 13,967 | 33,500 |
| INVESCO Wholesale Protected Growth Fund | -903 | 1,354 |
| INVESCO Wholesale Australian Fixed Interest Fund | 1,164 | -3,009 |
| INVESCO Wholesale Global Fixed Interest Fund | 1,162 | -82 |

Discussion & analysis (cont.)

Cashflows

The Schemes received interest income, which includes some interest which was recognised as income in the prior year, but which was not received until the current year.

Cash received in relation to dividend/distribution income in the current year, included dividend/distribution income recognised but not received in the prior year.

Investing activities included purchase and sale of investments for the purpose of investing new application monies, liquidating schemes to meet redemption payments, and rebalancing the portfolio in accordance with the Schemes' investment strategies.

The distributions paid represent the payments for the 30 June 2004 final distributions and the interim distributions of the current year. Parts of these total distributions were made by issuing units in the Schemes under the distribution reinvestment plan instead of as cash payment.

INVESCO Wholesale Investment Funds asset allocation

Asset allocation as at the financial years ended 30 June 2005 and 30 June 2004 were as follows:

| | INVESCO Wholesale Aust. Share Fund | | INVESCO Wholesale Aust. Smaller Companies Fund | | INVESCO Wholesale Aust. Property Securities Fund | | INVESCO Wholesale Global Matrix Fund - Unhedged | | INVESCO Wholesale Global Matrix Fund - Hedged | |
|--|------------------------------------|----------------|--|----------------|--|----------------|---|----------------|---|----------------|
| | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 |
| Cash at Bank | 57 | 97 | 67 | 98 | 76 | 87 | 500 | 55 | 1,001 | 82 |
| Unlisted units in related managed investment schemes | 6,605 | 8,863 | 10,329 | 3,010 | 74 | 389 | 20,352 | 11,049 | 96,132 | 56,533 |
| Shares & convertible notes | 46,505 | 84,009 | 258,135 | 213,165 | - | - | - | - | - | - |
| Derivatives | - | - | - | - | - | - | - | - | 1,827 | -1,076 |
| Listed Property Trusts | 1,298 | 1,626 | - | - | 14,222 | 35,787 | - | - | - | - |
| Interest bearing securities | - | - | 823 | 1,510 | - | - | - | - | - | - |
| Other Assets | 964 | 1,719 | 542 | 1,199 | 237 | 499 | 447 | 237 | 1,934 | 1,118 |
| Total | 55,429 | 96,314 | 269,896 | 218,982 | 14,609 | 36,762 | 21,299 | 11,341 | 100,894 | 56,657 |

| | INVESCO Wholesale Asian Share Fund | | INVESCO Wholesale Diversified Growth Fund | | INVESCO Wholesale Protected Growth Fund | | INVESCO Wholesale Australian Fixed Interest Fund | | INVESCO Wholesale Global Fixed Interest Fund | |
|--|------------------------------------|----------------|---|----------------|---|----------------|--|----------------|--|----------------|
| | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 |
| Cash at Bank | 155 | 62 | 675 | 1,373 | 195 | 123 | 257 | 259 | 410 | 141 |
| Unlisted units in related managed investment schemes | 24,858 | 30,858 | 73,017 | 140,542 | 32,131 | 43,266 | 23,895 | 31,185 | 13,820 | 18,296 |
| Shares & convertible notes | - | - | 40,923 | 84,236 | - | - | - | - | - | - |
| Derivatives | - | - | 37 | 298 | -15 | -13 | -46 | -14 | - | - |
| Listed Property Trusts | - | - | 1,184 | 1,039 | - | - | - | - | - | - |
| Interest bearing securities | - | - | - | - | - | - | 35,128 | 56,493 | - | - |
| Other Assets | 296 | 381 | 4,309 | 5,223 | 1,603 | 709 | 1,201 | 1,386 | 522 | 897 |
| Total | 25,309 | 31,301 | 120,145 | 232,711 | 33,914 | 44,085 | 60,435 | 89,309 | 14,752 | 19,334 |

Directors' report

The directors of INVESCO Australia Ltd, the responsible entity of INVESCO Wholesale Investment Funds, present their report together with the financial report of the Schemes listed below for the year ended 30 June 2005 and the auditors report thereon. They include:

INVESCO Wholesale Australian Share Fund
INVESCO Wholesale Australian Smaller Companies Fund
INVESCO Wholesale Australian Property Securities Fund
INVESCO Wholesale Global Matrix Fund - Unhedged
INVESCO Wholesale Global Matrix Fund - Hedged
INVESCO Wholesale Asian Share Fund
INVESCO Wholesale Diversified Growth Fund
INVESCO Wholesale Protected Growth Fund
INVESCO Wholesale Australian Fixed Interest Fund
INVESCO Wholesale Global Fixed Interest Fund

Collectively referred to as "the Schemes".

Responsible entity

The responsible entity of INVESCO Wholesale Investment Funds is INVESCO Australia Ltd ('the responsible entity').

Directors

The following persons held office as directors of INVESCO Australia Ltd during the financial year or since the end of the financial year and up to the date of this report:

| | |
|------------------------|----------------------------|
| <i>Andrew Lo</i> | Appointed 10 July 1998 |
| <i>Jeremy Simpson</i> | Appointed 29 August 2000 |
| <i>Mark Armour</i> | Appointed 9 September 2002 |
| <i>John Nairn</i> | Appointed 4 July 2003 |
| <i>Malcolm Ashbolt</i> | Appointed 6 May 2004 |
| <i>Michael O'Brien</i> | Appointed 27 August 2004 |

Principal activities

The Schemes are registered managed investment Schemes domiciled in Australia.

The Schemes invest and trade in equities and equity derivatives, money market securities, fixed interest securities and other INVESCO Investment Schemes in accordance with the provisions of the Schemes' Constitutions. Current year activities have also included the use of hedging instruments to maintain a low risk profile.

The overall investment strategies of the Schemes are balanced between local and international shares and government and high quality corporate fixed income securities to provide both capital growth and high-income returns.

Review and results of operations

The investment policy of the Schemes continues to be that detailed in the current prospectus and is in accordance with the provisions of the governing documents of the Schemes.

Interests in the Schemes

Details of the units in the Schemes issued during the financial year, withdrawals from the Schemes during the financial year and the number of units on issue in the Schemes as at the end of the financial year are contained in Note 6 to the financial statements on pages 22-25.

Directors' report (cont.)

Distributions

Details of the distributions paid and payable for the year ended 30 June 2005 are contained in Note 5 to the financial statements on pages 20-21.

