Dear Investor,

I am pleased to present the reports for the financial year ended 31 May 2015 for MLC MasterKey Unit Trust.

Yours sincerely,

Kathy Vincent
General Manager
MasterKey and Wrap Platforms

If you have any questions about the Annual Financial Report, please call us on 132 652 Monday to Friday 8 am – 6 pm, AEST.
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</tr>
</thead>
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</tr>
<tr>
<td>Independent auditor's report</td>
<td>50</td>
</tr>
</tbody>
</table>
The MLC MasterKey Unit Trust consists of 18 separate schemes:

MLC MasterKey Unit Trust Accelerated Growth Portfolio
ARSN 102 215 725

MLC MasterKey Unit Trust Share Portfolio
ARSN 097 220 945

MLC MasterKey Unit Trust Growth Portfolio
ARSN 087 944 438

MLC MasterKey Unit Trust Balanced Portfolio
ARSN 087 944 625

MLC MasterKey Unit Trust Conservative Growth Portfolio
ARSN 097 221 077

MLC MasterKey Unit Trust Income Portfolio
ARSN 087 940 592

MLC MasterKey Unit Trust Cash Fund
ARSN 087 940 467

MLC MasterKey Unit Trust Property Securities Fund
ARSN 087 944 652

MLC MasterKey Unit Trust IncomeBuilder™
ARSN 087 944 287

MLC MasterKey Unit Trust Share Index Fund
ARSN 087 939 919

MLC MasterKey Unit Trust Australian Share Fund
ARSN 087 945 293

MLC MasterKey Unit Trust Global Share Fund
ARSN 087 943 682

MLC MasterKey Unit Trust MLC - Platinum Global Fund
ARSN 087 940 065

MLC MasterKey Unit Trust Australian Share Growth Style Fund
ARSN 106 465 418

MLC MasterKey Unit Trust Australian Share Value Style Fund
ARSN 106 465 383

MLC MasterKey Unit Trust Global Share Growth Style Fund
ARSN 106 465 356

MLC MasterKey Unit Trust Global Share Value Style Fund
ARSN 106 465 454

MLC MasterKey Unit Trust Bond Portfolio
ARSN 112 925 274
The names of the persons who were Directors of MLC Investments Limited during or since the end of the year are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Appointment / Resignation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>S C Birkensleigh</td>
<td>Appointed 27 February 2012/Resigned 7 July 2014</td>
</tr>
<tr>
<td>P Coad</td>
<td>Appointed 22 August 2013/Resigned 7 July 2014</td>
</tr>
<tr>
<td>S Dave</td>
<td>Appointed 7 July 2014/ Resigned 30 June 2015</td>
</tr>
<tr>
<td>J G Duffield</td>
<td>Appointed 24 August 2011</td>
</tr>
<tr>
<td>J L Flavell</td>
<td>Appointed 7 July 2014/Resigned 23 January 2015</td>
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<tr>
<td>P Gupta</td>
<td>Appointed 1 September 2012</td>
</tr>
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<td>D M Hackett</td>
<td>Appointed 29 January 2014/Resigned 7 July 2014</td>
</tr>
<tr>
<td>A Hagger</td>
<td>Appointed 22 May 2013/Resigned 7 July 2014</td>
</tr>
<tr>
<td>N J Milne</td>
<td>Appointed 17 December 2014/ Resigned 3 June 2015</td>
</tr>
<tr>
<td>G J Mulcahy</td>
<td>Appointed 7 July 2014</td>
</tr>
<tr>
<td>A W Rothery</td>
<td>Appointed 14 April 2009/Resigned 31 October 2014</td>
</tr>
<tr>
<td>E Rubin</td>
<td>Appointed 22 May 2013/Resigned 7 July 2014</td>
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<tr>
<td>M F Snowden</td>
<td>Appointed 25 August 2009/Resigned 7 July 2014</td>
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<td>G J Symons</td>
<td>Appointed 14 April 2009/Resigned 7 July 2014</td>
</tr>
<tr>
<td>G A Tomlinson</td>
<td>Appointed 19 February 2001/Resigned 18 December 2014</td>
</tr>
</tbody>
</table>

The registered office of MLC Investments Limited is located at Ground Floor, MLC Building, 105-153 Miller St, North Sydney NSW 2060.

Directors’ report

Directors of the Responsible Entity

The names of the persons who were Directors of MLC Investments Limited during or since the end of the year are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Appointment / Resignation Date</th>
</tr>
</thead>
<tbody>
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<tr>
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</tr>
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<tr>
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<td>Appointed 7 July 2014</td>
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<tr>
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<td>Appointed 14 April 2009/Resigned 31 October 2014</td>
</tr>
<tr>
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<td>Appointed 25 August 2009/Resigned 7 July 2014</td>
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</tr>
<tr>
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<td>Appointed 19 February 2001/Resigned 18 December 2014</td>
</tr>
</tbody>
</table>

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Principal activities

The Schemes invest and transact in money market securities, equities, unlisted managed investment schemes and derivatives in accordance with the provisions of the Constitutions of the Schemes. Investment activities include the use of hedging instruments in the MLC - Platinum Global Fund to reduce the volatility of investment returns due to currency exchange rate fluctuations.

The Schemes did not have any employees during the year (2014: Nil).

There have been no significant changes to the activities of the Schemes during the year.

The Schemes are for profit entities for the purposes of preparing financial statements.
Results and review of operations

The results of the operations of the Schemes are disclosed in the Statements of Profit or Loss and Other Comprehensive Income. These results are affected by the performance of the markets to which the individual Schemes have exposure.

For details in relation to the Schemes’ investment exposure and strategy, information can be obtained from the investment fund profiles located on the MasterKey website at mlc.com.au or alternatively in the Product Disclosure Statement.

Distributions

The distributions for the year ended 31 May 2015 were as follows:

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>$'000</th>
<th>c/unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLC Horizon 7 Accelerated Growth Portfolio</td>
<td>514</td>
<td>2.62</td>
</tr>
<tr>
<td>MLC Horizon 6 Share Portfolio</td>
<td>8,345</td>
<td>3.10</td>
</tr>
<tr>
<td>MLC Horizon 5 Growth Portfolio</td>
<td>16,746</td>
<td>4.10</td>
</tr>
<tr>
<td>MLC Horizon 4 Balanced Portfolio</td>
<td>56,781</td>
<td>4.86</td>
</tr>
<tr>
<td>MLC Horizon 3 Conservative Growth Portfolio</td>
<td>18,296</td>
<td>2.53</td>
</tr>
<tr>
<td>MLC Horizon 2 Income Portfolio</td>
<td>3,211</td>
<td>2.36</td>
</tr>
<tr>
<td>Property Securities Fund</td>
<td>4,130</td>
<td>3.00</td>
</tr>
<tr>
<td>IncomeBuilder</td>
<td>213,294</td>
<td>23.25</td>
</tr>
<tr>
<td>Share Index Fund</td>
<td>17,837</td>
<td>13.23</td>
</tr>
<tr>
<td>Australian Share Fund</td>
<td>5,521</td>
<td>7.92</td>
</tr>
<tr>
<td>Global Share Fund</td>
<td>1,092</td>
<td>2.01</td>
</tr>
<tr>
<td>MLC - Platinum Global Fund</td>
<td>147,925</td>
<td>30.52</td>
</tr>
<tr>
<td>Australian Share Growth Style Fund</td>
<td>395</td>
<td>4.82</td>
</tr>
<tr>
<td>Australian Share Value Style Fund</td>
<td>490</td>
<td>4.61</td>
</tr>
<tr>
<td><strong>Whole Dollars $</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Share Growth Style Fund</td>
<td>44,747</td>
<td>3.20</td>
</tr>
<tr>
<td>Global Share Value Style Fund</td>
<td>51,993</td>
<td>0.82</td>
</tr>
<tr>
<td>MLC Horizon 1 Bond Portfolio</td>
<td>28,555</td>
<td>0.76</td>
</tr>
<tr>
<td><strong>$'000</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Annualised % rate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Fund</td>
<td>1,450</td>
<td>1.58</td>
</tr>
</tbody>
</table>

Units on issue

Units on issue as at year end and movements during the year are shown in Note 4 to the financial statements.

The total assets of the Schemes are set out in the Statements of Financial Position. The basis for valuation of the Schemes’ assets is disclosed in Note 1 to the financial statements.

State of affairs

In the opinion of the Responsible Entity, there were no significant changes in the state of affairs of the Schemes that occurred during the year unless otherwise disclosed.

Likely developments

The Schemes will continue to pursue their policy of competitive returns through a selection process that identifies investment managers in each asset class. 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.

Auditor’s independence

The Directors received a declaration of independence from the auditor of the Schemes, a copy of which is attached to the Directors’ report on page 6.

Events subsequent to the balance date

Except as disclosed in the financial report, there has not arisen in the interval between the year end and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to significantly affect the operations of the Schemes, the results of those operations, or the state of affairs of the Schemes, in future financial years.

Interests of the Responsible Entity

Units held by MLC Investments Limited and its related parties in the Schemes during the financial year ended 31 May 2015 are detailed in Note 9 to the financial statements.

Fees paid to the Responsible Entity during the financial year ended 31 May 2015 are detailed in Note 9 to the financial statements.

Environmental regulation

The operations of the Schemes are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.
Indemnities and insurance premiums for Officers or Auditors

Indemnification
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 during the year.

Insurance premiums
During the period the ultimate parent company of the Responsible Entity, National Australia Bank Limited, has paid, or agreed to pay, premiums in respect of its officers for liability and legal expenses, insurance contracts, and premiums in respect of such insurance contracts, for the financial year ended 31 May 2015. Such insurance contracts insure against certain liability (subject to specified exclusions) for persons who are or have been the 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.

Rounding
With the exception of Global Share Growth Style Fund, Global Share Value Style Fund and MLC Horizon 1 Bond Portfolio, the Schemes meet the criteria set out in Class Order 98/100 issued by the Australian Securities and Investments Commission, and in accordance with that Class Order, amounts in the financial report and the Directors' report have been rounded off to the nearest thousand dollars unless otherwise stated.

Signed in accordance with a resolution of the Directors of MLC Investments Limited:

Director:

Signature:

Dated at Sydney this ______ day of July 2015
Auditor’s Independence Declaration to the Directors of MLC Investments Limited, as Responsible Entity for MLC MasterKey Unit Trust

In relation to our audit of the financial report of the MLC MasterKey Unit Trust consisting of the Schemes listed below for the financial year ended 31 May 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

MLC MasterKey Unit Trust Accelerated Growth Portfolio
MLC MasterKey Unit Trust Growth Portfolio
MLC MasterKey Unit Trust Conservative Growth Portfolio
MLC MasterKey Unit Trust Cash Fund
MLC MasterKey Unit Trust IncomeBuilder™
MLC MasterKey Unit Trust Australian Share Fund
MLC MasterKey Unit Trust MLC - Platinum Global Fund
MLC MasterKey Unit Trust Australian Share Value Style Fund
MLC MasterKey Unit Trust Global Share Value Style Fund
MLC MasterKey Unit Trust Global Share Value Style Fund

Ernst & Young

Rita Da Silva
Partner
22 July 2015
### MLC MasterKey Unit Trust
#### Statements of Profit or Loss and Other Comprehensive Income
For the year ended 31 May 2015

<table>
<thead>
<tr>
<th>MLC Horizon 7 Accelerated Growth Portfolio</th>
<th>MLC Horizon 6 Share Portfolio</th>
<th>MLC Horizon 5 Growth Portfolio</th>
<th>MLC Horizon 4 Balanced Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes</td>
<td>Notes</td>
<td>Notes</td>
<td>Notes</td>
</tr>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

**Investment income**
- Dividend and distribution income
  - 2, 9(h) [948] $'000, [543] $'000, [14,314] $'000, [9,194] $'000, [27,624] $'000, [17,482] $'000, [91,501] $'000, [56,461] $'000
- Interest income

**Total investment income**

**Expenses**
- Responsible Entity's fees
  - 9(e) [361] $'000, [346] $'000, [4,373] $'000, [4,003] $'000, [8,139] $'000, [7,554] $'000, [25,784] $'000, [23,743] $'000
- Performance fees
  - - [18] $'000, 13 [25] $'000, - [102] $'000, - [78] $'000

**Total operating expenses**

**Net operating profit/(loss)**

**Financing costs**
- Distributions

**Net profit/(loss)**

**Other comprehensive income**
- Items reclassified to profit or loss
  - - [5] $'000, - [9,510] $'000, - [3,211] $'000, - [2,735] $'000, - [1,087] $'000, - [1,087] $'000, - [4,130] $'000, - [3,584] $'000

**Change in net assets attributable to unitholders**

The above Statements of Profit or Loss and Other Comprehensive Income are to be read in conjunction with the accompanying notes.
MLC MasterKey Unit Trust
Statements of Profit or Loss and Other Comprehensive Income
For the year ended 31 May 2015

<table>
<thead>
<tr>
<th>Notes</th>
<th>IncomeBuilder</th>
<th>Share Index Fund</th>
<th>Australian Share Fund</th>
<th>Global Share Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

**Investment income**
- Dividend and distribution income: 2, 9(h) 124,171 114,269 14,680 14,496 7,760 7,351 2,192 1,667
- Interest income: 3,224 3,477 16 19 11 13 6 7
- Changes in the fair value of financial assets and liabilities at fair value through profit or loss: 12 258,277 267,410 38,598 6,334 11,861 20,815 16,195
- Other income: - - - - - - - -

Total investment income 385,672 385,156 31,977 53,113 14,105 19,225 23,013 17,869

**Expenses**
- Responsible Entity's fees: 9(e) 49,298 45,076 4,454 4,474 2,207 2,435 1,541 1,563
- Performance fees: - - - - - - - -
- Other expenses: - - - - - - - -

Total operating expenses 49,298 45,076 4,454 4,474 2,207 2,435 1,541 1,563


**Financing costs**
- Distributions: 5 213,294 125,158 17,837 18,240 5,521 4,932 1,092 708

Net profit/(loss) 123,080 214,922 9,686 30,399 6,377 11,858 20,380 15,598

**Other comprehensive income**
- Items reclassified to profit or loss: - - - - - - - -

Change in net assets attributable to unitholders 4 123,080 214,922 9,686 30,399 6,377 11,858 20,380 15,598

The above Statements of Profit or Loss and Other Comprehensive Income are to be read in conjunction with the accompanying notes.
MLC MasterKey Unit Trust  
Statements of Profit or Loss and Other Comprehensive Income  
For the year ended 31 May 2015

<table>
<thead>
<tr>
<th></th>
<th>Global Share Value</th>
<th>MLC Horizon 1 Bond Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Whole Dollars $</td>
<td>Whole Dollars $</td>
</tr>
<tr>
<td>Notes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend and distribution income</td>
<td>2, 9(h)</td>
<td>166,627</td>
</tr>
<tr>
<td>Interest income</td>
<td>1,324</td>
<td>1,607</td>
</tr>
<tr>
<td>Changes in the fair value of financial assets and liabilities at fair value through profit or loss</td>
<td>12</td>
<td>1,110,010</td>
</tr>
<tr>
<td>Other income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total investment income</td>
<td><strong>1,277,961</strong></td>
<td><strong>1,323,459</strong></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsible Entity's fees</td>
<td>9(e)</td>
<td>113,872</td>
</tr>
<tr>
<td>Performance fees</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other expenses</td>
<td>73</td>
<td>87</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td><strong>113,945</strong></td>
<td><strong>113,902</strong></td>
</tr>
<tr>
<td>Net operating profit/(loss)</td>
<td><strong>1,164,016</strong></td>
<td><strong>1,209,467</strong></td>
</tr>
<tr>
<td>Financing costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distributions</td>
<td>5</td>
<td>51,993</td>
</tr>
<tr>
<td>Net profit/(loss)</td>
<td><strong>1,112,023</strong></td>
<td><strong>1,144,574</strong></td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Items reclassified to profit or loss</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Change in net assets attributable to unitholders</td>
<td>4</td>
<td><strong>1,112,023</strong></td>
</tr>
</tbody>
</table>

The above Statements of Profit or Loss and Other Comprehensive Income are to be read in conjunction with the accompanying notes.
## MLC MasterKey Unit Trust
### Statements of Financial Position
#### As at 31 May 2015

<table>
<thead>
<tr>
<th>MLC Horizon 7 Accelerated Growth Portfolio</th>
<th>MLC Horizon 6 Share Portfolio</th>
<th>MLC Horizon 5 Growth Portfolio</th>
<th>MLC Horizon 4 Balanced Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

### Assets

- **Cash and cash equivalents**
  - Notes 11(b)
  - 2015: 1,797, 2014: 431
  - 2015: 2,878, 2014: 733
  - 2015: 9,165, 2014: 3,038

- **Receivables**
  - 2015: 949, 2014: 1
  - 2015: 11,332, 2014: 2
  - 2015: 20,836, 2014: 2

- **Financial assets designated as held at fair value through profit or loss**
  - 6.9(h)
  - 2015: 538,807, 2014: 504,238
  - 2015: 1,723,712, 2014: 1,630,074

- **Financial assets held for trading**
  - -
  - -
  - -
  - -

**Total assets**

- 2015: 23,758, 2014: 21,674
- 2015: 299,175, 2014: 271,656
- 2015: 562,521, 2014: 504,973
- 2015: 1,800,489, 2014: 1,633,121

### Liabilities

- **Accounts payable and accrued expenses**
  - 2015: 8
  - 2014: 29
  - 2015: 27
  - 2014: 327
  - 2015: 693
  - 2014: 605
  - 2015: 2,200
  - 2014: 1,960

- **Financial liabilities held for trading**
  - -
  - -
  - -
  - -

- **Distribution payable**
  - 2015: 8
  - 2014: 514
  - 2015: 8,345
  - 2014: 15,888
  - 2015: 51,864
  - 2014: 2

**Total liabilities excluding net assets attributable to unitholders**

- 2015: 543
- 2014: 27
- 2015: 8,717
- 2014: 333
- 2015: 16,581
- 2014: 605
- 2015: 54,064
- 2014: 1,962

**Net assets attributable to unitholders**

- 2015: 23,215
- 2014: 21,647
- 2015: 290,458
- 2014: 271,323
- 2015: 545,940
- 2014: 504,368
- 2015: 1,746,425
- 2014: 1,631,159

The above Statements of Financial Position are to be read in conjunction with the accompanying notes.
<table>
<thead>
<tr>
<th>IncomeBuilder</th>
<th>Share Index Fund</th>
<th>Australian Share Fund</th>
<th>Global Share Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11(b)</td>
<td>46,223</td>
<td>24,944</td>
</tr>
<tr>
<td>Receivables</td>
<td>7</td>
<td>21,775</td>
<td>37,422</td>
</tr>
<tr>
<td>Financial assets designated as held at fair value through profit or loss</td>
<td>6,9(h)</td>
<td>2,678,149</td>
<td>2,448,708</td>
</tr>
<tr>
<td>Financial assets held for trading</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total assets</td>
<td></td>
<td>2,746,147</td>
<td>2,511,074</td>
</tr>
</tbody>
</table>

|            |                                              |       | $'000            | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
|            | Financial liabilities held for trading | 10(c) | 4,572 | 15,709 | 356  | 366  | 165  | 182  | 152  | 140  |
|            | Distribution payable | 8 | 161,171 | 12,098 | 4,076 | 1,092 | 1    | -    | -    | -    |
| Total liabilities excluding net assets attributable to unitholders |                | 165,743 | 15,709 | 12,454 | 366  | 4,241 | 182  | 1,244 | 141  |

| Net assets attributable to unitholders |                | 2,580,404 | 2,495,365 | 331,696 | 353,869 | 125,773 | 140,525 | 102,693 | 92,449 |

The above Statements of Financial Position are to be read in conjunction with the accompanying notes.
### Global Share Value Style Fund MLC Horizon 1 Bond Portfolio

<table>
<thead>
<tr>
<th>Notes</th>
<th>2015 Whole Dollars ($)</th>
<th>2014 Whole Dollars ($)</th>
<th>2015 Whole Dollars ($)</th>
<th>2014 Whole Dollars ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11(b)</td>
<td>79,317</td>
<td>70,241</td>
<td>30,007</td>
</tr>
<tr>
<td>Receivables</td>
<td>7</td>
<td>167,018</td>
<td>366</td>
<td>3,384,337</td>
</tr>
<tr>
<td>Financial assets designated as held at fair value through profit or loss</td>
<td>6.9(h)</td>
<td>7,343,863</td>
<td>7,068,854</td>
<td>3,384,337</td>
</tr>
<tr>
<td>Financial assets held for trading</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total assets</td>
<td></td>
<td>7,590,198</td>
<td>7,139,461</td>
<td>3,435,492</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>8</td>
<td>10,528</td>
<td>12,342</td>
<td>4,363</td>
</tr>
<tr>
<td>Financial liabilities held for trading</td>
<td>10(c)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Distribution payable</td>
<td>8</td>
<td>51,993</td>
<td>62</td>
<td>11,532</td>
</tr>
<tr>
<td>Total liabilities excluding net assets attributable to unitholders</td>
<td></td>
<td>62,521</td>
<td>12,404</td>
<td>15,895</td>
</tr>
<tr>
<td>Net assets attributable to unitholders</td>
<td>4</td>
<td>7,527,677</td>
<td>7,127,057</td>
<td>3,419,597</td>
</tr>
</tbody>
</table>

The above Statements of Financial Position are to be read in conjunction with the accompanying notes.
<table>
<thead>
<tr>
<th></th>
<th>MLC Horizon 7 Accelerated Growth Portfolio</th>
<th>MLC Horizon 6 Share Portfolio</th>
<th>MLC Horizon 5 Growth Portfolio</th>
<th>MLC Horizon 4 Balanced Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

Net assets attributable to unitholders at the beginning of the financial year
21,647 
20,771 
271,323 
243,818 
504,368 
463,298 
1,631,159 
1,453,663

Change in net assets attributable to unitholders
3,495 
3,504 
33,266 
32,231 
51,893 
50,117 
134,390 
134,390

Applications for units
1,323 
1,534 
15,828 
25,620 
21,861 
38,005 
145,954 
144,927

Redemptions of units
(3,250) 
(4,162) 
(29,959) 
(30,346) 
(32,182) 
(47,052) 
(166,549) 
(101,821)

Net assets attributable to unitholders at the end of the financial year
23,215 
21,647 
290,458 
271,323 
545,940 
504,368 
1,746,425 
1,631,159

<table>
<thead>
<tr>
<th></th>
<th>MLC Horizon 3 Conservative Growth Portfolio</th>
<th>MLC Horizon 2 Income Portfolio</th>
<th>Cash Fund</th>
<th>Property Securities Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

Net assets attributable to unitholders at the beginning of the financial year
649,532 
515,158 
165,897 
178,839 
98,173 
106,989 
109,674 
119,233

Change in net assets attributable to unitholders
48,339 
37,961 
8,547 
5,622 
(33) 
- 
22,299 
705

Applications for units
108,453 
132,488 
10,243 
13,627 
182,844 
200,705 
3,374 
3,563

Redemptions of units
(33,260) 
(36,075) 
(30,954) 
(32,191) 
(194,916) 
(209,521) 
(17,557) 
(16,754)

Net assets attributable to unitholders at the end of the financial year
773,064 
649,532 
153,733 
165,897 
86,068 
98,173 
144,863 
106,747

<table>
<thead>
<tr>
<th></th>
<th>IncomeBuilder</th>
<th>Share Index Fund</th>
<th>Australian Share Fund</th>
<th>Global Share Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

Net assets attributable to unitholders at the beginning of the financial year
2,495,365 
2,247,054 
353,503 
344,960 
140,525 
146,666 
92,308 
90,746

Change in net assets attributable to unitholders
123,080 
114,522 
9,686 
30,399 
6,377 
11,859 
20,380 
15,598

Applications for units
207,266 
249,788 
14,162 
25,197 
3,037 
6,382 
1,510 
2,410

Redemptions of units
(33,260) 
(36,075) 
(30,954) 
(32,191) 
(194,916) 
(209,521) 
(17,557) 
(16,754)

Net assets attributable to unitholders at the end of the financial year
2,580,404 
2,495,365 
331,696 
353,503 
125,773 
140,525 
101,449 
92,308

The above Statements of Changes in Net Assets Attributable to Unitholders are to be read in conjunction with the accompanying notes.
MLC MasterKey Unit Trust  
Statements of Changes in Net Assets Attributable to Unitholders  
For the year ended 31 May 2015

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Whole Dollars $</td>
<td>Whole Dollars $</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets attributable to unitholders at the beginning of the financial year</td>
<td>$1,074,258</td>
<td>$1,020,709</td>
<td>$10,685</td>
<td>$10,319</td>
<td>$11,996</td>
<td>$12,224</td>
<td>$1,890,335</td>
<td>$1,739,393</td>
</tr>
<tr>
<td>Change in net assets attributable to unitholders</td>
<td>$109,668</td>
<td>$193,205</td>
<td>$385</td>
<td>$1,193</td>
<td>$597</td>
<td>$1,219</td>
<td>$454,787</td>
<td>$269,864</td>
</tr>
<tr>
<td>Applications for units</td>
<td>$24,892</td>
<td>$13,256</td>
<td>$304</td>
<td>$355</td>
<td>$381</td>
<td>$385</td>
<td>$220,163</td>
<td>$153,026</td>
</tr>
<tr>
<td>Redemptions of units</td>
<td>$(149,289)</td>
<td>$(152,912)</td>
<td>$(1,052)</td>
<td>$(1,182)</td>
<td>$(1,953)</td>
<td>$(1,832)</td>
<td>$(473,223)</td>
<td>$(271,948)</td>
</tr>
<tr>
<td>Net assets attributable to unitholders at the end of the financial year</td>
<td>$1,059,529</td>
<td>$1,074,258</td>
<td>$10,322</td>
<td>$10,685</td>
<td>$11,021</td>
<td>$11,996</td>
<td>$2,092,062</td>
<td>$1,890,335</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole Dollars $</td>
<td>Whole Dollars $</td>
<td></td>
</tr>
<tr>
<td>Net assets attributable to unitholders at the beginning of the financial year</td>
<td>$7,127,057</td>
<td>$6,836,835</td>
</tr>
<tr>
<td>Change in net assets attributable to unitholders</td>
<td>$1,112,023</td>
<td>$1,144,574</td>
</tr>
<tr>
<td>Applications for units</td>
<td>$249,884</td>
<td>$335,832</td>
</tr>
<tr>
<td>Redemptions of units</td>
<td>$(961,287)</td>
<td>$(1,190,184)</td>
</tr>
<tr>
<td>Net assets attributable to unitholders at the end of the financial year</td>
<td>$7,527,677</td>
<td>$7,127,057</td>
</tr>
</tbody>
</table>

The above Statements of Changes in Net Assets Attributable to Unitholders are to be read in conjunction with the accompanying notes.
<table>
<thead>
<tr>
<th>MLC Horizon 7 Accelerated Growth Portfolio</th>
<th>MLC Horizon 6 Share Portfolio</th>
<th>MLC Horizon 5 Growth Portfolio</th>
<th>MLC Horizon 4 Balanced Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Notes</strong> $'000 $'000</td>
<td><strong>$'000 $'000</strong></td>
<td><strong>$'000 $'000</strong></td>
<td><strong>$'000 $'000</strong></td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends and distribution income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>received</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest received</td>
<td>4</td>
<td>4</td>
<td>18</td>
</tr>
<tr>
<td>Responsible Entity’s fees paid</td>
<td>(358)</td>
<td>(339)</td>
<td>(4,347)</td>
</tr>
<tr>
<td>Performance fees paid</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payment of other expenses</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) operating activities</strong></td>
<td>11(a)</td>
<td>(354)</td>
<td>(335)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>2,699</td>
<td>3,300</td>
<td>30,732</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(170)</td>
<td>(100)</td>
<td>(10,900)</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) investing activities</strong></td>
<td>2,529</td>
<td>3,200</td>
<td>19,832</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Applications received</td>
<td>1,323</td>
<td>1,311</td>
<td>15,828</td>
</tr>
<tr>
<td>Redemptions paid</td>
<td>(3,250)</td>
<td>(4,162)</td>
<td>(29,959)</td>
</tr>
<tr>
<td>Distributions paid</td>
<td>-</td>
<td>(49)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) financing activities</strong></td>
<td>(1,927)</td>
<td>(2,900)</td>
<td>(14,131)</td>
</tr>
<tr>
<td><strong>Net increase/(decrease) in cash and cash equivalents</strong></td>
<td>248</td>
<td>(35)</td>
<td>1,366</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the financial year</td>
<td>86</td>
<td>121</td>
<td>431</td>
</tr>
<tr>
<td>Effects of exchange rate changes on cash</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at the end of the financial year</strong></td>
<td>11(b)</td>
<td>334</td>
<td>86</td>
</tr>
</tbody>
</table>

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.
### Statements of Cash Flows

For the year ended 31 May 2015

<table>
<thead>
<tr>
<th>Notes</th>
<th>MLC Horizon 3 Conservative Growth Portfolio</th>
<th>MLC Horizon 2 Income Portfolio</th>
<th>Cash Fund</th>
<th>Property Securities Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends and distribution income received</td>
<td>-</td>
<td>122</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest received</td>
<td>52</td>
<td>61</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td>Responsible Entity’s fees paid</td>
<td>(10,850)</td>
<td>(8,660)</td>
<td>(2,083)</td>
<td>(2,149)</td>
</tr>
<tr>
<td>Performance fees paid</td>
<td>(16)</td>
<td>(18)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payment of other expenses</td>
<td>-</td>
<td>-</td>
<td>(1)</td>
<td>-</td>
</tr>
<tr>
<td>Net cash provided by/(used in) operating activities</td>
<td>11(a)</td>
<td>(10,814)</td>
<td>(8,495)</td>
<td>(2,070)</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>43,898</td>
<td>93,636</td>
<td>29,525</td>
<td>54,457</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(104,776)</td>
<td>(171,743)</td>
<td>(4,739)</td>
<td>(31,830)</td>
</tr>
<tr>
<td>Net cash provided by/(used in) investing activities</td>
<td>(60,878)</td>
<td>(78,107)</td>
<td>24,786</td>
<td>22,627</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Applications received</td>
<td>106,629</td>
<td>123,591</td>
<td>9,421</td>
<td>11,850</td>
</tr>
<tr>
<td>Redemptions paid</td>
<td>(33,260)</td>
<td>(36,075)</td>
<td>(30,954)</td>
<td>(32,191)</td>
</tr>
<tr>
<td>Distributions paid</td>
<td>(106)</td>
<td>(613)</td>
<td>(411)</td>
<td>(958)</td>
</tr>
<tr>
<td>Net cash provided by/(used in) financing activities</td>
<td>73,263</td>
<td>86,903</td>
<td>(21,944)</td>
<td>(21,299)</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents</td>
<td>1,571</td>
<td>301</td>
<td>772</td>
<td>(805)</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the financial year</td>
<td>2,323</td>
<td>2,022</td>
<td>560</td>
<td>1,365</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the financial year</td>
<td>(11(b))</td>
<td>3,894</td>
<td>2,323</td>
<td>1,332</td>
</tr>
</tbody>
</table>

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.
MLC MasterKey Unit Trust
Statements of Cash Flows
For the year ended 31 May 2015

<table>
<thead>
<tr>
<th></th>
<th>IncomeBuilder</th>
<th>Share Index Fund</th>
<th>Australian Share Fund</th>
<th>Global Share Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend and distribution income received</td>
<td>123,665</td>
<td>114,475</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest received</td>
<td>3,221</td>
<td>3,486</td>
<td>17</td>
<td>20</td>
</tr>
<tr>
<td>Responsible Entity’s fees paid</td>
<td>(49,023)</td>
<td>(44,150)</td>
<td>(4,464)</td>
<td>(4,390)</td>
</tr>
<tr>
<td>Performance fees paid</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payment of other expenses</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) operating activities</strong></td>
<td>11(a)</td>
<td>77,863</td>
<td>(4,448)</td>
<td>(4,370)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>735,583</td>
<td>478,637</td>
<td>46,387</td>
<td>45,310</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(702,003)</td>
<td>(484,994)</td>
<td>-</td>
<td>(500)</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) investing activities</strong></td>
<td>33,580</td>
<td>62,957</td>
<td>46,387</td>
<td>44,810</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Applications received</td>
<td>161,831</td>
<td>138,444</td>
<td>10,820</td>
<td>14,752</td>
</tr>
<tr>
<td>Redemptions paid</td>
<td>(245,307)</td>
<td>(216,399)</td>
<td>(45,655)</td>
<td>(47,053)</td>
</tr>
<tr>
<td>Distributions paid</td>
<td>(6,688)</td>
<td>(13,814)</td>
<td>(2,397)</td>
<td>(7,795)</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) financing activities</strong></td>
<td>(90,164)</td>
<td>(91,769)</td>
<td>(37,232)</td>
<td>(40,096)</td>
</tr>
<tr>
<td><strong>Net increase/(decrease) in cash and cash equivalents</strong></td>
<td>21,279</td>
<td>24,315</td>
<td>4,707</td>
<td>344</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the financial year</td>
<td>24,944</td>
<td>49,259</td>
<td>1,102</td>
<td>758</td>
</tr>
<tr>
<td>Effects of exchange rate changes on cash</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at the end of the financial year</strong></td>
<td>11(b)</td>
<td>46,223</td>
<td>5,809</td>
<td>1,102</td>
</tr>
</tbody>
</table>

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.
## Statements of Cash Flows

For the year ended 31 May 2015

<table>
<thead>
<tr>
<th>MLC - Platinum Global Fund</th>
<th>Australian Share Growth Style Fund</th>
<th>Australian Share Value Style Fund</th>
<th>Global Share Growth Style Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2014</td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td><strong>Notes</strong></td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td><strong>Whole Dollars $</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Cash flows from operating activities

- **Dividends and distribution income received**
  - 2015: $14,781
  - 2014: $16,300
  - **Total:** $14,781