Results

The unit prices (ex-prices) as at 30 June 2005 and 30 June 2004 and the distributions for the year ended 30 June 2005 are set out below:

| | Unit price as at 30 June 2005 \$ | Unit price as at 30 June 2004 \$ | Distributions paid/payable for the year ended 30 June 2005 CPU |
|---|---|---|--|
| INVESCO Wholesale Australian Share Fund | 1.6967 | 1.4494 | 43.03 |
| INVESCO Wholesale Australian Smaller Companies Fund | 2.9909 | 2.3228 | 33.70 |
| INVESCO Wholesale Australian Property Securities Fund | 0.7344 | 0.7897 | 34.92 |
| INVESCO Wholesale Global Matrix Fund - Unhedged | 0.5306 | 0.4945 | 0.18 |
| INVESCO Wholesale Global Matrix Fund - Hedged | 0.4326 | 0.3705 | 2.11 |
| INVESCO Wholesale Asian Share Fund | 0.3823 | 0.3900 | 0.22 |
| INVESCO Wholesale Diversified Growth Fund | 1.5473 | 1.3884 | 18.20 |
| INVESCO Wholesale Protected Growth Fund | 1.2342 | 1.1699 | 5.95 |
| INVESCO Wholesale Australian Fixed Interest Fund | 1.0737 | 1.0339 | 5.42 |
| INVESCO Wholesale Global Fixed Interest Fund | 0.4674 | 0.4260 | 0.58 |

State of affairs

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

Likely developments

The Schemes will continue to pursue their policy of increasing returns through appropriate investment selection.

Further information about likely developments in the operations of the Schemes and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Schemes.

Environmental regulation

The Schemes' operations are not subject to any significant environmental regulation under either Commonwealth or State legislation. However, the responsible entity believes that the Schemes have adequate systems in place for the management of their environmental requirements and is not aware of any breach of those environmental requirements as they may apply to the Schemes.

Events subsequent to the balance date

For reporting periods starting on or after 1 July 2005, the Schemes must comply with International Financial Reporting Standards (IFRS) as issued by the Australian Accounting Standards Board.

Other than the matter discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the responsible entity, to affect significantly the operations of the Schemes, the results of those operations, or the states of affairs of the Schemes, in future financial years.

Directors' report (cont.)

Interests of the Responsible Entity

The interests of the Responsible Entity and its associates held in the Schemes are disclosed in the full financial reports of the Schemes.

Indemnities and insurance premiums for Officers or Auditors

Indemnification

Since the end of the previous financial year, the Schemes have not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer of the responsible entity or an auditor of the Schemes.

Insurance premiums

During the financial year the Responsible Entity has paid premiums in respect of its officers for liability and legal expenses insurance contracts for the financial year ended 30 June 2005. The Responsible Entity has paid or agreed to pay in respect of the Schemes, premiums in respect of such insurance contracts for the financial year ending 30 June 2006. Such insurance contracts insure against certain liability (subject to specified exclusions) for persons who are or have been the Responsible entity or executive officers of the Responsible Entity.

Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the contracts.

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001.

The lead auditor's independence declaration for the year ended 30 June 2005 is set out on page 9.

Rounding of amounts to the nearest thousand dollars.

The Schemes are registered schemes of a kind referred to in Class Order 98/0100 issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

John Nairn
Director

Melbourne
September 2005

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

To: the directors of INVESCO Australia Ltd, the responsible entity of INVESCO Wholesale Investment Funds

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2005 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

M M Craig

KPMG

Melbourne

September 2005

Statements of financial performance

The statements of financial performance below are to be read in conjunction with the discussion and analysis on pages 2 to 4 and notes to the concise financial statements set out in pages 17 to 25.

| | INVESTCO Wholesale Aust. Share Fund | | INVESTCO Wholesale Aust. Smaller Companies Fund | | INVESTCO Wholesale Aust. Property Securities Fund | | INVESTCO Wholesale Global Matrix Fund - Unhedged | | INVESTCO Wholesale Global Matrix Fund - Hedged | |
|--|-------------------------------------|---------------|---|---------------|---|--------------|--|--------------|--|---------------|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Investment Income | | | | | | | | | | |
| Dividends | 2,395 | 3,957 | 9,137 | 9,598 | - | - | - | - | - | - |
| Scheme Distributions | 868 | 1,590 | 587 | 404 | 1,683 | 2,631 | 187 | 150 | 883 | 769 |
| Interest | 5 | 4 | 122 | 58 | - | - | 1 | - | 3 | 2 |
| Interest on interest rate swap contracts | - | - | - | - | - | - | - | - | - | - |
| Changes in the net fair value of investments | 18,493 | 19,867 | 59,194 | 46,946 | 3,776 | 3,180 | 966 | 2,568 | 7,778 | 7,061 |
| Net realised foreign exchange gains/(losses) | - | - | - | - | - | - | - | - | 4,301 | 5,502 |
| Other Revenue | 106 | 159 | 38 | 98 | 1 | 9 | 42 | 36 | 217 | 153 |
| Total income/(loss) from ordinary activities | 21,867 | 25,577 | 69,078 | 57,104 | 5,460 | 5,820 | 1,196 | 2,754 | 13,182 | 13,487 |
| Expenses | | | | | | | | | | |
| Management fees | 550 | 730 | 2,394 | 2,147 | 154 | 227 | 106 | 81 | 552 | 361 |
| Administration fees | 237 | 311 | 803 | 712 | 79 | 113 | 43 | 36 | 226 | 159 |
| Other expenses | - | - | - | - | - | - | 2 | - | - | 1 |
| Total expenses from ordinary activities | 787 | 1,041 | 3,197 | 2,859 | 233 | 340 | 151 | 117 | 778 | 521 |
| Net operating income/(loss) from ordinary activities | 21,080 | 24,536 | 65,881 | 54,245 | 5,227 | 5,480 | 1,045 | 2,637 | 12,404 | 12,966 |
| Statement of Distribution | | | | | | | | | | |
| Difference between net operating income and net distributable income | -2,003 | -20,848 | -37,805 | -22,223 | 4,879 | -1,255 | -973 | -2,637 | -7,778 | -7,060 |
| Distributions paid and payable | 19,077 | 3,688 | 28,076 | 32,022 | 10,106 | 4,225 | 72 | - | 4,626 | 5,906 |

Statements of financial performance (cont.)

The statements of financial performance below are to be read in conjunction with the discussion and analysis on pages 2 to 4 and notes to the concise financial statements set out in pages 17 to 25.

| | INVESCO Wholesale Asian Share Fund | | INVESCO Wholesale Diversified Growth Fund | | INVESCO Wholesale Protected Growth Fund | | Australian Fixed Interest Fund | | INVESCO Wholesale Fixed Interest Fund | | Global Interest Fund | |
|--|------------------------------------|----------------|---|----------------|---|----------------|--------------------------------|----------------|---------------------------------------|----------------|----------------------|----------------|
| | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 |
| Investment Income | | | | | | | | | | | | |
| Dividends | - | - | 2,228 | 3,871 | - | - | - | - | - | - | - | - |
| Scheme Distributions | 177 | 377 | 8,757 | 7,684 | 3,610 | 2,301 | 1,657 | 1,704 | 671 | 521 | | |
| Interest | 1 | - | 3 | 11 | 3 | 3 | 2,728 | 4,004 | 1 | 1 | | |
| Interest on interest rate swap contracts | - | - | - | - | - | - | 23 | - | - | - | | |
| Changes in the net fair value of investments | -1,136 | 7,706 | 13,967 | 33,500 | -903 | 1,354 | 1,164 | -3,009 | 1,162 | -82 | | |
| Net realised foreign exchange gains/(losses) | - | - | 127 | 262 | 99 | - | -9 | 43 | - | - | | |
| Other Revenue | 254 | 319 | 791 | 1,389 | 216 | 328 | 163 | 213 | 48 | 73 | | |
| Total income/(loss) from ordinary activities | -704 | 8,402 | 25,873 | 46,717 | 3,025 | 3,986 | 5,726 | 2,955 | 1,882 | 513 | | |
| Expenses | | | | | | | | | | | | |
| Management fees | 200 | 240 | 1,282 | 1,935 | 291 | 385 | 187 | 252 | 99 | 134 | | |
| Administration fees | 82 | 99 | 516 | 782 | 117 | 165 | 225 | 300 | 51 | 76 | | |
| Other expenses | - | - | 1 | 9 | 1 | -1 | - | - | - | - | | |
| Total expenses from ordinary activities | 282 | 339 | 1,799 | 2,726 | 409 | 549 | 412 | 552 | 150 | 210 | | |
| Net operating income/(loss) from ordinary activities | -986 | 8,063 | 24,074 | 43,991 | 2,616 | 3,437 | 5,314 | 2,403 | 1,732 | 303 | | |
| Statement of Distribution | | | | | | | | | | | | |
| Difference between net operating income and net distributable income | 1,135 | -7,706 | -6,609 | -35,947 | -938 | -1,618 | -1,721 | 2,040 | -1,525 | 82 | | |
| Distributions paid and payable | 149 | 357 | 17,465 | 8,044 | 1,678 | 1,819 | 3,593 | 4,443 | 207 | 385 | | |

Statements of financial position

The statements of financial position below are to be read in conjunction with the discussion and analysis on pages 2 to 4 and notes to the concise financial statements set out in pages 17 to 25.

| | INVESTCO Wholesale Aust. Share Fund | | INVESTCO Wholesale Aust. Smaller Companies Fund | | INVESTCO Wholesale Aust. Property Securities Fund | | INVESTCO Wholesale Global Matrix Fund - Unhedged | | INVESTCO Wholesale Global Matrix Fund - Hedged | |
|---------------------------------|-------------------------------------|---------------|---|----------------|---|---------------|--|---------------|--|---------------|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Assets | | | | | | | | | | |
| Investments | | | | | | | | | | |
| Cash and Liquid assets | 57 | 97 | 67 | 98 | 76 | 87 | 500 | 55 | 1,001 | 82 |
| Investment securities | 54,408 | 94,498 | 269,287 | 217,685 | 14,296 | 36,176 | 20,352 | 11,049 | 97,959 | 55,457 |
| Total Investments | 54,465 | 94,595 | 269,354 | 217,783 | 14,372 | 36,263 | 20,852 | 11,104 | 98,960 | 55,539 |
| Other assets | | | | | | | | | | |
| Accrued income | 858 | 1,575 | 319 | 352 | 233 | 490 | 193 | 154 | 907 | 784 |
| Unsettled trades | - | 118 | - | 88 | - | - | - | - | - | 5 |
| Applications receivable | 91 | 26 | - | - | - | - | 251 | 81 | 1,009 | 319 |
| Other | 15 | - | 223 | 759 | 4 | 9 | 3 | 2 | 18 | 10 |
| Total other assets | 964 | 1,719 | 542 | 1,199 | 237 | 499 | 447 | 237 | 1,934 | 1,118 |
| Total assets | 55,429 | 96,314 | 269,896 | 218,982 | 14,609 | 36,762 | 21,299 | 11,341 | 100,894 | 56,657 |
| Liabilities | | | | | | | | | | |
| Accounts payable | 49 | 86 | - | - | 9 | 30 | 19 | 11 | 92 | 52 |
| Distributions payable | 9,077 | 1,707 | 24,570 | 24,960 | 3,051 | 1,856 | 72 | - | 3,626 | 1,454 |
| Unsettled trades | 188 | 193 | 502 | 760 | 12 | - | 340 | 80 | - | 188 |
| Redemptions payable | 76 | 137 | - | - | - | - | 13 | 1 | 316 | 177 |
| Other liabilities | - | - | 690 | 442 | - | - | - | - | 1 | 1 |
| Total liabilities | 9,390 | 2,123 | 25,762 | 26,162 | 3,072 | 1,886 | 444 | 92 | 4,035 | 1,872 |
| Net assets | 46,039 | 94,191 | 244,134 | 192,820 | 11,537 | 34,876 | 20,855 | 11,249 | 96,859 | 54,785 |
| Unitholders' funds | | | | | | | | | | |
| Units on Issue | 46,039 | 94,191 | 244,134 | 192,820 | 11,537 | 34,876 | 20,855 | 11,249 | 96,859 | 54,785 |
| Total Unitholders' funds | 46,039 | 94,191 | 244,134 | 192,820 | 11,537 | 34,876 | 20,855 | 11,249 | 96,859 | 54,785 |

Statements of financial position (cont.)

The statements of financial position below are to be read in conjunction with the discussion and analysis on pages 2 to 4 and notes to the concise financial statements set out in pages 17 to 25.

| | INVESCO Wholesale Asian Share Fund | | INVESCO Wholesale Diversified Growth Fund | | INVESCO Wholesale Protected Growth Fund | | INVESCO Wholesale Australian Fixed Interest Fund | | INVESCO Wholesale Global Fixed Interest Fund | |
|---------------------------------|------------------------------------|----------------|---|----------------|---|----------------|--|----------------|--|----------------|
| | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 |
| Assets | | | | | | | | | | |
| Investments | | | | | | | | | | |
| Cash and Liquid assets | 155 | 62 | 675 | 1,373 | 195 | 123 | 257 | 259 | 410 | 141 |
| Investment securities | 24,858 | 30,858 | 115,161 | 226,115 | 32,116 | 43,253 | 58,977 | 87,664 | 13,820 | 18,296 |
| Total Investments | 25,013 | 30,920 | 115,836 | 227,488 | 32,311 | 43,376 | 59,234 | 87,923 | 14,230 | 18,437 |
| Other assets | | | | | | | | | | |
| Accrued income | 140 | 209 | 3,009 | 4,421 | 1,593 | 697 | 1,161 | 1,342 | 481 | 204 |
| Unsettled trades | 52 | 112 | 1,244 | 737 | - | - | - | 24 | - | 650 |
| Applications receivable | 99 | 54 | 8 | - | 1 | - | 31 | 7 | 39 | 40 |
| Other | 5 | 6 | 48 | 65 | 9 | 12 | 9 | 13 | 2 | 3 |
| Total other assets | 296 | 381 | 4,309 | 5,223 | 1,603 | 709 | 1,201 | 1,386 | 522 | 897 |
| Total assets | 25,309 | 31,301 | 120,145 | 232,711 | 33,914 | 44,085 | 60,435 | 89,309 | 14,752 | 19,334 |
| Liabilities | | | | | | | | | | |
| Accounts payable | 23 | 29 | 113 | 221 | 32 | 42 | 29 | 46 | 12 | 16 |
| Distributions payable | 102 | 172 | 10,765 | 4,340 | 1,153 | 1,112 | 1,115 | 1,664 | 56 | 153 |
| Unsettled trades | 58 | 48 | 941 | 193 | - | - | - | - | - | - |
| Redemptions payable | 89 | 153 | 132 | 360 | 6 | 45 | 3 | 51 | 76 | - |
| Other liabilities | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | 272 | 402 | 11,951 | 5,114 | 1,191 | 1,199 | 1,147 | 1,761 | 144 | 169 |
| Net assets | 25,037 | 30,899 | 108,194 | 227,597 | 32,723 | 42,886 | 59,288 | 87,548 | 14,608 | 19,165 |
| Unitholders' funds | | | | | | | | | | |
| Units on Issue | 25,037 | 30,899 | 108,194 | 227,597 | 32,723 | 42,886 | 59,288 | 87,548 | 14,608 | 19,165 |
| Total Unitholders' funds | 25,037 | 30,899 | 108,194 | 227,597 | 32,723 | 42,886 | 59,288 | 87,548 | 14,608 | 19,165 |