- **Interest received**
  - 2015: $385
  - 2014: $364
  - **Total:** $385

- **Responsible Entity’s fees paid**
  - 2015: $(23,987)
  - 2014: $(23,288)
  - **Total:** $(23,987)

- **Performance fees paid**
  - 2015: $-
  - 2014: $-
  - **Total:** $-

- **Payment of other expenses**
  - 2015: $(6)
  - 2014: $-
  - **Total:** $(6)

**Net cash provided by/(used in) operating activities**

- 2015: $(8,827)
- 2014: $(6,624)
- **Total:** $(8,827)

### Cash flows from investing activities

- **Proceeds from sale of investments**
  - 2015: $591,755
  - 2014: $757,926
  - **Total:** $591,755

- **Purchases of investments**
  - 2015: $(455,632)
  - 2014: $(589,091)
  - **Total:** $(455,632)

**Net cash provided by/(used in) investing activities**

- 2015: $136,123
- 2014: $168,835
- **Total:** $136,123

### Cash flows from financing activities

- **Applications received**
  - 2015: $24,892
  - 2014: $13,256
  - **Total:** $24,892

- **Redemptions paid**
  - 2015: $(149,289)
  - 2014: $(152,912)
  - **Total:** $(149,289)

- **Distributions paid**
  - 2015: $-
  - 2014: $(21)
  - **Total:** $-

**Net cash provided by/(used in) financing activities**

- 2015: $(124,397)
- 2014: $(139,656)
- **Total:** $(124,397)

### Net increase/(decrease) in cash and cash equivalents

- 2015: $2,899
- 2014: $22,555
- **Total:** $2,899

### Cash and cash equivalents at the beginning of the financial year

- 2015: $72,075
- 2014: $50,967
- **Total:** $72,075

### Effects of exchange rate changes on cash

- 2015: $1,494
- 2014: $(1,447)
- **Total:** $1,494

### Cash and cash equivalents at the end of the financial year

- 2015: $76,468
- 2014: $207
- **Total:** $76,468

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.
MLC MasterKey Unit Trust  
Statements of Cash Flows  
For the year ended 31 May 2015

<table>
<thead>
<tr>
<th>Notes</th>
<th>Global Share Value Style Fund</th>
<th>MLC Horizon 1 Bond Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015 Whole Dollars $</td>
<td>2014 Whole Dollars $</td>
</tr>
</tbody>
</table>

**Cash flows from operating activities**

Dividends and distribution income received

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received</td>
<td>-</td>
<td>-</td>
<td>1,299</td>
<td>1,584</td>
</tr>
<tr>
<td>Responsible Entity’s fees paid</td>
<td>(115,715)</td>
<td>(108,766)</td>
<td>(60,746)</td>
<td>(74,363)</td>
</tr>
<tr>
<td>Performance fees paid</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payment of other expenses</td>
<td>(104)</td>
<td>(58)</td>
<td>(147)</td>
<td>(135)</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) operating activities</strong></td>
<td>11(a)</td>
<td>(114,520)</td>
<td>(107,240)</td>
<td>(60,081)</td>
</tr>
</tbody>
</table>

**Cash flows from investing activities**

Proceeds from sale of investments

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>834,999</td>
<td>1,075,000</td>
<td>1,917,869</td>
<td>1,588,000</td>
<td></td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>-</td>
<td>(50,000)</td>
<td>(682,000)</td>
<td>(518,000)</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) investing activities</strong></td>
<td>834,999</td>
<td>1,025,000</td>
<td>1,235,869</td>
<td>1,070,000</td>
</tr>
</tbody>
</table>

**Cash flows from financing activities**

Applications received

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>249,884</td>
<td>295,074</td>
<td>586,576</td>
<td>643,165</td>
<td></td>
</tr>
<tr>
<td>Redemptions paid</td>
<td>(961,287)</td>
<td>(1,190,184)</td>
<td>(1,768,215)</td>
<td>(1,645,971)</td>
</tr>
<tr>
<td>Distributions paid</td>
<td>-</td>
<td>(24,135)</td>
<td>(3,251)</td>
<td>(13,617)</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) financing activities</strong></td>
<td>(711,403)</td>
<td>(919,245)</td>
<td>(1,184,890)</td>
<td>(1,016,423)</td>
</tr>
</tbody>
</table>

**Net increase/(decrease) in cash and cash equivalents**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>9,076</td>
<td>(1,485)</td>
<td>(9,102)</td>
<td>(19,844)</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the financial year</td>
<td>70,241</td>
<td>71,726</td>
<td>39,109</td>
<td>58,953</td>
</tr>
<tr>
<td>Effects of exchange rate changes on cash</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at the end of the financial year</strong></td>
<td>11(b)</td>
<td>79,317</td>
<td>70,241</td>
<td>30,007</td>
</tr>
</tbody>
</table>

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The financial report of the Schemes for the financial year ended 31 May 2015 was authorised for issue in accordance with a resolution of the Directors of the Responsible Entity on 22 July 2015.

(a) Statement of compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board.

(b) Basis of preparation

The Schemes' financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report has been prepared on the basis of historical costs, except for financial assets and financial liabilities held at fair value and held for trading, that have been measured at fair value.

The Statements of Financial Position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial assets and liabilities at fair value and net assets attributable to unitholders.

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

The financial statements are presented in Australian Dollars, and all values are rounded to the nearest $'000 except where otherwise indicated.

(c) Basis of consolidation

The Schemes are investment entities and, as such, do not consolidate any entities subject to their control. Instead, interests in controlled entities are classified at fair value through profit or loss, and measured at fair value. The Schemes do not hold a controlling interest in any of their underlying investments and therefore are not required to provide additional disclosures.

(d) Unit prices

The unit price for the units of the Schemes is calculated as at the close of business on each business day.

(e) Terms and conditions on units

Each unit issued confers upon the unitholders of each Scheme an equal interest in the Scheme, and is of equal value. A unit does not confer any interest in any particular asset or investment of each Scheme. Unitholders have various rights under the Constitution and the Corporations Act 2001, including the right to:

(i) have their units redeemed;
(ii) receive income distributions;
(iii) attend and vote at meetings of unitholders; and
(iv) participate in the termination and winding up of the Scheme.

The rights, obligations and restrictions attached to any unit of a Scheme are identical in all respects.

(f) Financial assets and liabilities held at fair value through profit or loss

The Schemes have classified all of their investments as designated at fair value through profit or loss except derivatives which are held for trading for risk management purposes. Securities designated as at fair value through profit or loss are initially recognised at fair value.

Investments are valued at their fair value as at reporting date. Gains and losses arising from changes in the fair value of the financial assets designated as held at fair value through profit or loss are included in the Statements of Profit or Loss and Other Comprehensive Income in the period in which they arise.

(g) Financial assets/liabilities held for trading

Derivative financial instruments are categorised for accounting purposes as held for trading, as the Schemes do not designate any derivatives as hedges in a hedging relationship. Derivatives are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value with movements taken to the Statements of Profit or Loss and Other Comprehensive Income. Fair values are obtained from quoted market prices in active markets and valuation techniques, including discounted cash flow models and options pricing models. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

(i) Futures contracts

Futures contracts are contractual obligations to buy or sell financial instruments on a future date at a specified price established on an organised market. Futures contracts are collateralised by cash and cash equivalents or by other assets ("initial margin"). Subsequent payments, known as "variation margin," are made or received by the Scheme each day, depending on the daily fluctuations in the fair value of the underlying security. The futures contracts are marked to market daily.

(ii) Foreign Exchange Forward Contracts

The value of a foreign exchange forward contract (forward) fluctuates with changes in currency exchange rates. The forward is marked to market daily.

(iii) Options

The current fair value of an option listed on a traded exchange is valued at the last sale price. In the case of domestic options, if the bid price is greater than the last sale price, it is valued at the bid price. If the ask price is less than the last sale price, it is valued at the ask price.
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Fair value measurement
Assets and liabilities measured at fair value in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement in its entirety as detailed below:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(i) Significant accounting judgements, estimates, or assumptions
The Schemes may make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements.

Estimates and assumptions
Estimates are continually evaluated and based on historical experience, available information and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fair value of financial assets and liabilities held through profit or loss
Fair value is the price that would be received from disposing an asset or paid to transfer a liability in an orderly transaction between market participants at the transaction date.

The Schemes measure investments in financial assets and financial liabilities at fair value through profit or loss. Management applies judgement in selecting valuation techniques where there is no market price available for an instrument. Further details on the determination of fair values of financial instruments is set out in Note 10(g).

Fair value of financial assets held for trading
The Schemes have assessed the impact of credit value adjustments to their derivative positions to comply with the requirements of AASB 13, and concluded that there are no adjustments to the valuation of derivatives.

Judgements
(i) The Schemes meet the definition criteria of an investment entity under AASB 10 and therefore are required to measure their interests in controlled entities at fair value through profit or loss. The criteria which define an investment entity are as follows:
(a) An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
(b) An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
(c) An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

(ii) The Schemes have assessed whether their investments in unlisted managed investment schemes should be classified as structured entities. A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. The Schemes have considered the voting rights and other similar rights and concluded on whether these rights are the dominant factor in determining control. The Schemes have concluded that their investments in unlisted managed investment schemes meet the definition of structured entities as the voting rights of these unlisted managed investment schemes are not substantive in nature.

(j) Cash and cash equivalents
Cash and cash equivalents in the Statements of Financial Position comprise cash at bank, demand deposits, futures margin, short term deposits and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, such as units held in a cash trust.

(k) Receivables
Receivables may include amounts for dividends, interest, distributions, outstanding settlements and other income and are measured initially at fair value plus transaction costs. Amounts are generally received within 30 days of being recorded as receivable. Given the short-term nature of most receivables, the recoverable amount approximates fair value.

(l) Accounts payable and accrued expenses
Payables include outstanding settlements and accrued expenses owing by the Schemes which are unpaid as at balance date. They are measured initially at fair value plus transaction costs. Given the short-term nature of most payables, the nominal amount payable approximates fair value.

(m) Foreign currency transactions
Transactions during the year denominated in foreign currency have been translated at the exchange rate prevailing at the transaction date. Overseas investments and monetary items held, together with any accrued income, are translated at the exchange rate prevailing at the year end.

Foreign currency transaction gains and losses on financial instruments classified as at fair value through profit or loss are included in the Statements of Profit or Loss and Other Comprehensive Income as part of the ‘Changes in the fair value of financial assets and liabilities at fair value through profit or loss’.

(n) Income and expenses
Revenue is brought to account on an accrual basis except where otherwise stated.

Dividend and distribution income, from listed securities and unlisted managed investment schemes, are recognised on the date the shares or trust units are quoted ex dividend/distribution. Income on fixed interest securities and money market securities is recognised on an ex interest accrual basis.
The Responsible Entity monitors the level of applications and redemptions relative to the liquid assets in the Schemes.

Changes in the fair value of investments are recognised as income and are determined as the difference between the fair value at year end or consideration received (if sold during the year) and the fair value as at the prior year end or cost (if the investment was acquired during the year).

Expenses are brought to account on an accrual basis.

The Responsible Entity is entitled to receive a fee, calculated in accordance with the Schemes' Constitutions, for the provision of management services to the Schemes. The Responsible Entity is entitled to be reimbursed, under the Schemes' Constitutions, for certain expenses incurred in administering the Schemes. The amount reimbursed has been calculated in accordance with the Schemes' Constitutions.

In some Schemes, the Responsible Entity pays rebates to the Schemes to reduce the effect of the management fee paid indirectly via the Schemes' investments in the JANA Corporate Investment Trust.

Performance fees are incurred or paid by the MLC Horizon 4 Balanced Portfolio, MLC Horizon 3 Conservative Growth Portfolio, MLC Horizon 5 Growth Portfolio and the MLC Horizon 6 Share Portfolio for their investment allocations into the Low Correlation Strategy Trust, as outlined in the Product Disclosure Statement.

Other expenses also include government duties and bank interest expense. Auditors' remuneration has not been charged against the Schemes' income as this cost is borne by the Responsible Entity.

Unrealised gains and losses arising on movements in the fair value of assets, unrealised foreign currency movements on other assets, accrued dividends and interest not yet payable to the Schemes are transferred to net assets attributable to unitholders. They are included in the determination of distributable income when assessable for taxation purposes. The taxable portion of realised capital gains is included in distributable income (net of any realised capital losses) by transfer from net assets attributable to unitholders. Non-assessable income and net capital losses carried forward are also reflected as movements against components of net assets attributable to unitholders for the current financial year.

Under current legislation the Schemes are not subject to income tax as unitholders are presently entitled to the taxable income (including assessable realised net capital gains), which is distributed each year.

The unit price is based upon fair values of underlying assets and thus may include a share of unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax will be distributed.

Net realised capital losses are not distributed to unitholders, but are retained to be offset against any future realised capital gains. Where realised assessable capital gains exceed realised capital losses, the excess is distributed to unitholders as assessable income for taxation purposes.

The income of the Schemes is accumulated and reinvested or paid to unitholders on the last Sunday of August, November, February and May, except for the MLC Horizon 7 Accelerated Growth Portfolio, MLC Horizon 6 Share Portfolio, Global Share Fund, MLC - Platinum Global Fund, Global Share Growth Style Fund and Global Share Value Style Fund which reinvested or paid income to unitholders on the last Sunday of May only.

Undistributed income/(loss) includes income earned and expenses not yet paid since the last distribution date to 31 May 2015 and realised capital losses which are retained to offset future realised capital gains. These are not distributed but held for distributions in future periods.

Distributable income does not include unrealised gains and losses arising on movements in the fair value of investments; as such, unrealised gains and losses are transferred to net assets attributable to unitholders and are not assessable or distributable until realised.

The remaining Schemes express distributions as cents per unit for the distribution period.

Responsible Entity fees and other expenses are recognised net of the amount of goods and services tax ("GST") recoverable from the Australian Taxation Office ("ATO") as a reduced input tax credit ("RITC").

In order to maintain or adjust the capital structure, the Responsible Entity may return capital to unitholders. The Schemes do not have any externally imposed capital requirements.
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Net assets attributable to unitholders

Units are redeemable at the unitholders' option and are classified as financial liabilities due to mandatory distributions. The units can be put back to the Schemes at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the end of the reporting period if unitholders exercised their right to put the units back to the Schemes.

(v) Application of accounting standards

Changes in Accounting Policy

Since 1 June 2014, the Schemes have adopted the following mandatory new and amended Australian Accounting Standards:

AASB 1053 Application of Tiers of Australian Accounting Standards, and 'AASB 2012-3 Amendments to Australian Accounting Standard – Offsetting

The adoption of the above mandatory new and amended accounting standards is not considered to have had a material impact on the financial statements.

Australian Accounting Standards issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Schemes for the annual reporting period ended 31 May 2015. The impact of these standards and interpretations has been assessed, to the extent applicable to the Schemes and are discussed below.

AASB 9 Financial Instruments

This standard makes changes to the way financial assets are classified for the purpose of determining their measurement basis. AASB 9 applies to annual reporting periods beginning on or after 1 January 2018 and will therefore apply to the Schemes from 1 June 2018. The Schemes do not intend to early adopt AASB 9 as permitted by the standard. The application of the standard is not expected to change the measurement basis of any of the Schemes current financial instruments.

AASB 2015-5 Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception

This Amendment to Australian Accounting Standards’ provides further clarity to the exemption from consolidation of subsidiaries under AASB 10 Consolidated Financial Statement that meet the definition of investment entity. The standard is not mandatory until 1 January 2016. The impact of the amendment to the managed investment schemes is not yet determined.

NOTE 2 - DIVIDEND AND DISTRIBUTION INCOME

The Schemes receive distribution income from their underlying investments in unlisted managed investment schemes, which is detailed in Note 9(h), except for Income Builder and Platinum Global Fund which is detailed in the table below:

<table>
<thead>
<tr>
<th></th>
<th>IncomeBuilder</th>
<th>MLC - Platinum Global Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Dividend/Scheme distribution income:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Listed equities and unit trusts</td>
<td>124,171</td>
<td>114,269</td>
</tr>
<tr>
<td></td>
<td>124,171</td>
<td>114,269</td>
</tr>
</tbody>
</table>

NOTE 3 - AUDITOR'S REMUNERATION

The audit of the Schemes' is conducted by Ernst & Young. The Responsible Entity pays the cost of the audit fees being $11,000 for audit and review of the financial reports, and $2,374 for Compliance Plan audits for each of the Schemes. The Cash Fund, IncomeBuilder and Platinum Global Fund receive additional assurance services from the auditor being the Specified Assertions audit for their direct investments, as stated in the table below:

<table>
<thead>
<tr>
<th></th>
<th>Cash Fund</th>
<th>IncomeBuilder</th>
<th>MLC - Platinum Global Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>Auditor of the Scheme:</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Other assurance engagements</td>
<td>1,250</td>
<td>1,250</td>
<td>5,750</td>
</tr>
<tr>
<td></td>
<td>1,250</td>
<td>1,250</td>
<td>5,750</td>
</tr>
</tbody>
</table>

-23 -
### NOTE 4 - NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Movements in number of units on issue and net assets attributable to unitholders during the year:

<table>
<thead>
<tr>
<th>MLC Horizon 7 Accelerated Growth Portfolio</th>
<th>MLC Horizon 6 Share Portfolio</th>
<th>MLC Horizon 5 Growth Portfolio</th>
<th>MLC Horizon 4 Balanced Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>No. '000</td>
<td>$'000</td>
<td>No. '000</td>
</tr>
<tr>
<td><strong>Net assets attributable to unitholders</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 31 May 2013</strong></td>
<td>20,771</td>
<td>24,170</td>
<td>243,818</td>
</tr>
<tr>
<td>Applications</td>
<td>1,534</td>
<td>1,588</td>
<td>25,620</td>
</tr>
<tr>
<td>Redemptions</td>
<td>(4,162)</td>
<td>(4,383)</td>
<td>(30,346)</td>
</tr>
<tr>
<td>Change in net assets attributable to unitholders</td>
<td>3,504</td>
<td>32,231</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance at 31 May 2014</strong></td>
<td>21,647</td>
<td>21,375</td>
<td>271,323</td>
</tr>
<tr>
<td>Applications</td>
<td>1,323</td>
<td>1,210</td>
<td>15,828</td>
</tr>
<tr>
<td>Redemptions</td>
<td>(3,250)</td>
<td>(2,968)</td>
<td>(29,959)</td>
</tr>
<tr>
<td>Change in net assets attributable to unitholders</td>
<td>3,495</td>
<td>-</td>
<td>33,266</td>
</tr>
<tr>
<td><strong>Balance at 31 May 2015</strong></td>
<td>23,215</td>
<td>19,617</td>
<td>290,458</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MLC Horizon 3 Conservative Growth Portfolio</th>
<th>MLC Horizon 2 Income Portfolio</th>
<th>Cash Fund</th>
<th>Property Securities Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>No. '000</td>
<td>$'000</td>
<td>No. '000</td>
</tr>
<tr>
<td><strong>Net assets attributable to unitholders</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 31 May 2013</strong></td>
<td>515,158</td>
<td>555,008</td>
<td>178,839</td>
</tr>
<tr>
<td>Applications</td>
<td>132,488</td>
<td>136,834</td>
<td>13,627</td>
</tr>
<tr>
<td>Change in net assets attributable to unitholders</td>
<td>37,961</td>
<td>-</td>
<td>5,622</td>
</tr>
<tr>
<td><strong>Balance at 31 May 2014</strong></td>
<td>649,532</td>
<td>654,310</td>
<td>165,897</td>
</tr>
<tr>
<td>Applications</td>
<td>108,453</td>
<td>105,350</td>
<td>10,243</td>
</tr>
<tr>
<td>Redemptions</td>
<td>(33,260)</td>
<td>(32,290)</td>
<td>(30,954)</td>
</tr>
<tr>
<td>Change in net assets attributable to unitholders</td>
<td>48,339</td>
<td>-</td>
<td>8,547</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IncomeBuilder</th>
<th>Share Index Fund</th>
<th>Australian Share Fund</th>
<th>Global Share Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>No. '000</td>
<td>$'000</td>
<td>No. '000</td>
</tr>
<tr>
<td><strong>Net assets attributable to unitholders</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 31 May 2013</strong></td>
<td>2,247,054</td>
<td>918,325</td>
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<td>Applications</td>
<td>249,788</td>
<td>95,376</td>
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</tr>
<tr>
<td>Redemptions</td>
<td>(216,399)</td>
<td>(83,646)</td>
<td>(47,053)</td>
</tr>
<tr>
<td>Change in net assets attributable to unitholders</td>
<td>214,922</td>
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<td>5,622</td>
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<tr>
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<td>2,495,365</td>
<td>930,350</td>
<td>335,503</td>
</tr>
<tr>
<td>Applications</td>
<td>207,266</td>
<td>74,032</td>
<td>14,162</td>
</tr>
<tr>
<td>Redemptions</td>
<td>(245,307)</td>
<td>(97,700)</td>
<td>(45,655)</td>
</tr>
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<td>Change in net assets attributable to unitholders</td>
<td>123,080</td>
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<td>8,547</td>
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<td><strong>Balance at 31 May 2015</strong></td>
<td>2,580,404</td>
<td>916,387</td>
<td>331,696</td>
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NOTE 4 - NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (continued)

Movements in number of units on issue and net assets attributable to unitholders during the year: (continued)

<table>
<thead>
<tr>
<th></th>
<th>MLC - Platinum Global Fund</th>
<th>Australian Share Growth Style Fund</th>
<th>Australian Share Value Style Fund</th>
<th>Global Share Growth Style Fund</th>
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<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>No. '000</td>
<td>$'000</td>
<td>No. '000</td>
</tr>
<tr>
<td>Net assets attributable to unitholders</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 31 May 2013</td>
<td>1,020,709</td>
<td>618,831</td>
<td>10,319</td>
<td>9,427</td>
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<tr>
<td>Applications</td>
<td>13,256</td>
<td>7,148</td>
<td>355</td>
<td>297</td>
</tr>
<tr>
<td>Redemptions</td>
<td>(152,912)</td>
<td>(82,815)</td>
<td>(1,182)</td>
<td>(1,011)</td>
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<td>Change in net assets attributable to unitholders</td>
<td>193,205</td>
<td>-</td>
<td>1,193</td>
<td>-</td>
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<tr>
<td>Balance at 31 May 2014</td>
<td>1,074,258</td>
<td>543,164</td>
<td>10,685</td>
<td>8,713</td>
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<tr>
<td>Applications</td>
<td>24,892</td>
<td>11,710</td>
<td>304</td>
<td>245</td>
</tr>
<tr>
<td>Redemptions</td>
<td>(149,289)</td>
<td>(70,131)</td>
<td>(1,052)</td>
<td>(839)</td>
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<td>Change in net assets attributable to unitholders</td>
<td>109,668</td>
<td>-</td>
<td>385</td>
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<tr>
<td>Balance at 31 May 2015</td>
<td>1,059,529</td>
<td>484,743</td>
<td>10,322</td>
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Global Share Value Style Fund

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<tr>
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<td>Whole Dollars $</td>
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<td>Net assets attributable to unitholders</td>
<td></td>
</tr>
<tr>
<td>Balance at 31 May 2013</td>
<td>6,836,835</td>
</tr>
<tr>
<td>Applications</td>
<td>335,832</td>
</tr>
<tr>
<td>Redemptions</td>
<td>(1,190,184)</td>
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<td>Change in net assets attributable to unitholders</td>
<td>1,144,574</td>
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<td>Applications</td>
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<td>Redemptions</td>
<td>(961,287)</td>
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<td>Balance at 31 May 2015</td>
<td>7,527,677</td>
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All units in the Schemes are of the same class and therefore carry equal rights.

NOTE 5 - DISTRIBUTIONS

Distributions paid during the year by the Schemes were as follows:

<table>
<thead>
<tr>
<th>MLC Horizon 7 Accelerated Growth Portfolio</th>
<th>MLC Horizon 6 Share Portfolio</th>
<th>MLC Horizon 5 Growth Portfolio</th>
<th>MLC Horizon 4 Balanced Portfolio</th>
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<tr>
<td>$'000</td>
<td>c/unit</td>
<td>$'000</td>
<td>c/unit</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>-------------------------------</td>
<td>--------------------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>August</td>
<td>-</td>
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<td>83</td>
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<td>-</td>
<td>734</td>
</tr>
<tr>
<td>February</td>
<td>-</td>
<td>-</td>
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<td>May</td>
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<td>8,345</td>
</tr>
<tr>
<td></td>
<td>514</td>
<td>2.62</td>
<td>8,345</td>
</tr>
<tr>
<td>2014</td>
<td></td>
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<td>-</td>
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<td>November</td>
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<td>83</td>
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<tr>
<td></td>
<td>272</td>
<td>1.28</td>
<td>4,334</td>
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-25 -
### NOTE 5 - DISTRIBUTIONS (continued)

Distributions paid during the year by the Schemes were as follows:

<table>
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<tr>
<th></th>
<th>MLC Horizon 3 Conservative Growth Portfolio</th>
<th>MLC Horizon 2 Income Portfolio</th>
<th>Cash Fund</th>
<th>Property Securities Fund</th>
</tr>
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<td>$'000 c/unit</td>
<td>$'000 Annualised % Rate</td>
<td>$'000 c/unit</td>
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<td>August</td>
<td>675</td>
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<td>469 0.32</td>
<td>425 1.69</td>
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<tr>
<td>November</td>
<td>1,255</td>
<td>0.18</td>
<td>423 0.30</td>
<td>384 1.69</td>
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<td>February</td>
<td>-</td>
<td>-</td>
<td>342 0.25</td>
<td>331 1.67</td>
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<td>1,977 1.49</td>
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<td>18,296</td>
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<td><strong>2014</strong></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>August</td>
<td>684</td>
<td>0.12</td>
<td>491 0.30</td>
<td>498 1.90</td>
</tr>
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<td>714</td>
<td>0.12</td>
<td>365 0.23</td>
<td>430 1.66</td>
</tr>
<tr>
<td>February</td>
<td>253</td>
<td>0.04</td>
<td>481 0.31</td>
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<td>1,689 1.69</td>
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<table>
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<tr>
<th></th>
<th>IncomeBuilder</th>
<th>Share Index Fund</th>
<th>Australian Share Fund</th>
<th>Global Share Fund</th>
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<tr>
<td></td>
<td>$'000 c/unit</td>
<td>$'000 c/unit</td>
<td>$'000 c/unit</td>
<td>$'000 c/unit</td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>August</td>
<td>12,832</td>
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<td>1,154 0.81</td>
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<td>2.33</td>
<td>3,183 2.29</td>
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<tr>
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<td>17,778</td>
<td>1.93</td>
<td>1,402 1.03</td>
<td>306 0.43</td>
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<td>17,837 13.23</td>
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<td><strong>2014</strong></td>
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<td></td>
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<td>1,616 1.11</td>
<td>131 0.16</td>
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<td>4,932 6.12</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>MLC - Platinum Global Fund</th>
<th>Australian Share Growth Style Fund</th>
<th>Australian Share Value Style Fund</th>
<th>Global Share Growth Style Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>$'000 c/unit</td>
<td>$'000 c/unit</td>
<td>Whole Dollars $</td>
</tr>
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<td><strong>2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>August</td>
<td>-</td>
<td>-</td>
<td>12 0.14</td>
<td>21 0.18</td>
</tr>
<tr>
<td>November</td>
<td>-</td>
<td>-</td>
<td>88 1.04</td>
<td>68 0.62</td>
</tr>
<tr>
<td>February</td>
<td>-</td>
<td>-</td>
<td>13 0.17</td>
<td>40 0.38</td>
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<tr>
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<td>147,925</td>
<td>30.52</td>
<td>282 3.47</td>
<td>361 3.43</td>
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<td></td>
<td>147,925</td>
<td>30.52</td>
<td>395 4.82</td>
<td>490 4.61</td>
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<td><strong>2014</strong></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>August</td>
<td>-</td>
<td>-</td>
<td>4 0.04</td>
<td>33 0.25</td>
</tr>
<tr>
<td>November</td>
<td>-</td>
<td>-</td>
<td>93 1.03</td>
<td>72 0.57</td>
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<tr>
<td>February</td>
<td>-</td>
<td>-</td>
<td>18 0.21</td>
<td>43 0.35</td>
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<td>-</td>
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<td>328 2.67</td>
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<table>
<thead>
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<th>Global Share Value Style Fund</th>
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<td>Whole Dollars $</td>
<td>Whole Dollars $</td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td></td>
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<tr>
<td>November</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>February</td>
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<tr>
<td>November</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>February</td>
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<td>-</td>
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</table>
### NOTE 6 - FINANCIAL ASSETS DESIGNATED AS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

<table>
<thead>
<tr>
<th></th>
<th>MLC Horizon 7 Accelerated Growth Portfolio</th>
<th>MLC Horizon 6 Share Portfolio</th>
<th>MLC Horizon 5 Growth Portfolio</th>
<th>MLC Horizon 4 Balanced Portfolio</th>
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<tbody>
<tr>
<td>$'000</td>
<td>$000</td>
<td>$000</td>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>Unlisted managed investment schemes</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Units held in unlisted managed investment schemes</td>
<td>22,475</td>
<td>21,587</td>
<td>286,046</td>
<td>271,223</td>
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<tr>
<td>Total financial assets designated as held at fair value through profit or loss</td>
<td>22,475</td>
<td>21,587</td>
<td>286,046</td>
<td>271,223</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>MLC Horizon 3 Conservative Growth Portfolio</th>
<th>MLC Horizon 2 Income Portfolio</th>
<th>Cash Fund</th>
<th>Property Securities Fund</th>
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<td>$000</td>
<td>$000</td>
<td>$000</td>
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<td>77,365</td>
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<tr>
<td>Unlisted managed investment schemes</td>
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<tr>
<td>Units held in unlisted managed investment schemes</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>2,595,478</td>
<td>2,404,844</td>
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<td>Total financial assets designated as held at fair value through profit or loss</td>
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<td>647,987</td>
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<td>165,504</td>
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</table>

<table>
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<th>IncomeBuilder Share Index Fund</th>
<th>Australian Share Fund</th>
<th>Global Share Fund</th>
</tr>
</thead>
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<td>$'000</td>
<td>$000</td>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>Money market securities</td>
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</tr>
<tr>
<td>Money market securities</td>
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<td>82,671</td>
<td>43,864</td>
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<td>Listed equities</td>
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<tr>
<td>Shares and units listed on a stock exchange</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2,595,478</td>
<td>2,404,844</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unlisted managed investment schemes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Units held in unlisted managed investment schemes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>332,705</td>
</tr>
<tr>
<td>Total financial assets designated as held at fair value through profit or loss</td>
<td>2,678,149</td>
<td>2,448,708</td>
<td>332,705</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>MLC - Platinum Global Fund</th>
<th>Australian Share Growth Style Fund</th>
<th>Australian Share Value Style Fund</th>
<th>Global Share Growth Style Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$000</td>
<td>$000</td>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>Money market securities</td>
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<td>Money market securities</td>
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<tr>
<td>861</td>
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<td>Listed equities</td>
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<tr>
<td>Shares and units listed on a stock exchange</td>
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<td>1,060,906</td>
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<td>Unlisted equities</td>
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<tr>
<td>Shares and units not listed on the stock exchange</td>
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</tr>
<tr>
<td>Unlisted managed investment schemes</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Units held in unlisted managed investment schemes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,134</td>
<td>10,599</td>
</tr>
<tr>
<td>Total financial assets designated as held at fair value through profit or loss</td>
<td>1,062,092</td>
<td>995,805</td>
<td>10,134</td>
<td>10,599</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Global Share Value Style Fund</th>
<th>MLC Horizon 1 Bond Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Whole Dollars $</td>
<td>Whole</td>
<td>Whole</td>
</tr>
<tr>
<td>Whole Dollars $</td>
<td>Whole</td>
<td>Whole</td>
</tr>
<tr>
<td>Whole Dollars $</td>
<td>Whole</td>
<td>Whole</td>
</tr>
<tr>
<td>Whole Dollars $</td>
<td>Whole</td>
<td>Whole</td>
</tr>
</tbody>
</table>

### Units held in unlisted managed investment schemes are detailed in Note 9(h).
## NOTE 7 - RECEIVABLES

<table>
<thead>
<tr>
<th>MLC Horizon 7 Accelerated Growth Portfolio</th>
<th>MLC Horizon 6 Share Portfolio</th>
<th>MLC Horizon 5 Growth Portfolio</th>
<th>MLC Horizon 4 Balanced Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 $'000</td>
<td>2014 $'000</td>
<td>2015 $'000</td>
<td>2014 $'000</td>
</tr>
<tr>
<td>Outstanding settlements</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dividend and distributions receivable</td>
<td>948</td>
<td>11,330</td>
<td>-</td>
</tr>
<tr>
<td>Other receivables</td>
<td>1</td>
<td>11,332</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>20,838</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>20,836</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>67,602</td>
<td>9</td>
</tr>
<tr>
<td>2015 $'000</td>
<td>2014 $'000</td>
<td>2015 $'000</td>
<td>2014 $'000</td>
</tr>
<tr>
<td>Outstanding settlements</td>
<td>-</td>
<td>16,157</td>
<td>-</td>
</tr>
<tr>
<td>Dividend and distributions receivable</td>
<td>21,504</td>
<td>2,942</td>
<td>-</td>
</tr>
<tr>
<td>Other receivables</td>
<td>6</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>50</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>949</td>
<td>9</td>
</tr>
<tr>
<td>2015 $'000</td>
<td>2014 $'000</td>
<td>2015 $'000</td>
<td>2014 $'000</td>
</tr>
<tr>
<td>Outstanding settlements</td>
<td>-</td>
<td>3,028</td>
<td>-</td>
</tr>
<tr>
<td>Dividend and distributions receivable</td>
<td>4,985</td>
<td>5,326</td>
<td>-</td>
</tr>
<tr>
<td>Other receivables</td>
<td>26</td>
<td>33</td>
<td>1</td>
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<tr>
<td></td>
<td>1</td>
<td>415</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>53,044</td>
<td>1</td>
</tr>
<tr>
<td>2015 $'000</td>
<td>2014 $'000</td>
<td>2015 $'000</td>
<td>2014 $'000</td>
</tr>
<tr>
<td>Outstanding settlements</td>
<td>-</td>
<td>3,028</td>
<td>-</td>
</tr>
<tr>
<td>Dividend and distributions receivable</td>
<td>166,627</td>
<td>20,831</td>
<td>-</td>
</tr>
<tr>
<td>Other receivables</td>
<td>391</td>
<td>366</td>
<td>317</td>
</tr>
<tr>
<td></td>
<td>312</td>
<td>167,018</td>
<td>312</td>
</tr>
</tbody>
</table>
### NOTE 8 - ACCOUNTS PAYABLE & ACCRUED EXPENSES