Statements of cash flows

The statements of cash flows below are to be read in conjunction with the discussion and analysis on pages 2 to 4 and notes to the concise financial statements set out in pages 17 to 25.

| | INVESCO Wholesale Aust. Share Fund | | INVESCO Wholesale Smaller Companies Fund | | INVESCO Wholesale Property Securities Fund | | INVESCO Wholesale Matrix Fund - Unhedged | | INVESCO Wholesale Matrix Fund - Hedged | |
|--|------------------------------------|----------------|--|----------------|--|---------------|--|---------------|--|---------------|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash flows from operating activities | | | | | | | | | | |
| Dividends received | 2,578 | 3,531 | 6,974 | 7,907 | - | - | - | - | - | - |
| Interest received | 5 | 4 | 134 | 59 | - | - | 1 | - | - | 2 |
| Scheme distributions received | 193 | 71 | 319 | 476 | 799 | 1,371 | - | - | - | - |
| Other revenue received | 110 | 150 | 36 | 96 | 1 | 9 | 40 | 32 | 207 | 139 |
| RITC received | 69 | 96 | 213 | 203 | 23 | 26 | 9 | 8 | 49 | 36 |
| Management fees paid | -616 | -771 | -2,529 | -2,274 | -181 | -242 | -108 | -86 | -563 | -380 |
| Administration fees paid | -265 | -306 | -848 | -754 | -91 | -120 | -46 | -35 | -231 | -158 |
| Payment of other expenses | - | -22 | - | - | - | - | - | - | - | - |
| Net cash inflow/(outflow) from operating activities | 2,074 | 2,753 | 4,299 | 5,713 | 551 | 1,044 | -104 | -81 | -535 | -361 |
| Cash flows from investing activities | | | | | | | | | | |
| Proceeds from sale of investments | 77,542 | 42,858 | 87,074 | 83,580 | 31,660 | 16,182 | 2,731 | 3,214 | 8,538 | 21,319 |
| Purchase of investments | -16,690 | -23,111 | -69,878 | -53,200 | -5,166 | -13,536 | -10,657 | -1,302 | -38,375 | -19,001 |
| Net cash inflow/(outflow) from investing activities | 60,852 | 19,747 | 17,196 | 30,380 | 26,494 | 2,646 | -7,926 | 1,912 | -29,837 | 2,318 |
| Cash flows from financing activities | | | | | | | | | | |
| Received on issue of units | 11,803 | 2,834 | 75,208 | 92,750 | 566 | 6,070 | 14,289 | 2,415 | 50,333 | 22,909 |
| Paid on redemption of units | -72,865 | -26,063 | -81,680 | -127,748 | -27,527 | -9,613 | -5,814 | -4,349 | -17,140 | -19,903 |
| Distributions paid | -953 | -210 | -7,735 | -1,383 | -410 | -338 | - | - | -1,902 | -5,062 |
| Net cash inflow/(outflow) from financing activities | -62,015 | -23,439 | -14,207 | -36,381 | -27,371 | -3,881 | 8,475 | -1,934 | 31,291 | -2,056 |
| Net increase/(decrease) in cash | 911 | -939 | 7,288 | -288 | -326 | -191 | 445 | -103 | 919 | -99 |
| Cash at the beginning of the financial year | 406 | 1,345 | 3,108 | 3,396 | 476 | 667 | 55 | 158 | 82 | 181 |
| Effects of exchange rate changes on cash | - | - | - | - | - | - | - | - | - | - |
| Cash at the end of the financial year | 1,317 | 406 | 10,396 | 3,108 | 150 | 476 | 500 | 55 | 1,001 | 82 |

Statements of cash flows (cont.)

The statements of cash flows below are to be read in conjunction with the discussion and analysis on pages 2 to 4 and notes to the concise financial statements set out in pages 17 to 25.

| | INVESCO Wholesale Asian Share Fund | | INVESCO Wholesale Diversified Growth Fund | | INVESCO Wholesale Protected Growth Fund | | INVESCO Wholesale Australian Fixed Interest Fund | | INVESCO Wholesale Global Fixed Interest Fund | |
|--|------------------------------------|----------------|---|----------------|---|----------------|--|----------------|--|----------------|
| | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 |
| Cash flows from operating activities | | | | | | | | | | |
| Dividends received | - | - | 1,294 | 3,441 | - | - | - | - | - | - |
| Interest received | 1 | - | 3 | 11 | 3 | 3 | 3,086 | 4,536 | 1 | 1 |
| Scheme distributions received | - | - | 408 | 293 | 1,299 | 1,795 | 58 | 108 | - | - |
| Other revenue received | 259 | 294 | 857 | 1,286 | 221 | 307 | 163 | 195 | 50 | 68 |
| RITC received | 21 | 26 | 149 | 180 | 33 | 42 | 34 | 40 | 12 | 16 |
| Management fees paid | -219 | -238 | -1,452 | -1,997 | -319 | -410 | -206 | -263 | -109 | -147 |
| Administration fees paid | -90 | -98 | -585 | -794 | -129 | -166 | -248 | -277 | -56 | -71 |
| Payment of other expenses | - | - | - | -10 | - | - | - | -36 | - | - |
| Net cash inflow/(outflow) from operating activities | -28 | -16 | 674 | 2,410 | 1,108 | 1,571 | 2,887 | 4,303 | -102 | -138 |
| Cash flows from investing activities | | | | | | | | | | |
| Proceeds from sale of investments | 8,685 | 14,982 | 163,209 | 81,186 | 2,526 | 3,614 | 51,717 | 52,663 | 6,680 | 6,417 |
| Purchase of investments | -3,508 | -12,127 | -26,601 | -35,172 | -150 | -6,935 | -20,346 | -38,314 | - | -50 |
| Net cash inflow/(outflow) from investing activities | 5,177 | 2,855 | 136,608 | 46,014 | 2,376 | -3,321 | 31,371 | 14,349 | 6,680 | 6,367 |
| Cash flows from financing activities | | | | | | | | | | |
| Received on issue of units | 6,642 | 12,127 | 7,385 | 8,703 | 7,355 | 1,784 | 943 | 9,641 | 3,946 | 7,035 |
| Paid on redemption of units | -11,542 | -15,050 | -143,614 | -67,216 | -19,241 | -19,115 | -34,566 | -28,456 | -9,960 | -12,682 |
| Distributions paid | -156 | -189 | -1,060 | -652 | -891 | -955 | -572 | -950 | -295 | -559 |
| Net cash inflow/(outflow) from financing activities | -5,056 | -3,112 | -137,289 | -59,165 | -12,777 | -18,286 | -34,195 | -19,765 | -6,309 | -6,206 |
| Net increase/(decrease) in cash | 93 | -273 | -7 | -10,741 | -9,293 | -20,036 | 63 | -1,113 | 269 | 23 |
| Cash at the beginning of the financial year | 62 | 335 | 3,800 | 14,535 | 28,455 | 48,491 | 1,578 | 2,691 | 141 | 118 |
| Effects of exchange rate changes on cash | - | - | -1 | 6 | - | - | - | - | - | - |
| Cash at the end of the financial year | 155 | 62 | 3,792 | 3,800 | 19,162 | 28,455 | 1,641 | 1,578 | 410 | 141 |