<table>
<thead>
<tr>
<th>MLC Horizon 7 Accelerated Growth Portfolio</th>
<th>MLC Horizon 6 Share Portfolio</th>
<th>MLC Horizon 5 Growth Portfolio</th>
<th>MLC Horizon 4 Balanced Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Outstanding settlements</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amounts owing for performance fees</td>
<td>-</td>
<td>-</td>
<td>18</td>
</tr>
<tr>
<td>Amounts owing to Responsible Entity</td>
<td>29</td>
<td>27</td>
<td>354</td>
</tr>
<tr>
<td>Distributions payable</td>
<td>514</td>
<td>8,345</td>
<td>-</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>MLC Horizon 3 Conservative Growth Portfolio</th>
<th>MLC Horizon 2 Income Portfolio</th>
<th>Cash Fund</th>
<th>Property Securities Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Outstanding settlements</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amounts owing for performance fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amounts owing to Responsible Entity</td>
<td>912</td>
<td>771</td>
<td>159</td>
</tr>
<tr>
<td>Distributions payable</td>
<td>16,366</td>
<td>-</td>
<td>1,977</td>
</tr>
<tr>
<td>17,316</td>
<td>781</td>
<td>2,136</td>
<td>169</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IncomeBuilder</th>
<th>Share Index Fund</th>
<th>Australian Share Fund</th>
<th>Global Share Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Outstanding settlements</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amounts owing for performance fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amounts owing to Responsible Entity</td>
<td>912</td>
<td>771</td>
<td>159</td>
</tr>
<tr>
<td>Distributions payable</td>
<td>16,366</td>
<td>-</td>
<td>1,977</td>
</tr>
<tr>
<td>17,316</td>
<td>781</td>
<td>2,136</td>
<td>169</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MLC - Platinum Global Fund</th>
<th>Australian Share Growth Style Fund</th>
<th>Australian Share Value Style Fund</th>
<th>Global Share Growth Style Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Outstanding settlements</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amounts owing for performance fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amounts owing to Responsible Entity</td>
<td>2,925</td>
<td>2,422</td>
<td>15</td>
</tr>
<tr>
<td>Distributions payable</td>
<td>147,925</td>
<td>-</td>
<td>280</td>
</tr>
<tr>
<td>153,466</td>
<td>9,573</td>
<td>12,454</td>
<td>366</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Global Share Value Style Fund</th>
<th>MLC Horizon 1 Bond Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Whole</td>
<td>Whole</td>
</tr>
<tr>
<td>Dollars $</td>
<td>Dollars $</td>
</tr>
<tr>
<td>Outstanding settlements</td>
<td>-</td>
</tr>
<tr>
<td>Amounts owing for performance fees</td>
<td>-</td>
</tr>
<tr>
<td>Amounts owing to Responsible Entity</td>
<td>10,498</td>
</tr>
<tr>
<td>Distributions payable</td>
<td>51,993</td>
</tr>
<tr>
<td>62,521</td>
<td>12,404</td>
</tr>
</tbody>
</table>

MLC MasterKey Unit Trust
Notes to the financial statements
For the year ended 31 May 2015

-29 -
NOTE 9 - RELATED PARTIES

(a) Responsible Entity

The Responsible Entity of each of the Schemes is MLC Investments Limited ABN 30 002 641 661, whose immediate and ultimate holding companies are MLC Holdings Limited ABN 32 003 113 068 and National Australia Bank Limited ABN 12 004 044 937 respectively.

The Responsible Entity is incorporated and domiciled in Australia.

(b) Key management personnel

Directors

The names of persons who were Directors of MLC Investments Limited at any time during the financial year were as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Appointment / Resignation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>S C Birkensleigh</td>
<td>Appointed 27 February 2012/Resigned 7 July 2014</td>
</tr>
<tr>
<td>P Coad</td>
<td>Appointed 22 August 2013/Resigned 7 July 2014</td>
</tr>
<tr>
<td>S Dave</td>
<td>Appointed 7 July 2014/Resigned 30 June 2015</td>
</tr>
<tr>
<td>J G Duffield</td>
<td>Appointed 24 August 2011</td>
</tr>
<tr>
<td>J L Flavell</td>
<td>Appointed 7 July 2014/Resigned 23 January 2015</td>
</tr>
<tr>
<td>P Gupta</td>
<td>Appointed 1 September 2012</td>
</tr>
<tr>
<td>D M Hackett</td>
<td>Appointed 29 January 2014/Resigned 7 July 2014</td>
</tr>
<tr>
<td>A Hagger</td>
<td>Appointed 22 May 2013/Resigned 7 July 2014</td>
</tr>
<tr>
<td>N J Milne</td>
<td>Appointed 17 December 2014/ Resigned 3 June 2015</td>
</tr>
<tr>
<td>G J Mulcahy</td>
<td>Appointed 7 July 2014</td>
</tr>
<tr>
<td>A W Rothery</td>
<td>Appointed 14 April 2009/Resigned 31 October 2014</td>
</tr>
<tr>
<td>E Rubin</td>
<td>Appointed 22 May 2013/Resigned 7 July 2014</td>
</tr>
<tr>
<td>M F Snowden</td>
<td>Appointed 25 August 2009/Resigned 7 July 2014</td>
</tr>
<tr>
<td>G J Symons</td>
<td>Appointed 14 April 2009/Resigned 7 July 2014</td>
</tr>
<tr>
<td>G A Tomlinson</td>
<td>Appointed 19 February 2001/Resigned 18 December 2014</td>
</tr>
</tbody>
</table>

In addition to the Directors noted above, the Responsible Entity is considered to be a Key Management Personnel of the Schemes.

Key management personnel are paid by a related party of the Responsible Entity. Payments made from the Schemes to the Responsible Entity do not include any amounts directly attributable to key management personnel remuneration.

(e) Other related party transactions with the Schemes

From time to time the Directors of MLC Investments Limited, or their Director related entities, may invest into or withdraw from the Schemes. These investments or withdrawals are on the same terms and conditions as those entered into by other Scheme investors.

(d) Amounts payable to/(receivable from) the Responsible Entity

The net amounts of payables to MLC Investments Limited by the Schemes at balance date are shown in the table below:

<table>
<thead>
<tr>
<th>Fund/Portfolio</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLC Horizon 7 Accelerated Growth Portfolio</td>
<td>29,151</td>
<td>26,818</td>
</tr>
<tr>
<td>MLC Horizon 6 Share Portfolio</td>
<td>353,651</td>
<td>327,799</td>
</tr>
<tr>
<td>MLC Horizon 5 Growth Portfolio</td>
<td>657,960</td>
<td>596,473</td>
</tr>
<tr>
<td>MLC Horizon 4 Balanced Portfolio</td>
<td>2,108,162</td>
<td>1,933,324</td>
</tr>
<tr>
<td>MLC Horizon 3 Conservative Growth Portfolio</td>
<td>911,554</td>
<td>770,759</td>
</tr>
<tr>
<td>MLC Horizon 2 Income Portfolio</td>
<td>158,600</td>
<td>169,321</td>
</tr>
<tr>
<td>Cash Fund</td>
<td>64,520</td>
<td>72,164</td>
</tr>
<tr>
<td>Property Securities Fund</td>
<td>125,708</td>
<td>120,860</td>
</tr>
<tr>
<td>IncomeBuilder</td>
<td>3,428,416</td>
<td>3,153,843</td>
</tr>
<tr>
<td>Share Index Fund</td>
<td>355,894</td>
<td>366,441</td>
</tr>
<tr>
<td>Australian Share Fund</td>
<td>164,709</td>
<td>181,553</td>
</tr>
<tr>
<td>Global Share Fund</td>
<td>151,316</td>
<td>140,429</td>
</tr>
<tr>
<td>MLC - Platinum Global Fund</td>
<td>2,294,569</td>
<td>2,421,902</td>
</tr>
<tr>
<td>Australian Share Growth Style Fund</td>
<td>15,429</td>
<td>20,301</td>
</tr>
<tr>
<td>Australian Share Value Style Fund</td>
<td>15,254</td>
<td>17,227</td>
</tr>
<tr>
<td>Global Share Growth Style Fund</td>
<td>2,918</td>
<td>13,466</td>
</tr>
<tr>
<td>Global Share Value Style Fund</td>
<td>10,498</td>
<td>12,342</td>
</tr>
<tr>
<td>MLC Horizon 1 Bond Portfolio</td>
<td>4,361</td>
<td>5,600</td>
</tr>
</tbody>
</table>

(e) Responsible Entity’s fees

The Responsible Entity’s fees have been calculated in accordance with the Schemes’ Constitutions. Total fees paid and payable (net of rebates where applicable) are as follows:

<table>
<thead>
<tr>
<th>Fund/Portfolio</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLC Horizon 7 Accelerated Growth Portfolio</td>
<td>360,822</td>
<td>346,340</td>
</tr>
<tr>
<td>MLC Horizon 6 Share Portfolio</td>
<td>4,372,761</td>
<td>4,003,378</td>
</tr>
<tr>
<td>MLC Horizon 5 Growth Portfolio</td>
<td>8,139,405</td>
<td>7,553,540</td>
</tr>
<tr>
<td>MLC Horizon 4 Balanced Portfolio</td>
<td>25,784,143</td>
<td>23,743,347</td>
</tr>
<tr>
<td>MLC Horizon 3 Conservative Growth Portfolio*</td>
<td>10,991,261</td>
<td>8,946,172</td>
</tr>
<tr>
<td>MLC Horizon 2 Income Portfolio*</td>
<td>2,072,405</td>
<td>2,183,808</td>
</tr>
<tr>
<td>Cash Fund</td>
<td>969,249</td>
<td>1,086,600</td>
</tr>
<tr>
<td>Property Securities Fund</td>
<td>1,604,725</td>
<td>1,574,892</td>
</tr>
<tr>
<td>IncomeBuilder</td>
<td>49,297,763</td>
<td>45,076,464</td>
</tr>
<tr>
<td>Share Index Fund</td>
<td>4,452,994</td>
<td>4,474,120</td>
</tr>
<tr>
<td>Australian Share Fund</td>
<td>2,207,340</td>
<td>2,435,486</td>
</tr>
<tr>
<td>Global Share Fund</td>
<td>1,540,701</td>
<td>1,563,097</td>
</tr>
</tbody>
</table>
## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31 May 2015

#### MLC MasterKey Unit Trust

### (e) Responsible Entity’s fees

<table>
<thead>
<tr>
<th>Managed Investment Schemes / Shares</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLC - Platinum Global Fund</td>
<td>$23,858,884</td>
<td>$24,098,077</td>
</tr>
<tr>
<td>Australian Share Growth Style Fund</td>
<td>177,383</td>
<td>181,077</td>
</tr>
<tr>
<td>Australian Share Value Style Fund</td>
<td>191,235</td>
<td>206,355</td>
</tr>
<tr>
<td>Global Share Growth Style Fund</td>
<td>32,231</td>
<td>30,369</td>
</tr>
<tr>
<td>Global Share Value Style Fund</td>
<td>113,872</td>
<td>113,905</td>
</tr>
<tr>
<td>MLC Horizon 1 Bond Portfolio*</td>
<td>59,507</td>
<td>75,090</td>
</tr>
</tbody>
</table>

*The Scheme received a rebate from the Responsible Entity to reduce the effect of management fees paid.

#### (f) Expense reimbursement

The Responsible Entity is entitled, under the Schemes’ Constitutions, to be reimbursed for certain expenses incurred in administering the Schemes. The basis on which the expenses are reimbursable is defined in the Constitutions.

#### (g) Interests in unconsolidated structured entities

The Schemes’ maximum exposure to loss from their investments in unlisted managed investment schemes, which have been assessed to be structured entities, are restricted to their fair value which are disclosed in Note 9(h). The Schemes have not sponsored or provided support, financial or otherwise to the unlisted managed investment schemes they hold.

#### (h) Related party investments

The Schemes may purchase and sell units in other unlisted managed investment schemes managed by MLC Investments Limited or its related parties in the ordinary course of business at application and redemption prices calculated in accordance with the Constitutions.

Details of both shares in National Australia Bank Limited and units in other managed investment schemes operated by the Responsible Entity held by the Schemes are set out below. Cash and cash equivalents in the Statements of Financial Position for all the Schemes are held with the National Australia Bank Limited.

The principal activities of all the below named Schemes is to invest and transact in money market securities, listed equities, fixed interest securities, unlisted managed investment schemes, unlisted property trusts, other debt instruments and derivatives in accordance with the provisions of the Schemes’ Constitutions. Investment activities may include the use of hedging instruments to reduce the volatility of investment returns.

The Schemes are unlisted registered managed investment schemes and along with their related parties are domiciled in Australia.

<table>
<thead>
<tr>
<th>Managed Investment Schemes / Shares</th>
<th>Number of units/shares held</th>
<th>Interest held in the Scheme</th>
<th>Fair value of investment</th>
<th>Distributions received/receivable</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLC Horizon 7 Accelerated Growth Portfolio</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLC Horizon 7 Trust</td>
<td>14,287,740</td>
<td>3.19</td>
<td>18,236,600</td>
<td>774,396</td>
</tr>
<tr>
<td>WM Pool - LTAR Part 1 NS Trust</td>
<td>10,666</td>
<td>0.33</td>
<td>1,010,616</td>
<td>141,147</td>
</tr>
<tr>
<td>WM Sector - Global Equities (Hedged) Trust</td>
<td>33,706</td>
<td>0.36</td>
<td>3,227,823</td>
<td>32,520</td>
</tr>
<tr>
<td></td>
<td>14,332,112</td>
<td></td>
<td>22,475,039</td>
<td>948,063</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLC Horizon 7 Trust</td>
<td>16,205,513</td>
<td>3.35</td>
<td>17,521,401</td>
<td>491,410</td>
</tr>
<tr>
<td>WM Pool - LTAR Part 1 NS Trust</td>
<td>11,782</td>
<td>0.42</td>
<td>1,075,330</td>
<td>29,069</td>
</tr>
<tr>
<td>WM Sector - Global Equities (Hedged) Trust</td>
<td>35,178</td>
<td>0.45</td>
<td>2,980,274</td>
<td>21,413</td>
</tr>
<tr>
<td></td>
<td>16,252,473</td>
<td></td>
<td>21,587,005</td>
<td>542,892</td>
</tr>
<tr>
<td>MLC Horizon 6 Share Portfolio</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Correlation Strategy Trust</td>
<td>4,982,956</td>
<td>0.63</td>
<td>5,691,418</td>
<td>41,757</td>
</tr>
<tr>
<td>WM Sector - Australian Equities - Diversified Strategy</td>
<td>1,005,431</td>
<td>1.15</td>
<td>112,870,981</td>
<td>6,593,322</td>
</tr>
<tr>
<td>WM Pool - Equities Trust No. 37</td>
<td>39,098</td>
<td>0.58</td>
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### NOTE 9 - RELATED PARTIES (continued)