Statements of cash flows

Components of cash

For the purposes of the statements of cash flows, cash includes cash on hand and at bank, and short term deposits at call. Cash at the end of financial year as shown in the statements of cash flows is reconciled to the related items in the statements of financial position as follows:

| | INVESCO Wholesale Aust. Share Fund | | INVESCO Wholesale Aust. Smaller Companies Fund | | INVESCO Wholesale Aust. Property Securities Fund | | INVESCO Wholesale Global Matrix Fund - Unhedged | | INVESCO Wholesale Global Matrix Fund - Hedged | |
|----------------------------------|---------------------------------------|------------|---|--------------|---|------------|--|-----------|--|-----------|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash and deposits | 57 | 97 | 67 | 98 | 76 | 87 | 500 | 55 | 1,001 | 82 |
| Investment in related cash trust | 1,260 | 309 | 10,329 | 3,010 | 74 | 389 | - | - | - | - |
| | 1,317 | 406 | 10,396 | 3,108 | 150 | 476 | 500 | 55 | 1,001 | 82 |

| | INVESCO Wholesale Asian Share Fund | | INVESCO Wholesale Diversified Growth Fund | | INVESCO Wholesale Protected Growth Fund | | INVESCO Wholesale Australian Fixed Interest Fund | | INVESCO Wholesale Global Fixed Interest Fund | |
|----------------------------------|---------------------------------------|-----------|--|--------------|--|---------------|--|--------------|---|------------|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash and deposits | 155 | 62 | 675 | 1,373 | 195 | 123 | 257 | 259 | 410 | 141 |
| Investment in related cash trust | - | - | 3,117 | 2,427 | 18,967 | 28,332 | 1,384 | 1,319 | - | - |
| | 155 | 62 | 3,792 | 3,800 | 19,162 | 28,455 | 1,641 | 1,578 | 410 | 141 |

Notes to the concise financial statements

1 Basis of preparation of the concise financial report

The concise financial report has been prepared in accordance with the Corporations Act 2001, Accounting Standard AASB 1039 'Concise Financial Reports', applicable Urgent Issues Group Consensus Views and the Constitutions. The financial statements and specific disclosures required by AASB 1039 have been derived from the Schemes' full financial report for the financial year. Other information included in the concise financial report is consistent with the Schemes' full financial report.

The concise financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Schemes as the full financial report.

The accounting policies have been consistently applied and are consistent with those of the previous year.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

A full description of the accounting policies adopted by the Schemes may be found in the Schemes' full financial reports.

2 Segment information

The Schemes operate predominantly in the investment industry in Australia. Business Segments have been identified on the basis of risks and returns relating to the Scheme's performance as a result of the types of investments it holds. The required disclosures relating to these business segments are detailed in the statements of financial position, statements of financial performance and in the notes to the financial statements.

3 Events occurring after balance date

For reporting periods beginning on or after 1 January 2005, the Schemes must comply with International Financial Reporting Standard (IFRS) as issued by the Australian Accounting Standard Board. The Implementation plan and potential impact of adopting AIFRS is detailed in Note 4 to the financial statements.

4 Impact of adopting Australian equivalents to International Financial Reporting Standards

For reporting periods beginning on or after 1 January 2005, the Schemes must comply with Australian equivalents of International Financial Reporting Standard ("AIFRS") as issued by the Australian Accounting Standards Board. This financial report has been prepared in accordance with Australian accounting standards and other financial reporting requirements (Australian GAAP) applicable for reporting periods ended 30 June 2005.

Transition management

The Responsible Entity has established a project team to manage the transition to AIFRS, including training of staff and system and internal control changes necessary to gather all the required financial information. The project is achieving its scheduled milestones and the Schemes are expected to be in a position to fully comply with the requirements of AIFRS in the Schemes' financial statements for the half year ending 31 December 2005 and the financial year ending 30 June 2006.

To date the project team has analysed the Australian equivalents to IFRS and has identified accounting policy changes that will be required.

The rules for first time adoption of Australian equivalents to International Financial Reporting Standards are set out in AASB 1 *First Time Adoption of Australian Equivalents to International Financial Reporting Standards*. In general, AIFRS accounting policies are required to be applied retrospectively to determine the opening balance sheet under AIFRS. In some cases choices of accounting policies are available, including elective exemptions from this general principle to assist in the transition to reporting under AIFRS. These choices have been analysed to determine the most appropriate accounting policy for the Scheme.

Notes to the concise financial statements (cont.)

4 Impact of adopting Australian equivalents to International Financial Reporting Standards (cont.)

Schemes complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period. With the exception of certain elections in AASB 1, most adjustments required on transition to AIFRS will be made, retrospectively, against opening net assets attributable to unitholders as at 1 July 2004. AASB 1 provides an election whereby the requirements of AASB 132 *Financial Instruments: Disclosure and Presentation* (AASB 132) and AASB 139 *Financial Instruments: Recognition and Measurement* (AASB 139) are not required to be applied in the first comparative year under AIFRS. Under this election, first time adoption of these standards can be delayed until 1 July 2005.

Impact of transition to AIFRS

The impact of transition to AIFRS disclosed below, including the selection and application to AIFRS accounting policies is based on AIFRS standards that management expect to be in place, or where applicable, early adopted, when preparing the first complete AIFRS financial report. The disclosures below assume that the Schemes will elect not to apply the requirements of AASB 132 and AASB 139 in the first comparative year under AIFRS.

Although the adjustments disclosed in this note are based on management's best knowledge of expected standards and interpretations, and current facts and circumstances, these may change.

Revisions to the selection and application of the AIFRS accounting policies may be required as a result of:

- changes in financial reporting requirements that are relevant to the Scheme's first complete AIFRS financial report arising from new or revised accounting standards or interpretations issued by the Australian Accounting Standards Board subsequent to the preparation of the 30 June 2005 financial report;
- additional guidance on the application of AIFRS in a particular industry or to a particular transaction; or
- changes to the Scheme's operations.