#### (h) Related party investments (continued)

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<tr>
<th>Managed Investment Schemes / Shares</th>
<th>Number of units/shares held</th>
<th>Interest held in the Scheme</th>
<th>Fair value of investment</th>
<th>Distributions received/receivable</th>
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<td>15,622,735</td>
<td>2,181,942</td>
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<td>4,535,615</td>
<td>369,022</td>
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<td>4,969,459</td>
<td>301,612</td>
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<td>27,156,770</td>
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<td>538,806,771</td>
<td>27,624,287</td>
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</table>

| **MLC Horizon 4 Balanced Portfolio** |                             |                            |                          |                                  |
| 2015                               |                             |                            |                          |                                  |
| Low Correlation Strategy Trust     | 4,343,163                   | 0.60                       | 4,716,149                | 106,558                           |
| Antares Enhanced Cash Trust        | 37,940                     | 1.72                       | 3,807,695                | 145,945                           |
| WM Sector - Australian Equities - Diversified Strategy | 1,685,537 | 1.74 | 181,583,680 | 8,032,335 | 8,032,335 |
| WM Sector - Diversified Debt (All) Trust | 365,835 | 0.95 | 37,750,423 | 1,123,216 | 1,123,216 |
| WM Sector - Diversified Debt (Short) Trust | - | - | - | - | - |
| WM Pool - Equities Trust No. 18    | 45,697                      | 0.72                       | 4,785,099                | -                                  |
| WM Pool - Equities Trust No. 29    | 43,785                      | 1.20                       | 4,605,508                | 155,778                           |
| WM Pool - Equities Trust No. 37    | 48,124                      | 0.79                       | 5,924,012                | 466,264                           |
| WM Pool - Equities Trust No. 47    | 343,445                     | 1.66                       | 50,106,492               | 3,799,547                         |
| WM Pool - Equities Trust No. 73    | 37,061                      | 1.75                       | 3,715,598                | 194,824                           |
| WM Pool - Fixed Interest Trust No.5 | 50,463 | 1.00 | 5,721,947 | 244,824 | 244,824 |
| WM Pool - Fixed Interest Trust No.23 | 239,523 | 1.13 | 24,759,454 | 324,786 | 324,786 |
| WM Pool - Global Properties Trust | 205,556                     | 1.93                       | 20,811,915               | 259,478                           |
| WM Sector - Global Equities (Hedged) Trust | 528,051 | 6.71 | 44,886,640 | 336,442 | 336,442 |
| WM Sector - Global Equities (Unhedged) Trust | 745,615 | 1.06 | 89,598,626 | 1,620,108 | 1,620,108 |
| WM Pool - LTAR Part 1 NS Trust     | 164,879                     | 5.09                       | 15,622,735               | 2,181,942                         |
| WM Pool – NSIM Australian Fixed Interest (A) Trust | 43,749 | 0.27 | 4,535,615 | 369,022 | 369,022 |
| WM Pool – UBS Australian Fixed Interest (A) Trust | 4,819,907 | 0.29 | 4,969,459 | 301,612 | 301,612 |
| **合计**                          | 13,875,197                  |                            | 504,240,342              | 17,482,683                        |

**MLC MasterKey Unit Trust**

**Notes to the financial statements**

For the year ended 31 May 2015

**For the year ended 31 May 2014**

**For the year ended 31 May 2013**

**For the year ended 31 May 2012**

**For the year ended 31 May 2011**

**For the year ended 31 May 2010**

**For the year ended 31 May 2009**

**For the year ended 31 May 2008**

**For the year ended 31 May 2007**

**For the year ended 31 May 2006**

**For the year ended 31 May 2005**

**For the year ended 31 May 2004**

**For the year ended 31 May 2003**

**For the year ended 31 May 2002**

**For the year ended 31 May 2001**
NOTE 9 - RELATED PARTIES (continued)
(h) Related party investments (continued)

Managed Investment Schemes / Shares
Number of units/shares held
Interest held in the Scheme%
Fair value of investment $  
Distributions received/ receivable $ 

MLC Horizon 4 Balanced Portfolio (continued)
2014
Low Correlation Strategy Trust
13,608,450 1.87 14,777,130 338,810
Antares Enhanced Cash Trust - 0.00 - 506,149
WM Sector - Australian Equities - Diversified Strategy 4,710,046 4.86 507,415,484 22,121,394
WM Sector - Diversified Debt (All) Trust 2,273,702 5.88 234,622,877 6,589,427
WM Sector - Diversified Debt (Short) Trust 353,108 1.52 35,586,172 1,192,594
WM Pool - Equities Trust No. 18 126,013 1.99 13,195,405 -
WM Pool - Equities Trust No. 29 157,402 4.31 16,556,302 560,905
WM Pool - Equities Trust No. 37 131,673 2.16 16,208,834 1,275,757
WM Pool - Equities Trust No. 47 1,120,113 5.40 163,417,693 12,391,873
WM Pool - Equities Trust No. 59 158,069 6.37 16,031,300 541,613
WM Pool - Equities Trust No. 73 114,496 5.40 11,479,037 -
WM Pool - Fixed Interest Trust No. 23 96,420 1.91 10,933,014 467,740
WM Pool - Fixed Interest Trust No. 5 47,800 2.25 4,792,285 -
WM Pool - Fixed Interest Trust No. 18 61,423 0.97 6,431,815 -
WM Pool - Fixed Interest Trust No. 29 62,684 1.72 6,593,422 223,018
WM Pool - Fixed Interest Trust No. 37 49,860 0.82 6,137,691 483,082
WM Pool - Fixed Interest Trust No. 47 64,703 3.45 6,789,330 387,080
WM Pool - Fixed Interest Trust No. 59 58,852 2.67 5,906,401 8,583,895
WM Pool - Fixed Interest Trust No. 73 137,110 3.78 14,583,163 997,730
WM Pool - Global Equities (Hedged) Trust 1,399,839 17.79 118,992,481 891,894
WM Pool - Global Equities (Unhedged) Trust 1,514,455 21.26 181,988,176 3,290,682
WM Pool - LTAR Part 1 NS Trust 565,271 20.02 51,593,102 1,368,866
WM Pool - NSIM Australian Fixed Interest (A) Trust 16,026,591 0.85 15,750,222 651,255
WM Pool - UBS Australian Fixed Interest (A) Trust - - - -

MLC Horizon 3 Conservative Growth Portfolio
2015
Low Correlation Strategy Trust 9,721,926 1.23 11,104,160 96,232
Antares Enhanced Cash Trust 40,945,178 0.85 42,082,595 762,315
WM Sector - Australian Equities - Diversified Strategy 1,333,153 1.53 149,661,568 8,583,895
WM Sector - Diversified Debt (All) Trust 817,618 2.47 85,762,784 3,843,312
WM Sector - Diversified Debt (Short) Trust 1,551,340 5.66 158,268,184 3,044,280
WM Pool - Equities Trust No. 18 61,423 0.93 7,209,709 190,054
WM Pool - Equities Trust No. 29 62,684 1.89 7,032,573 682,178
WM Pool - Equities Trust No. 37 55,519 0.82 7,553,085 870,210
WM Pool - Equities Trust No. 47 263,959 1.68 44,762,412 5,066,507
WM Pool - Equities Trust No. 58 64,703 3.45 6,789,330 387,080
WM Pool - Equities Trust No. 59 137,110 3.78 14,583,163 997,730
WM Pool - Fixed Interest Trust No. 73 58,852 2.26 5,906,401 144,890
WM Pool Fixed Interest Trust No. 5 120,582 2.21 13,178,914 742,982
WM Pool Fixed Interest Trust No. 23 581,268 2.74 60,545,692 3,042,020
WM Pool - Global Properties Trust 216,347 2.11 25,237,480 750,885
WM Sector - Global Equities (Hedged) Trust 346,654 3.75 33,196,913 334,452
WM Sector - Global Equities (Unhedged) Trust 613,515 1.04 92,100,846 2,008,217

56,951,831 764,975,809 31,546,939

MLC MasterKey Unit Trust
Notes to the financial statements
For the year ended 31 May 2015

2014
Low Correlation Strategy Trust 5,236,584 0.72 5,686,296 121,073
Antares Enhanced Cash Trust 26,360,400 0.62 27,071,155 1,109,761
WM Sector - Australian Equities - Diversified Strategy 1,275,174 1.32 137,375,096 5,812,346
WM Sector - Diversified Debt (All) Trust 830,369 2.15 85,685,589 2,306,067
WM Sector - Diversified Debt (Short) Trust 1,279,882 5.52 128,986,248 3,256,133
WM Pool - Equities Trust No. 18 61,423 0.97 6,431,815 -
WM Pool - Equities Trust No. 29 62,684 1.72 6,593,422 223,018
WM Pool - Equities Trust No. 37 49,860 0.82 6,137,691 483,082
WM Pool - Equities Trust No. 47 271,890 1.31 39,667,145 3,007,937
WM Pool - Equities Trust No. 58 63,756 6.20 6,474,765 150,919
WM Pool - Equities Trust No. 59 127,937 5.15 12,975,330 433,406
WM Pool - Fixed Interest Trust No. 73 47,800 2.25 4,792,285 -
WM Pool Fixed Interest Trust No. 5 96,420 1.91 10,933,014 467,740
WM Pool Fixed Interest Trust No. 23 505,372 2.38 52,240,196 691,853
WM Pool - Global Properties Trust 183,859 1.72 18,620,834 232,089
WM Sector - Global Equities (Hedged) Trust 309,077 3.88 25,932,888 194,377
WM Sector - Global Equities (Unhedged) Trust 602,393 0.86 647,986,119 19,798,510

37,360,880 613,515 1.04 92,100,846 2,008,217

-33 -
## NOTE 9 - RELATED PARTIES (continued)

### (h) Related party investments (continued)

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<th>Managed Investment Schemes / Shares</th>
<th>Number of units/shares held</th>
<th>Interest held in the Scheme</th>
<th>Fair value of investment</th>
<th>Distributions received/receivable</th>
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<tr>
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</tr>
<tr>
<td>WM Sector - Property Securities Trust</td>
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<td>106,162,227</td>
<td>4,905,974</td>
</tr>
<tr>
<td><strong>IncomeBuilder</strong></td>
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<td></td>
<td><strong>106,162,227</strong></td>
<td><strong>4,905,974</strong></td>
</tr>
<tr>
<td>2015</td>
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<td></td>
</tr>
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<td><strong>232,179,654</strong></td>
<td><strong>14,474,374</strong></td>
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<td></td>
<td><strong>92,182,834</strong></td>
<td><strong>1,666,836</strong></td>
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<tr>
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<td><strong>1,666,836</strong></td>
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<td><strong>5,878,777</strong></td>
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### Managed Investment Schemes / Shares

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<tr>
<th>Scheme Name</th>
<th>Number of units/shares held</th>
<th>Interest held in the Scheme</th>
<th>Fair value of investment</th>
<th>Distributions received/receivable</th>
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<tr>
<td><strong>Australian Share Growth Style Fund</strong></td>
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<td>2015</td>
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<tr>
<td>Antares Enhanced Cash Trust</td>
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<td>0.02</td>
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<td>Antares Enhanced Cash Trust</td>
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From time to time, the Schemes may invest in money market securities issued or guaranteed by National Australia Bank Limited. These investments are in the normal course of business and on normal terms and conditions. Details of these investments held by the Schemes are set out below:

**Cash Fund**

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<th>Year</th>
<th>Name of Securities</th>
<th>Fair value of investment</th>
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<td>Money Market Securities - National Australia Bank Limited</td>
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## IncomeBuilder

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<th>Fair value of investment</th>
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<tr>
<td>Money Market Securities - National Australia Bank Limited</td>
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### Unitholder investing activities

Details of holdings in the MLC MasterKey Unit Trust by MLC Investments Limited and its related parties or other Schemes managed by MLC Investments Limited and its related parties are set out below:

#### MLC Investments Limited and its related parties

<table>
<thead>
<tr>
<th>MLC Investments Limited and its related parties</th>
<th>Number of units/shares held</th>
<th>Interest held in the Scheme (%)</th>
<th>Fair value of investment</th>
<th>Distributions received/receivable</th>
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</thead>
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<tr>
<td>MLC Horizon 7 Accelerated Growth Portfolio 2015</td>
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<tr>
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<td>11,792,582</td>
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### MLC Investments Limited and its related parties

<table>
<thead>
<tr>
<th>MLC Investments Limited and its related parties</th>
<th>Number of units/shares held</th>
<th>Interest held in the Scheme</th>
<th>Fair value of investment</th>
<th>Distributions received/receivable</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;br&gt;&lt;br&gt;Cash Fund&lt;br&gt;&lt;br&gt;2015&lt;br&gt;MMLC MasterKey Unit Trust</td>
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**NOTE 9 - RELATED PARTIES (continued)**

(i) Unitholder investing activities (continued)

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<th>MLC Investments Limited and its related parties</th>
<th>Number of units/shares held</th>
<th>Interest held in the Scheme</th>
<th>Fair value of investment</th>
<th>Distributions received/receivable</th>
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### NOTE 10 - FINANCIAL RISK MANAGEMENT

**(a) Financial Risk Management Objectives, Policies and Processes**

The Schemes' activities expose them to a variety of financial risks: credit risk, market risk (including currency risk, interest rate risk, equity price risk), liquidity and cash flow risk. The Schemes' overall risk management programme is aligned to the investment strategy of each Scheme as detailed in their Constitution and Product Disclosure Statement. It focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Schemes' financial performance. The Responsible Entity monitors the risk management framework, which is performed internally and reported on a quarterly basis. Certain Schemes may use derivative financial instruments to moderate certain risk exposures.

**(b) Credit Risk**

The Schemes take on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Cash Fund and IncomeBuilder are the only Schemes with significant concentrations of exposure to counterparties as at 31 May 2015. Their concentrations are all held with authorised deposit-taking institutions. There is no exposure to an individual counterparty in excess of 24% of the net assets attributable to unitholders at 31 May 2015 (2014: not in excess of 26%).

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

The Schemes restrict their exposure to credit losses on trading derivative instruments by entering into master netting arrangements with counterparties (approved brokers). The credit risk associated with contracts is reduced by a master netting arrangement to the extent that if an event of default occurs, there is the opportunity to settle outstandings on a net basis.

The Schemes minimise their exposure to credit risk on cash equivalents by only holding instruments with top-tier financial institutions.

In accordance with the Schemes' mandates, the Schemes' credit positions are monitored on a daily basis, and the Responsible Entity reviews this on a quarterly basis, including the credit worthiness of each counterparty (eg custodian etc). Credit quality of debt instruments is managed using Standard & Poor's rating categories, in accordance with the investment mandates of the Schemes.

The carrying amounts of financial assets best represent the maximum credit risk exposures at the year end date. The tables below show the credit quality by class of asset for debt instruments.

#### Cash Fund

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<th>A+ to A-</th>
<th>BBB + to BBB -</th>
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#### IncomeBuilder

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<th>BBB + to BBB -</th>
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NOTE 10 - FINANCIAL RISK MANAGEMENT (continued)

c) Financial Assets and Liabilities Held for Trading

Financial assets and financial liabilities are presented on a gross basis in the Statements of Financial Position as there is not an enforceable legal right to offset the recognised amounts. In the normal course of business, the Scheme also enters into various master netting agreements or other similar arrangements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as default on contracts.

Offsetting Financial Assets and Financial Liabilities

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<th>2014</th>
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<td>Options</td>
<td>67,579</td>
<td>8,161</td>
</tr>
<tr>
<td>Futures Contracts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Closing balance</td>
<td>71,663</td>
<td>8,161</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign Exchange Forward Contracts</td>
<td>(3,807)</td>
<td>-</td>
</tr>
<tr>
<td>Options</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Futures Contracts</td>
<td>(1,460)</td>
<td>-</td>
</tr>
<tr>
<td>Closing balance</td>
<td>(5,267)</td>
<td>-</td>
</tr>
</tbody>
</table>

(d) Market Risk

(i) Currency Risk

Currency risk is the risk that the fair value of future cash flows of the financial instrument will fluctuate due to changes in foreign exchange rates.

The Schemes are exposed to foreign currency risk as a result of investments in financial instruments denominated in foreign currencies. Certain Schemes may enter into foreign currency contracts designed to either hedge some or all of this exposure, or alternatively increase exposure to preferred foreign currencies.

The reasonably possible change in currency rates as disclosed in this note are based on an analysis of the past 10 year volatility in various relevant exchange rates.

The following table summarises those Schemes' with direct exposure to foreign currency risk on their monetary assets and liabilities net of any applied foreign currency hedges at 31 May 2015. The analysis calculates the effect on the Statements of Profit or Loss and Other Comprehensive Income of the reasonably possible change in currency rate against the Australian dollar with all other variables held constant.

MLC - Platinum Global Fund

<table>
<thead>
<tr>
<th>Currency</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Change in currency rate</td>
<td>Effect on net profit attributable to unitholders</td>
</tr>
<tr>
<td></td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>CAD</td>
<td>6%</td>
<td>-6%</td>
</tr>
<tr>
<td>EUR</td>
<td>6%</td>
<td>-6%</td>
</tr>
<tr>
<td>HKD</td>
<td>12%</td>
<td>-10%</td>
</tr>
<tr>
<td>KRW</td>
<td>8%</td>
<td>-9%</td>
</tr>
<tr>
<td>USD</td>
<td>11%</td>
<td>-10%</td>
</tr>
<tr>
<td>INR</td>
<td>6%</td>
<td>-10%</td>
</tr>
<tr>
<td>MYR</td>
<td>5%</td>
<td>-6%</td>
</tr>
<tr>
<td>NOK</td>
<td>4%</td>
<td>-6%</td>
</tr>
<tr>
<td>JPY</td>
<td>16%</td>
<td>-8%</td>
</tr>
<tr>
<td>GBP</td>
<td>8%</td>
<td>-7%</td>
</tr>
<tr>
<td>SEK</td>
<td>6%</td>
<td>-4%</td>
</tr>
<tr>
<td>CHF</td>
<td>8%</td>
<td>-8%</td>
</tr>
<tr>
<td>Other*</td>
<td>9%</td>
<td>-9%</td>
</tr>
<tr>
<td>Total</td>
<td>119,498</td>
<td>(111,110)</td>
</tr>
</tbody>
</table>

* Composed of monetary items denominated in various different currencies, the fair value of which do not individually exceed 2% of the net assets attributable to unitholders at 31 May 2015.
NOTE 10 - FINANCIAL RISK MANAGEMENT (continued)

(d) Market Risk (continued)

(ii) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments.