Therefore, until the Schemes prepare their first full AIFRS financial statements, the possibility cannot be excluded that the accompanying disclosures may have to be adjusted.

The significant changes in accounting policies and the associated transitional arrangements and elections expected to be made under AASB 1 are set out below.

(a) Financial assets

Investments in financial assets such as interest bearing securities, equities and units in unlisted schemes will be classified as "designated fair value assets" and are recognised in the Statement of financial position at fair value, with changes in fair value during the period recognised in the Statement of financial performance.

AASB 139 states that the current bid price is usually the appropriate price to be used in measuring the fair value of actively traded financial assets. Financial assets should be valued at their fair values without any deduction for transaction costs that may be incurred on sale or other disposal. This differs from the current treatment, in which the Scheme measures financial assets at "net market value" using the last sale price net of disposal costs.

(b) Financial liabilities

In accordance with AASB 132, unitholders' funds will be defined as "puttable instruments" and classed as debt rather than equity. Therefore, a liability must be recognised for the fair value which is redeemable as at reporting date and the changes in value recognised in the Statement of financial performance. Unitholders' funds will be disclosed as "Net assets attributable to unitholders".

Notes to the concise financial statements (cont.)

4 Impact of adopting Australian equivalents to International Financial Reporting Standards (cont.)

(c) Change in the fair value of investments

Trading securities, equities and units in unlisted schemes will be classified as "designated fair value through profit and loss" for the purposes of AASB 139 and will be measured at fair value with changes in value recognised in the Statement of financial performance.

(d) Transaction costs

AASB 139 states that the initial measurement (cost) on acquisition of trading securities shall not include directly attributable transaction costs such as fees and commissions paid to agents. Incremental transaction costs should be expensed as incurred in the Statement of financial performance. This differs from the current treatment where incremental transaction costs on acquisition of trading securities are included within initial measurement cost.

On transition to AIFRS this change will not impact net assets attributable to unitholders, however, the classification of gains and losses between realised and unrealised in the Statement of financial performance may differ.

(e) Financing costs

As unitholders' funds will be classed as debt under AIFRS, it will be necessary to recognise "distribution expense to unitholders" and "change in net asset value attributable to unitholders" in the Statement of financial performance as a financing cost. In future periods, the Statement of financial performance of the Scheme will disclose a nil profit or loss.

This differs from the current treatment where the net profit for the year is disclosed as available for distribution to unitholders. However, there will be no impact to net assets attributable to unitholders.

(f) Consolidation

In accordance with AASB 127, unit trusts will be required to consolidate their holdings in controlled unit trusts. Unit holdings in controlled unit trusts are currently valued at the redemption price, which will not change under AIFRS. Under consolidation, the total investments held by the controlled unit trust will be included directly in the controlling trust and outside equity interests will be disclosed, where applicable.

The value of net assets attributable to unitholders is not expected to differ significantly from that under the current Australian GAAP accounting treatment as a result of the consolidation of these trusts.

Impact on 30 June 2005 Reported Results

The changes in accounting policies described above are not expected to have a material impact on the Schemes' Net Asset position at 30 June 2005 and Net Profit for the year ended 30 June 2005 given that the Schemes will not apply the requirements of AASB 132 and AASB 139 until 1 July, 2005.

5 Distributions paid and payable

| 2005 | INVESTCO Wholesale Aust. Share Fund | INVESTCO Wholesale Smaller Companies Fund | INVESTCO Wholesale Aust. Property Securities Fund | INVESTCO Wholesale Global Matrix Fund - Unhedged | INVESTCO Wholesale Global Matrix Fund - Hedged |
|---|-------------------------------------|---|---|--|--|
| | CPU | \$'000 | CPU | \$'000 | CPU |
| Distributions Paid/Payable | | | | | |
| 15 September 2004 | - | - | 2.3396 | 955 | - |
| 30 September 2004 | - | - | - | - | - |
| 15 December 2004 | - | - | 8.9377 | 3,750 | - |
| 31 December 2004 | 15.0872 | 10,000 | 3.6771 | 3,506 | 0.5512 |
| 15 March 2005 | - | - | 8.2781 | 2,350 | - |
| 31 March 2005 | - | - | - | - | - |
| Distributions payable 30 June 2005 | 27.9415 | 9,077 | 30.0202 | 24,570 | 0.1819 |
| | | | | 72 | 1.5575 |
| Distributions paid and payable | 43.0287 | 19,077 | 33.6973 | 28,076 | 0.1819 |
| | | | | 10,106 | 2.1087 |
| | | | | 72 | 4.626 |
| Date 30 June 2005 distributions paid | 8 July 2005 | 7 July 2005 | 11 July 2005 | 11 July 2005 | 12 July 2005 |

| 2004 | INVESTCO Wholesale Aust. Share Fund | INVESTCO Wholesale Smaller Companies Fund | INVESTCO Wholesale Aust. Property Securities Fund | INVESTCO Wholesale Global Matrix Fund - Unhedged | INVESTCO Wholesale Global Matrix Fund - Hedged |
|---|-------------------------------------|---|---|--|--|
| | CPU | \$'000 | CPU | \$'000 | CPU |
| Distributions Paid/Payable | | | | | |
| 15 September 2003 | - | - | 0.6842 | 356 | - |
| 30 September 2003 | 0.5290 | 421 | - | - | - |
| 15 December 2003 | - | - | 1.1645 | 546 | - |
| 31 December 2003 | 1.9834 | 1,560 | 2.2685 | 2,205 | 3.3820 |
| 15 March 2004 | - | - | 3.2964 | 1,467 | - |
| 31 March 2004 | - | - | 4.8516 | 4,857 | - |
| Distributions payable 30 June 2004 | 2.6250 | 1,707 | 30.0202 | 24,960 | 0.9787 |
| | | | | 1,856 | 1,454 |
| Distributions paid and payable | 5.1374 | 3,688 | 37.1403 | 32,022 | 4.3607 |
| | | | | 4,225 | 5,906 |
| Date 30 June 2004 distributions paid | 9 July 2004 | 9 July 2004 | 9 July 2004 | 9 July 2004 | 9 July 2004 |

5 Distributions paid and payable (cont.)

| 2005 | INVESTCO Wholesale Asian Share Fund | | INVESTCO Wholesale Diversified Growth Fund | | INVESTCO Wholesale Protected Growth Fund | | INVESTCO Wholesale Australian Fixed Interest Fund | | INVESTCO Wholesale Global Fixed Interest Fund | |
|---|-------------------------------------|--------------|--|---------------|--|--------------|---|--------------|---|------------|
| | CPU | \$'000 | CPU | \$'000 | CPU | \$'000 | CPU | \$'000 | CPU | \$'000 |
| Distributions Paid/Payable | | | | | | | | | | |
| 15 September 2004 | - | - | - | - | - | - | - | - | - | - |
| 30 September 2004 | - | - | - | - | - | - | 1.0003 | 836 | 0.2039 | 81 |
| 15 December 2004 | - | - | - | - | - | - | - | - | - | - |
| 31 December 2004 | 0.0658 | 47 | 4.2029 | 6,700 | 1.7515 | 525 | 1.0076 | 840 | 0.1934 | 70 |
| 15 March 2005 | - | - | - | - | - | - | - | - | - | - |
| 31 March 2005 | - | - | - | - | - | - | 1.4236 | 802 | - | - |
| Distributions payable 30 June 2005 | 0.1556 | 102 | 13.9958 | 10,765 | 4.1988 | 1,153 | 1.9841 | 1,115 | 0.1779 | 56 |
| Distributions paid and payable | 0.2214 | 149 | 18.1987 | 17,465 | 5.9503 | 1,678 | 5.4156 | 3,593 | 0.5752 | 207 |
| Date 30 June 2005 distributions paid | 12 July 2005 | 11 July 2005 | 12 July 2005 | 12 July 2005 | 7 July 2005 | 8 July 2005 | | | | |

| 2004 | INVESTCO Wholesale Asian Share Fund | | INVESTCO Wholesale Diversified Growth Fund | | INVESTCO Wholesale Protected Growth Fund | | INVESTCO Wholesale Australian Fixed Interest Fund | | INVESTCO Wholesale Global Fixed Interest Fund | |
|---|-------------------------------------|-------------|--|--------------|--|--------------|---|--------------|---|------------|
| | CPU | \$'000 | CPU | \$'000 | CPU | \$'000 | CPU | \$'000 | CPU | \$'000 |
| Distributions Paid/Payable | | | | | | | | | | |
| 15 September 2003 | - | - | - | - | - | - | - | - | - | - |
| 30 September 2003 | - | - | 0.3617 | 711 | 0.5884 | 268 | 0.6294 | 646 | - | - |
| 15 December 2003 | - | - | - | - | - | - | - | - | - | - |
| 31 December 2003 | 0.2158 | 185 | 1.6151 | 2,993 | 1.0500 | 439 | 1.1165 | 1,015 | 0.1799 | 95 |
| 15 March 2004 | - | - | - | - | - | - | - | - | - | - |
| 31 March 2004 | - | - | - | - | - | - | 1.3176 | 1,118 | 0.2707 | 137 |
| Distributions payable 30 June 2004 | 0.2183 | 172 | 2.6453 | 4,340 | 3.0310 | 1,112 | 1.9663 | 1,664 | 0.3501 | 153 |
| Distributions paid and payable | 0.4341 | 357 | 4.6221 | 8,044 | 4.6694 | 1,819 | 5.0298 | 4,443 | 0.8007 | 385 |
| Date 30 June 2004 distributions paid | 12 July 2004 | 9 July 2004 | 9 July 2004 | 9 July 2004 | 9 July 2004 | 9 July 2004 | | | | |

6 Unitholders' funds

a) Movements in number of units and unitholders' funds during the year were as follows:

| | INVESCO Wholesale Australian Share Fund | | INVESCO Wholesale Australian Smaller Companies Fund | | INVESCO Wholesale Australian Property Securities Fund | |
|---|--|---------------|--|---------------|--|---------------|
| | 2005 units | 2004 units | 2005 units | 2004 units | 2005 units | 2004 units |
| Opening Balance | 65,041 | 79,780 | 83,142 | 91,277 | 44,186 | 43,272 |
| Applications | 7,426 | 2,127 | 26,878 | 37,181 | 698 | 6,121 |
| Redemptions | -47,129 | -19,086 | -28,941 | -50,585 | -36,118 | -12,674 |
| Units issued upon reinvestment of distribution | 7,148 | 2,220 | 8,703 | 5,269 | 11,086 | 7,467 |
| Differences between net income and net distributable income | - | 2,003 | - | 37,805 | - | -4,879 |
| Closing Balance | 32,486 | 65,041 | 89,782 | 83,142 | 19,852 | 44,186 |

| | INVESCO Wholesale Global Matrix Fund - Unhedged | | INVESCO Wholesale Global Matrix Fund - Hedged | | INVESCO Wholesale Asian Share Fund | |
|---|--|---------------|--|----------------|---------------------------------------|---------------|
| | 2005 units | 2004 units | 2005 units | 2004 units | 2005 units | 2004 units |
| Opening Balance | 22,665 | 26,731 | 148,562 | 134,266 | 78,723 | 84,263 |
| Applications | 28,407 | 5,688 | 126,384 | 64,436 | 17,826 | 33,956 |
| Redemptions | -11,535 | -9,754 | -43,579 | -55,266 | -30,884 | -11,477 |
| Units issued upon reinvestment of distribution | - | - | 1,449 | 5,126 | 162 | 209 |
| Differences between net income and net distributable income | - | 973 | - | 7,778 | - | -1,135 |
| Closing Balance | 39,537 | 20,855 | 232,816 | 148,562 | 65,827 | 78,723 |

6 Unitholders' funds (cont.)

a) Movements in number of units and unitholders' funds during the year were as follows:

| | INVESCO Wholesale Diversified Growth Fund | | | INVESCO Wholesale Protected Growth Fund | | | INVESCO Wholesale Australian Fixed Interest Fund | | | | | |
|---|--|----------------|----------------|--|---------------|---------------|---|---------------|----------------|---------------|---------------|---------------|
| | 2005 units | 2005 \$'000 | 2004 units | 2004 \$'000 | 2005 units | 2004 units | 2005 \$'000 | 2004 units | 2005 \$'000 | | | |
| Opening Balance | 164,065 | 227,597 | 203,765 | 243,483 | 36,680 | 42,886 | 50,924 | 57,747 | 84,644 | 87,548 | 99,723 | 103,331 |
| Applications | 5,047 | 7,393 | 6,680 | 8,702 | 6,066 | 7,355 | 1,490 | 1,729 | 925 | 967 | 7,414 | 9,648 |
| Redemptions | -99,201 | -143,385 | -50,705 | -65,949 | -15,927 | -19,202 | -16,485 | -19,068 | -32,773 | -34,518 | -27,374 | -28,512 |
| Units issued upon reinvestment of distribution | 7,003 | 9,980 | 4,325 | 5,414 | 632 | 746 | 751 | 860 | 3,420 | 3,570 | 4,881 | 5,121 |
| Differences between net income and net distributable income | - | 6,609 | - | 35,947 | - | 938 | - | 1,618 | - | 1,721 | - | -2,040 |
| Closing Balance | 76,914 | 108,194 | 164,065 | 227,597 | 27,451 | 32,723 | 36,680 | 42,886 | 56,216 | 59,288 | 84,644 | 87,548 |

| | INVESCO Wholesale Global Fixed Interest Fund | | |
|---|---|----------------|---------------|
| | 2005 units | 2005 \$'000 | 2004 units |
| Opening Balance | 43,760 | 19,165 | 57,976 |
| Applications | 8,834 | 3,945 | 15,088 |
| Redemptions | -21,262 | -10,036 | -29,339 |
| Units issued upon reinvestment of distribution | 22 | 9 | 35 |
| Differences between net income and net distributable income | - | 1,525 | -82 |
| Closing Balance | 31,354 | 14,608 | 43,760 |