The Schemes interest-bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows.

The Schemes are exposed to varying levels of interest rate risk as a result of differences in their investment strategies. The risk focused investment process actively assesses the level of interest rate risk and seeks to manage the interest rate exposure accordingly.

The changes in interest rates as disclosed in this note are based on assumed fluctuations in interest rates on floating rate financial assets. These represent what is considered to be a reasonably possible change rather than extreme fluctuations that may occur from time to time. As such, actual future market movement may differ.

The following tables demonstrate the sensitivity of the Schemes' financial assets designated as held at fair value through profit or loss contained in the Statements of Financial Position to a reasonably possible change in interest rates on discount securities.

Cash Fund

<table>
<thead>
<tr>
<th>Currency</th>
<th>Change in interest rate (basis points)</th>
<th>Effect on net profit attributable to unitholders $'000</th>
<th>Change in interest rate (basis points)</th>
<th>Effect on net profit attributable to unitholders $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUD</td>
<td>+ 100</td>
<td>(100)</td>
<td>- (78)</td>
<td>78</td>
</tr>
</tbody>
</table>

IncomeBuilder

<table>
<thead>
<tr>
<th>Currency</th>
<th>Change in interest rate (basis points)</th>
<th>Effect on net profit attributable to unitholders $'000</th>
<th>Change in interest rate (basis points)</th>
<th>Effect on net profit attributable to unitholders $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUD</td>
<td>+ 100</td>
<td>(100)</td>
<td>- (154)</td>
<td>154</td>
</tr>
</tbody>
</table>

(iii) Equity and Other Price Risk

Equity and other price risk is the risk that the fair value of equities and unit prices decrease as a result of changes in market prices, whether those changes are caused by factors specific to the individual stock or factors affecting all instruments in the market.

To mitigate the impact of equity and other price risk the investment process ensures there is diversification of equity exposures within the Schemes.

Changes in price as disclosed in this note are based on an analysis of the yearly change in relevant market indices over the last 10 years. These represent what is considered to be a reasonably possible change rather than extreme fluctuations that may occur from time to time. As such, actual future market movement may differ.

The effect on the Statements of Profit or Loss and Other Comprehensive Income due to reasonably possible changes in market factors, as represented by the equity indices, with all other variables held constant are indicated in the following tables:

MLC Horizon 7 Accelerated Growth Portfolio

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian equities</td>
<td>28% -15%</td>
<td>2,660 (1,425)</td>
<td>28% -15%</td>
<td>2,478 (1,328)</td>
</tr>
<tr>
<td>International equities</td>
<td>26% -14%</td>
<td>3,373 (1,816)</td>
<td>26% -14%</td>
<td>3,311 (1,783)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>6,033 (3,241)</td>
<td></td>
<td>5,789 (3,113)</td>
</tr>
</tbody>
</table>

MLC Horizon 6 Share Portfolio

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian equities</td>
<td>28% -15%</td>
<td>34,937 (18,716)</td>
<td>28% -15%</td>
<td>31,136 (16,680)</td>
</tr>
<tr>
<td>International equities</td>
<td>26% -14%</td>
<td>40,354 (21,729)</td>
<td>26% -14%</td>
<td>40,195 (21,644)</td>
</tr>
<tr>
<td>Property equities</td>
<td>34% -26%</td>
<td>2,062 (1,577)</td>
<td>33% -26%</td>
<td>1,790 (1,410)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>77,355 (42,022)</td>
<td></td>
<td>73,121 (39,734)</td>
</tr>
</tbody>
</table>
MLC MasterKey Unit Trust  
Notes to the financial statements 
For the year ended 31 May 2015

### MLC Horizon 5 Growth Portfolio

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian equities</td>
<td>+ 28% -15%</td>
<td>58,400 (31,286)</td>
<td>+ 28% -15%</td>
<td>50,827 (27,229)</td>
</tr>
<tr>
<td>International equities</td>
<td>+ 26% -14%</td>
<td>55,728 (30,007)</td>
<td>+ 26% -14%</td>
<td>60,307 (32,473)</td>
</tr>
<tr>
<td>Property equities</td>
<td>+ 34% -26%</td>
<td>7,896 (6,038)</td>
<td>+ 33% -26%</td>
<td>4,992 (3,933)</td>
</tr>
<tr>
<td>Fixed interest</td>
<td>+ 7% -7%</td>
<td>6,487 (6,487)</td>
<td>+ 7% -7%</td>
<td>5,294 (5,294)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>128,511 (73,818)</td>
<td></td>
<td>121,420 (68,929)</td>
</tr>
</tbody>
</table>

### MLC Horizon 4 Balanced Portfolio

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian equities</td>
<td>+ 28% -15%</td>
<td>160,864 (86,177)</td>
<td>+ 28% -15%</td>
<td>146,055 (78,244)</td>
</tr>
<tr>
<td>International equities</td>
<td>+ 26% -14%</td>
<td>139,738 (75,243)</td>
<td>+ 26% -14%</td>
<td>139,860 (75,309)</td>
</tr>
<tr>
<td>Property equities</td>
<td>+ 34% -26%</td>
<td>25,259 (19,316)</td>
<td>+ 33% -26%</td>
<td>21,517 (16,953)</td>
</tr>
<tr>
<td>Fixed interest</td>
<td>+ 7% -7%</td>
<td>37,622 (37,622)</td>
<td>+ 7% -7%</td>
<td>35,373 (35,373)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>363,483 (218,358)</td>
<td></td>
<td>342,805 (205,879)</td>
</tr>
</tbody>
</table>

### MLC Horizon 3 Conservative Growth Portfolio

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian equities</td>
<td>+ 28% -15%</td>
<td>47,851 (25,634)</td>
<td>+ 28% -15%</td>
<td>38,102 (20,412)</td>
</tr>
<tr>
<td>International equities</td>
<td>+ 26% -14%</td>
<td>46,541 (25,061)</td>
<td>+ 26% -14%</td>
<td>42,119 (22,680)</td>
</tr>
<tr>
<td>Property equities</td>
<td>+ 34% -26%</td>
<td>8,323 (6,365)</td>
<td>+ 33% -26%</td>
<td>6,415 (5,054)</td>
</tr>
<tr>
<td>Fixed interest</td>
<td>+ 7% -7%</td>
<td>27,342 (27,342)</td>
<td>+ 7% -7%</td>
<td>23,133 (23,133)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>130,057 (84,402)</td>
<td></td>
<td>109,769 (71,279)</td>
</tr>
</tbody>
</table>

### MLC Horizon 2 Income Portfolio

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian equities</td>
<td>+ 28% -15%</td>
<td>5,195 (2,783)</td>
<td>+ 28% -15%</td>
<td>6,024 (3,227)</td>
</tr>
<tr>
<td>International equities</td>
<td>+ 26% -14%</td>
<td>2,010 (1,082)</td>
<td>+ 26% -14%</td>
<td>2,152 (1,159)</td>
</tr>
<tr>
<td>Property equities</td>
<td>+ 34% -26%</td>
<td>6,845 (5,234)</td>
<td>+ 33% -26%</td>
<td>7,646 (6,024)</td>
</tr>
<tr>
<td>Fixed interest</td>
<td>+ 7% -7%</td>
<td>7,362 (7,362)</td>
<td>+ 7% -7%</td>
<td>7,878 (7,878)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>21,412 (16,461)</td>
<td></td>
<td>23,700 (18,288)</td>
</tr>
</tbody>
</table>

### Property Securities Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property equities</td>
<td>+ 34% -26%</td>
<td>38,651 (29,557)</td>
<td>+ 33% -26%</td>
<td>35,033 (27,602)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>38,651 (29,557)</td>
<td></td>
<td>35,033 (27,602)</td>
</tr>
</tbody>
</table>
### IncomeBuilder

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2015</td>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>Australian equities</td>
<td>+28% -15%</td>
<td>726,734 (389,322)</td>
<td>+28% -15%</td>
<td>673,356 (360,727)</td>
</tr>
<tr>
<td>Fixed interest</td>
<td>+7% -7%</td>
<td>5,786 (5,787)</td>
<td>+7% -7%</td>
<td>3,070 (3,070)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>732,520 (395,109)</td>
<td></td>
<td>676,426 (363,797)</td>
</tr>
</tbody>
</table>

### Share Index Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2015</td>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>Australian equities</td>
<td>+28% -15%</td>
<td>93,157 (49,906)</td>
<td>+28% -15%</td>
<td>98,774 (52,915)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>93,157 (49,906)</td>
<td></td>
<td>98,774 (52,915)</td>
</tr>
</tbody>
</table>

### Australian Share Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2015</td>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>Australian equities</td>
<td>+28% -15%</td>
<td>34,591 (18,531)</td>
<td>+28% -15%</td>
<td>39,128 (20,961)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>34,591 (18,531)</td>
<td></td>
<td>39,128 (20,961)</td>
</tr>
</tbody>
</table>

### Global Share Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2015</td>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>International equities</td>
<td>+26% -14%</td>
<td>26,012 (14,007)</td>
<td>+26% -14%</td>
<td>23,968 (12,906)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>26,012 (14,007)</td>
<td></td>
<td>23,968 (12,906)</td>
</tr>
</tbody>
</table>

### MLC - Platinum Global Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2015</td>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>International equities</td>
<td>+26% -14%</td>
<td>293,407 (157,988)</td>
<td>+26% -14%</td>
<td>259,016 (139,470)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>293,407 (157,988)</td>
<td></td>
<td>259,016 (139,470)</td>
</tr>
</tbody>
</table>

### Australian Share Growth Style Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
<th>Change in price</th>
<th>Effect on net profit attributable to unitholders $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2015</td>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>Australian equities</td>
<td>+28% -15%</td>
<td>2,838 (1,520)</td>
<td>+28% -15%</td>
<td>2,968 (1,590)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2,838 (1,520)</td>
<td></td>
<td>2,968 (1,590)</td>
</tr>
</tbody>
</table>
### Australian Share Value Style Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Change in price</td>
<td>Effect on net profit attributable to unitholders $'000</td>
<td>Change in price</td>
<td>Effect on net profit attributable to unitholders $'000</td>
</tr>
<tr>
<td></td>
<td>+</td>
<td>-</td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>Australian equities</td>
<td>28%</td>
<td>-15%</td>
<td>3,017</td>
<td>(1,616)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>3,017</td>
<td>(1,616)</td>
</tr>
</tbody>
</table>

### Global Share Growth Style Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Change in price</td>
<td>Effect on net profit attributable to unitholders $</td>
<td>Change in price</td>
<td>Effect on net profit attributable to unitholders $</td>
</tr>
<tr>
<td></td>
<td>+</td>
<td>-</td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>International equities</td>
<td>26%</td>
<td>-14%</td>
<td>533,201</td>
<td>(287,108)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>533,201</td>
<td>(287,108)</td>
</tr>
</tbody>
</table>

### Global Share Value Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Change in price</td>
<td>Effect on net profit attributable to unitholders $</td>
<td>Change in price</td>
<td>Effect on net profit attributable to unitholders $</td>
</tr>
<tr>
<td></td>
<td>+</td>
<td>-</td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>International equities</td>
<td>26%</td>
<td>-14%</td>
<td>1,909,404</td>
<td>(1,028,141)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>1,909,404</td>
<td>(1,028,141)</td>
</tr>
</tbody>
</table>

### MLC Horizon 1 Bond Portfolio

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Change in price</td>
<td>Effect on net profit attributable to unitholders $</td>
<td>Change in price</td>
<td>Effect on net profit attributable to unitholders $</td>
</tr>
<tr>
<td></td>
<td>+</td>
<td>-</td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>Fixed interest</td>
<td>7%</td>
<td>-7%</td>
<td>236,904</td>
<td>(236,904)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>236,904</td>
<td>(236,904)</td>
</tr>
</tbody>
</table>

### Liquidity and Cash Flow Risk

The Schemes are exposed to daily cash redemptions of redeemable units. Therefore, they invest the majority of their assets either in unlisted schemes with daily redemptions, or in investments that are readily disposed of in an active market, which under normal market conditions are readily convertible to cash.

Net assets attributable to unitholders are repayable on demand, subject to redemption freeze provisions. In addition the Schemes' policy is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests.

In accordance with the Schemes' policies, the Schemes' liquidity position is monitored on a daily basis, and the Responsible Entity reviews this on a quarterly basis.

The Schemes' liabilities are expected to be settled within less than one month, except for amounts owing to the Responsible Entity which are expected to be settled within one to three months.

### Derivatives

The Schemes' derivative financial instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments.

As at 31 May 2015, the overall direct market exposures were as follows:

### MLC - Platinum Global Fund

<table>
<thead>
<tr>
<th>31 May 2015</th>
<th>31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract amount</td>
<td>Fair value</td>
</tr>
<tr>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Futures Contracts</td>
<td>(102,767)</td>
</tr>
<tr>
<td>Foreign Exchange Forward Contracts</td>
<td>163</td>
</tr>
<tr>
<td>Options</td>
<td>43,067</td>
</tr>
<tr>
<td>-59,537</td>
<td>66,396</td>
</tr>
</tbody>
</table>
### MLC MasterKey Unit Trust

#### Notes to the financial statements

For the year ended 31 May 2015

---

**Listed equities**

<table>
<thead>
<tr>
<th>Financial Instruments</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest bearing securities</td>
<td>$4,000</td>
<td>$63,324</td>
<td>-</td>
<td>$25,000</td>
<td>$52,365</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$4,000</td>
<td>$63,324</td>
<td>-</td>
<td>$25,000</td>
<td>$52,365</td>
<td>-</td>
</tr>
</tbody>
</table>

---

**Unlisted managed investment schemes**

<table>
<thead>
<tr>
<th>Financial Instruments</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest bearing securities</td>
<td>$2,595,478</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest bearing securities</td>
<td>$2,404,844</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$2,595,478</td>
<td>$82,671</td>
<td>-</td>
</tr>
</tbody>
</table>

---

**Foreign Exchange Forward Contracts**

<table>
<thead>
<tr>
<th>Financial Instruments</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest bearing securities</td>
<td>$1,049,491</td>
<td>$78,997</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$1,049,491</td>
<td>$78,997</td>
<td>-</td>
</tr>
</tbody>
</table>

---

**Options**

<table>
<thead>
<tr>
<th>Financial Instruments</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest bearing securities</td>
<td>-</td>
<td>$325</td>
<td>-</td>
</tr>
<tr>
<td>Interest bearing securities</td>
<td>-</td>
<td>$861</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>$1,460</td>
<td>-</td>
</tr>
</tbody>
</table>

---

**IncomeBuilder**

<table>
<thead>
<tr>
<th>Financial Instruments</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest bearing securities</td>
<td>$2,595,478</td>
<td>$82,671</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$2,595,478</td>
<td>$82,671</td>
<td>-</td>
</tr>
</tbody>
</table>

---

**Cash Fund**

- All Schemes, except listed separately below, invest only in unlisted managed investment schemes which are classified as level 2, and there have been no transfers between levels during the year.

---

## NOTE 10 - FINANCIAL RISK MANAGEMENT (continued)

### (g) Fair value of financial instruments

The Schemes' financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table details how the fair values of these financial assets and financial liabilities, other than Level 1, are determined in particular, the valuation techniques applied where valuation techniques involve the use of non-market observable inputs.

<table>
<thead>
<tr>
<th>Financial assets / financial liabilities</th>
<th>Fair Value Hierarchy</th>
<th>Valuation Techniques</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listed equities</td>
<td>2</td>
<td>Valued from observable inputs with primary pricing source not from a stock exchange.</td>
</tr>
<tr>
<td>Unlisted equities</td>
<td>2</td>
<td>Valued based on observable market data or vendor developed models.</td>
</tr>
<tr>
<td>Interest bearing securities</td>
<td>2</td>
<td>Valued by sourcing appropriate yield curves based on credit rating, security type and term to maturity.</td>
</tr>
<tr>
<td>Unlisted managed investment schemes</td>
<td>2</td>
<td>Valued at redemption price as established by the Responsible Entity of the underlying trust.</td>
</tr>
<tr>
<td>Options</td>
<td>2</td>
<td>Valued from independent valuations based on observable market data provided by pricing vendors.</td>
</tr>
<tr>
<td>Foreign Exchange Forward Contracts</td>
<td>2</td>
<td>Valued based on observable market data or vendor developed models.</td>
</tr>
<tr>
<td>Unlisted equities and options (suspended/stale priced)</td>
<td>3</td>
<td>Valued based on non-observable inputs not quoted in an active market.</td>
</tr>
</tbody>
</table>

All Schemes, except listed separately below, invest only in unlisted managed investment schemes which are classified as level 2, and there have been no transfers between level during the year.