6 Unitholders' funds (cont.)

b) Differences between net income and net distributable income:

| | INVESTCO Wholesale Aust. Share Fund | | INVESTCO Wholesale Aust. Smaller Companies Fund | | INVESTCO Wholesale Aust. Property Securities Fund | | INVESTCO Wholesale Global Matrix Fund - Unhedged | | INVESTCO Wholesale Global Matrix Fund - Hedged | |
|---|-------------------------------------|----------------|---|----------------|---|----------------|--|----------------|--|----------------|
| | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 |
| Changes in the net fair value of investments and deposits | -18,493 | -19,867 | -59,194 | -46,946 | -3,776 | -3,180 | -966 | -2,568 | -7,778 | -7,061 |
| Net adjustments for accrued income | 192 | 230 | 302 | -254 | - | - | - | - | - | - |
| Capital loss utilised | -2,513 | 895 | - | - | - | - | - | - | - | - |
| Assessable realised gains/(losses) | 18,871 | -2,028 | 21,139 | 25,081 | 8,619 | 2,319 | 545 | 326 | -2,927 | -16,572 |
| Non-deductible expenses | - | - | - | - | - | -394 | 1 | - | - | 1 |
| Net interest bought and sold | - | - | - | - | - | - | - | - | - | - |
| Revenue losses utilised | - | - | - | - | - | - | - | -69 | - | - |
| Tax exempt income | - | - | - | - | - | - | - | - | - | - |
| Other timing differences | - | -1 | - | - | - | - | - | - | - | - |
| Tax deferred not distributed | -60 | -77 | -52 | -102 | - | - | - | - | - | - |
| Return of capital | - | - | - | - | -22 | - | - | - | - | - |
| Capital losses carried forward | - | - | - | - | - | - | - | - | 2,927 | 16,572 |
| Capital gains offset by carried forward losses | - | - | - | - | - | - | -545 | -326 | - | - |
| Non assessable income | - | - | - | -2 | - | - | - | - | - | - |
| Revenue losses carried forward | - | - | - | - | 58 | - | -8 | - | - | - |
| Closing Balance | -2,003 | -20,848 | -37,805 | -22,223 | 4,879 | -1,255 | -973 | -2,637 | -7,778 | -7,060 |

6 Unitholders' funds (cont.)

b) Differences between net income and net distributable income:

| | INVESCO Wholesale Asian Share Fund | | INVESCO Wholesale Diversified Growth Fund | | INVESCO Wholesale Protected Growth Fund | | INVESCO Wholesale Australian Fixed Interest Fund | | INVESCO Wholesale Fixed Interest Fund | | INVESCO Wholesale Global Interest Fund | |
|---|------------------------------------|----------------|---|----------------|---|----------------|--|----------------|---------------------------------------|----------------|--|----------------|
| | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 | 2005 \$'000 | 2004 \$'000 |
| Changes in the net fair value of investments and deposits | 1,136 | -7,706 | -13,967 | -33,500 | 903 | -1,354 | -1,164 | 3,009 | -1,162 | - | - | 82 |
| Net adjustments for accrued income | - | - | 217 | 180 | - | - | 335 | 477 | - | - | - | - |
| Capital loss utilised | -1,838 | -2,826 | -14,180 | -246 | -1,681 | 138 | - | - | - | - | - | - |
| Assessable realised gains/(losses) | 1,838 | 2,826 | 21,653 | -2,491 | -106 | -339 | -569 | -1,451 | -415 | - | - | 324 |
| Non-deductible expenses | - | - | 87 | 812 | - | - | - | - | - | - | - | - |
| Net interest bought and sold | - | - | - | - | - | - | -294 | -64 | - | - | - | - |
| Revenue losses utilised | - | - | - | - | - | - | - | - | - | - | - | - |
| Tax exempt income | - | - | -419 | -702 | -54 | -63 | - | - | - | - | - | - |
| Other timing differences | -1 | - | - | - | - | - | - | - | - | - | 52 | -324 |
| Tax deferred not distributed | - | - | - | - | - | - | - | - | - | - | - | - |
| Return of capital | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital losses carried forward | - | - | - | - | - | - | -29 | 69 | - | - | - | - |
| Capital gains offset by carried forward losses | - | - | - | - | - | - | - | - | - | - | - | - |
| Non assessable income | - | - | - | - | - | - | - | - | - | - | - | - |
| Revenue losses carried forward | - | - | - | - | - | - | - | - | - | - | - | - |
| Closing Balance | 1,135 | -7,706 | -6,609 | -35,947 | -938 | -1,618 | -1,721 | 2,040 | -1,525 | - | - | 82 |

Directors' declaration

In the opinion of the Directors of INVESCO Australia Ltd, Responsible Entity of the INVESCO Wholesale Investment Funds, the accompanying concise financial report of the INVESCO Wholesale Investment Funds for the year ended 30 June 2005, set out on pages 2 to 25:

- (a) has been derived from or is consistent with the full financial report for the financial year;
and
- (b) complies with the Accounting Standard 1039 'Concise Financial Reports'.

Signed at Melbourne in accordance with a resolution of the Directors of INVESCO Australia Ltd.

John Nairn
Director
September 2005

Independent Audit Report

Independent Auditors' report to the unitholders of the following INVESCO Wholesale Investment Funds:

INVESCO Wholesale Australian Share Fund
INVESCO Wholesale Australian Smaller Companies Fund
INVESCO Wholesale Australian Property Securities Fund
INVESCO Wholesale Global Matrix Fund - Unhedged
INVESCO Wholesale Global Matrix Fund - Hedged
INVESCO Wholesale Asian Share Fund
INVESCO Wholesale Diversified Growth Fund
INVESCO Wholesale Protected Growth Fund
INVESCO Wholesale Australian Fixed Interest Fund
INVESCO Wholesale Global Fixed Interest Fund

Scope

We have audited the concise report of INVESCO Wholesale Investment Funds, for the year ended 30 June 2005, consisting of the statements of financial performance, statements of financial position, statements of cash flows, the accompanying notes 1 to 6, set out on pages 17 to 25 and the accompanying discussion and analysis on the statements of financial performance, statements of financial position and statements of cash flows, set out on pages 10 to 16 in order to express an opinion on them to the unitholders. The directors of the Responsible Entity, INVESCO Australia Ltd, are responsible for the concise financial report.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial reports of INVESCO Wholesale Investment Funds for the year ended 30 June 2005. Our audit reports on the full financial reports were signed on 9 September 2005, and were not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report and examination, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures, which were not directly derived from the full financial reports. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Australian Accounting Standard AASB 1039 'Concise Financial Reports'.

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In our opinion, the Concise financial report of INVESCO Wholesale Investment Funds for the year ended 30 June 2005 complies with Australian Accounting Standard AASB 1039 'Concise Financial Reports'.

M M Craig

KPMG

Melbourne

September 2005