---

## MLC - Platinum Global Fund

<table>
<thead>
<tr>
<th>Financial Instruments</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest bearing securities</td>
<td>$2,595,478</td>
<td>$82,671</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$2,595,478</td>
<td>$82,671</td>
<td>-</td>
</tr>
</tbody>
</table>

---

* Level 3 for the years ended 31 May 2014 and 31 May 2015 contain investments in BGP Holdings PLC, Virgin Australia International Holdings Pty Ltd and AET & D Holdings No 1 Pty Ltd which have nil market values. These investments are assessed for sensitivity to their unobservable inputs, and as the market value for these investments are nil, there is no impact to their fair value.

---

**Futures Contracts**

<table>
<thead>
<tr>
<th>Financial Instruments</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest bearing securities</td>
<td>$2,595,478</td>
<td>$82,671</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$2,595,478</td>
<td>$82,671</td>
<td>-</td>
</tr>
</tbody>
</table>

---

* Level 3 for the year ended 31 May 2014 and 31 May 2015 contain stale priced investments in the Smith Investment Company with nil market value. These investments are assessed for sensitivity to their unobservable inputs, and as the market value for these investments are nil, there is no impact to their fair value.

---

There have been no other movements into or out of Level 2 and Level 3 for the year ended 31 May 2014 or 31 May 2015.

---

* Level 3 for the year ended 31 May 2014 and 31 May 2015 contain stale priced investments in the Smith Investment Company with nil market value. These investments are assessed for sensitivity to their unobservable inputs, and as the market value for these investments are nil, there is no impact to their fair value.

---

There have been no other movements into or out of Level 2 and Level 3 for the year ended 31 May 2014 or 31 May 2015.

---

* Level 3 for the year ended 31 May 2014 and 31 May 2015 contain stale priced investments in the Smith Investment Company with nil market value. These investments are assessed for sensitivity to their unobservable inputs, and as the market value for these investments are nil, there is no impact to their fair value.

---

* Level 3 for the year ended 31 May 2014 and 31 May 2015 contain stale priced investments in the Smith Investment Company with nil market value. These investments are assessed for sensitivity to their unobservable inputs, and as the market value for these investments are nil, there is no impact to their fair value.

---

* Level 3 for the year ended 31 May 2014 and 31 May 2015 contain stale priced investments in the Smith Investment Company with nil market value. These investments are assessed for sensitivity to their unobservable inputs, and as the market value for these investments are nil, there is no impact to their fair value.

---

* Level 3 for the year ended 31 May 2014 and 31 May 2015 contain stale priced investments in the Smith Investment Company with nil market value. These investments are assessed for sensitivity to their unobservable inputs, and as the market value for these investments are nil, there is no impact to their fair value.

---

* Level 3 for the year ended 31 May 2014 and 31 May 2015 contain stale priced investments in the Smith Investment Company with nil market value. These investments are assessed for sensitivity to their unobservable inputs, and as the market value for these investments are nil, there is no impact to their fair value.
NOTE 11 - NOTES TO THE STATEMENTS OF CASH FLOWS

MLC Horizon 7 Accelerated Growth
MLC Horizon 6 Share Portfolio
MLC Horizon 5 Growth Portfolio
MLC Horizon 4 Balanced Portfolio

(a) Reconciliation of operating profit to net cash flows from operating activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net operating profit/(loss)</td>
<td>4,009</td>
<td>3,776</td>
<td>41,611</td>
<td>36,565</td>
<td>68,639</td>
<td>58,524</td>
<td>192,642</td>
<td>161,946</td>
</tr>
<tr>
<td>Income reinvested</td>
<td>-</td>
<td>543</td>
<td>2,966</td>
<td>1,393</td>
<td>6,790</td>
<td>17,375</td>
<td>23,899</td>
<td>36,122</td>
</tr>
<tr>
<td>Changes in assets and liabilities during the financial year:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase)/decrease in dividend receivables</td>
<td>(948)</td>
<td>-</td>
<td>11,330</td>
<td>-</td>
<td>20,833</td>
<td>-</td>
<td>67,602</td>
<td>-</td>
</tr>
<tr>
<td>(Increase)/decrease in other receivables</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>(Decrease)/increase in other accounts payable</td>
<td>27</td>
<td>7</td>
<td>101</td>
<td>87</td>
<td>183</td>
<td>238</td>
<td>604</td>
<td></td>
</tr>
<tr>
<td>Net cash provided by/(used in) operating activities</td>
<td>354</td>
<td>335</td>
<td>4,335</td>
<td>3,837</td>
<td>8,055</td>
<td>7,246</td>
<td>25,546</td>
<td>22,777</td>
</tr>
</tbody>
</table>

(b) Cash and cash equivalents

For the purposes of the Statements of Cash Flows, cash includes cash at bank, units in the Cash Fund and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>334</td>
<td>86</td>
<td>1,796</td>
<td>430</td>
<td>2,877</td>
<td>732</td>
<td>9,159</td>
<td>3,034</td>
</tr>
<tr>
<td>Cash on deposit - domestic</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>6</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Cash on deposit - overseas</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Futures margin</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MLC MasterKey Unit Trust Cash Fund</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>334</td>
<td>86</td>
<td>1,797</td>
<td>431</td>
<td>2,878</td>
<td>733</td>
<td>9,165</td>
<td>3,038</td>
</tr>
</tbody>
</table>

(c) Non-cash financing and investing activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributions to unitholders reinvested</td>
<td>-</td>
<td>223</td>
<td>-</td>
<td>3,924</td>
<td>795</td>
<td>7,759</td>
<td>4,380</td>
<td>24,305</td>
</tr>
<tr>
<td></td>
<td>223</td>
<td>223</td>
<td>3,924</td>
<td>795</td>
<td>7,759</td>
<td>4,380</td>
<td>24,305</td>
<td>24,305</td>
</tr>
</tbody>
</table>

MLC Horizon 3 Conservative Growth
MLC Horizon 2 Income Portfolio
Cash Fund
MLC Horizon 4 Balanced Portfolio

(a) Reconciliation of operating profit to net cash flows from operating activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net operating profit/(loss)</td>
<td>66,635</td>
<td>47,471</td>
<td>11,758</td>
<td>8,357</td>
<td>1,417</td>
<td>1,689</td>
<td>26,429</td>
<td>4,289</td>
</tr>
<tr>
<td>Income reinvested</td>
<td>(10,043)</td>
<td>(19,477)</td>
<td>(2,948)</td>
<td>(5,127)</td>
<td>-</td>
<td>-</td>
<td>(4,330)</td>
<td>(4,906)</td>
</tr>
<tr>
<td>Changes in the fair value of investments</td>
<td>(46,069)</td>
<td>(36,585)</td>
<td>(8,027)</td>
<td>(5,398)</td>
<td>-</td>
<td>-</td>
<td>(22,337)</td>
<td>(947)</td>
</tr>
<tr>
<td>Changes in assets and liabilities during the financial year:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase)/decrease in dividend receivables</td>
<td>(21,504)</td>
<td>-</td>
<td>(2,942)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,358)</td>
<td>-</td>
</tr>
<tr>
<td>(Increase)/decrease in other receivables</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>10</td>
<td>49</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(Decrease)/increase in other accounts payable</td>
<td>169</td>
<td>296</td>
<td>(11)</td>
<td>35</td>
<td>(8)</td>
<td>16</td>
<td>5</td>
<td>30</td>
</tr>
<tr>
<td>Net cash provided by/(used in) operating activities</td>
<td>(10,814)</td>
<td>(8,495)</td>
<td>(2,070)</td>
<td>(2,133)</td>
<td>1,419</td>
<td>1,754</td>
<td>(1,591)</td>
<td>(1,534)</td>
</tr>
</tbody>
</table>

(b) Cash and cash equivalents

For the purposes of the Statements of Cash Flows, cash includes cash at bank, units in the Cash Fund and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>3,892</td>
<td>2,321</td>
<td>1,332</td>
<td>560</td>
<td>6,196</td>
<td>5,409</td>
<td>1,170</td>
<td>704</td>
</tr>
<tr>
<td>Cash on deposit - domestic</td>
<td>2</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>334</td>
<td>896</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Money market cash</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12,545</td>
<td>14,023</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Futures margin</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>511</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MLC MasterKey Unit Trust Cash Fund</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>3,894</td>
<td>2,323</td>
<td>1,332</td>
<td>560</td>
<td>19,075</td>
<td>20,839</td>
<td>1,170</td>
<td>704</td>
</tr>
</tbody>
</table>

(c) Non-cash financing and investing activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributions to unitholders reinvested</td>
<td>1,824</td>
<td>8,897</td>
<td>822</td>
<td>1,777</td>
<td>1,027</td>
<td>1,521</td>
<td>1,722</td>
<td>2,102</td>
</tr>
<tr>
<td></td>
<td>1,824</td>
<td>8,897</td>
<td>822</td>
<td>1,777</td>
<td>1,027</td>
<td>1,521</td>
<td>1,722</td>
<td>2,102</td>
</tr>
</tbody>
</table>
NOTE 11 - NOTES TO THE STATEMENTS OF CASH FLOWS (continued)

<table>
<thead>
<tr>
<th>IncomeBuilder</th>
<th>Share Index Fund</th>
<th>Australian Share Fund</th>
<th>Global Share Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 $'000</td>
<td>2014 $'000</td>
<td>2015 $'000</td>
<td>2014 $'000</td>
</tr>
</tbody>
</table>
| (a) Reconciliation of operating profit to net cash flows from operating activities

Income reinvested
Changes in the fair value of investments (258,277) (267,410) (17,281) (38,598) (6,334) (11,861) (20,815) (16,195)
Changes in assets and liabilities during the financial year:
(Decrease)/increase in dividend receivables (507) 206 (5,634) - (4,668) - (2,182) -
(Decrease)/increase in other receivables
MRL MasterKey Unit Trust Cash Fund 46,223 24,944 5,809 1,102 1,806 962 462 265

Net cash provided by/(used in) operating activities 77,863 73,811 (4,448) (4,370) (2,213) (2,378) (1,524) (1,527)

(b) Cash and cash equivalents

For the purposes of the Statements of Cash Flows, cash includes cash at bank, units in the Cash Fund and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

Cash at bank 29,401 2,052 5,809 1,102 1,806 962 462 265
Cash on deposit - domestic 16,822 22,892 - - - - -
Cash on deposit - overseas - - - - - - -
Futures margin - - - - - - -
MRL MasterKey Unit Trust Cash Fund 46,223 24,944 5,809 1,102 1,806 962 462 265

(c) Non-cash financing and investing activities

Distributions to unitholders reinvested 45,435 111,344 3,342 10,445 1,074 3,698 - 615
MLC - Platinum Global Fund 45,435 111,344 3,342 10,445 1,074 3,698 - 615
Australian Share Growth Style Fund 45,435 111,344 3,342 10,445 1,074 3,698 - 615
Australian Share Value Style Fund 45,435 111,344 3,342 10,445 1,074 3,698 - 615
Global Share Growth Style Fund 45,435 111,344 3,342 10,445 1,074 3,698 - 615

(a) Reconciliation of operating profit to net cash flows from operating activities

Net operating profit/(loss) 257,593 193,205 780 1,417 1,087 1,547 499,534 293,383
Income reinvested - - - - - - -
Changes in the fair value of investments (266,640) (200,189) (301) (1,194) (593) (1,219) (478,350) (293,999)
Changes in assets and liabilities during the financial year:
(Decrease)/increase in dividend receivables 341 (457) (331) - (414) - (53,044) -
(Increase)/decrease in other receivables 7 7 - - - - (7) (10)
(Decrease)/increase in other accounts payable (126) 810 (5) 9 (2) 3 (10,545) 11,792
Net cash provided by/(used in) operating activities (8,827) (6,624) (180) (169) (190) (200) (42,412) (18,136)

(b) Cash and cash equivalents

For the purposes of the Statements of Cash Flows, cash includes cash at bank, units in the Cash Fund and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

Cash at bank 10,113 11,253 152 105 207 129 35,799 21,271
Cash on deposit - domestic 25,929 993 - - - - -
Cash on deposit - overseas 22,023 46,206 - - - - -
Futures margin 14,393 7,745 - - - - -
MRL MasterKey Unit Trust Cash Fund 4,010 5,878 - - - - -
76,468 72,075 152 105 207 129 35,799 21,271

(c) Non-cash financing and investing activities

Distributions to unitholders reinvested - - 93 184 96 241 - 18,479
MLC - Platinum Global Fund - - 93 184 96 241 - 18,479
NOTE 11 - NOTES TO THE STATEMENTS OF CASH FLOWS (continued)

<table>
<thead>
<tr>
<th></th>
<th>Global Share Value Style Fund</th>
<th>MLC Horizon 1 Bond Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Whole Dollars $</td>
<td>Whole Dollars $</td>
<td>Whole Dollars $</td>
</tr>
</tbody>
</table>

(a) Reconciliation of operating profit to net cash flows from operating activities

Net operating profit/(loss)                      1,164,016 1,209,467 65,380 106,738
Income reinvested                                 - (159,226) (68,093) (147,948)
Changes in the fair value of investments          (1,110,010) (1,162,626) (35,294) (32,920)
Changes in assets and liabilities during the financial year:
(Increase)/decrease in dividend receivables       (166,627) - (20,831) -
(Decrease)/increase in other receivables           (25) (23) (4) (7)
(Decrease)/increase in other accounts payable     (1,874) 5,168 (1,239) 716
Net cash provided by/(used in) operating activities (114,520) (107,240) (60,081) (73,421)

(b) Cash and cash equivalents

For the purposes of the Statements of Cash Flows, cash includes cash at bank, units in the Cash Fund and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>79,317</td>
<td>70,241</td>
</tr>
<tr>
<td>Cash on deposit - domestic</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash on deposit - overseas</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Futures margin</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MLC MasterKey Unit Trust Cash Fund</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>79,317</td>
<td>70,241</td>
</tr>
</tbody>
</table>

(c) Non-cash financing and investing activities

Distributions to unitholders reinvested           - 40,758 13,771 59,287
- 40,758 13,771 59,287

NOTE 12 - CHANGE IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

<table>
<thead>
<tr>
<th></th>
<th>IncomeBuilder</th>
<th>MLC - Platinum Global Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>
| Net changes in fair value on financial assets through profit or loss: Held for trading (92) - 55,293 (16,516)

Designated at fair value through profit or loss 258,369 267,410 211,347 216,705
258,277 267,410 266,640 200,189

The changes in fair value of financial assets and liabilities for all other Schemes relate to instruments designated at fair value through profit or loss.

NOTE 13 - EVENTS OCCURRING AFTER THE BALANCE DATE

Except as disclosed in the financial report, there has not arisen in the interval between the year end and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to significantly affect the operations of the Schemes, the results of those operations, or the state of affairs of the Schemes, in future financial years.

NOTE 14 - COMMITMENTS AND CONTINGENT LIABILITIES

The Schemes had no known commitments or contingent liabilities as at 31 May 2015 (2014: Nil).
Directors' declaration

In the opinion of the Directors of MLC Investments Limited, the Responsible Entity of the Schemes:

The financial statements and notes set out on pages 7 to 48, are in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the financial positions of the Schemes as at 31 May 2015 and of their performance for the year ended on that date;
(b) complying with Accounting Standards and Corporations Regulations 2001;
(c) there are reasonable grounds to believe that the Schemes will be able to pay their debts as and when they become due and payable; and
(d) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1(a).

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

Director: [Signature]

Signature: [Signature]

Dated at Sydney this 22 day of July 2015
Independent auditor’s report to the unitholders of the MLC MasterKey Unit Trust:

MLC MasterKey Unit Trust Accelerated Growth Portfolio
MLC MasterKey Unit Trust Share Portfolio

MLC MasterKey Unit Trust Growth Portfolio
MLC MasterKey Unit Trust Balanced Portfolio

MLC MasterKey Unit Trust Conservative Growth Portfolio
MLC MasterKey Unit Trust Income Portfolio

MLC MasterKey Unit Trust Cash Fund
MLC MasterKey Unit Trust Property Securities Fund

MLC MasterKey Unit Trust IncomeBuilder™
MLC MasterKey Unit Trust Share Index Fund

MLC MasterKey Unit Trust Australian Share Fund
MLC MasterKey Unit Trust Global Share Fund

MLC MasterKey Unit Trust MLC - Platinum Global Fund
MLC MasterKey Unit Trust Australian Share Growth Style Fund

MLC MasterKey Unit Trust Australian Share Value Style Fund
MLC MasterKey Unit Trust Global Share Growth Style Fund

MLC MasterKey Unit Trust Global Share Value Style Fund
MLC MasterKey Unit Trust Bond Portfolio

We have audited the accompanying financial report of the MLC MasterKey Unit Trust consisting of the schemes listed above (the ‘Schemes’) which comprises the statements of financial position as at 31 May 2015, the statements of comprehensive income, statements of changes in net assets attributable to unitholders and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information, and the directors’ declaration.

Directors’ Responsibility for the Financial Report

The directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1(a), the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor’s Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity’s preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal controls. An audit also
includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have met the independence requirements of the Corporations Act 2001. We have given to the directors of the Responsible Entity a written Auditor’s Independence Declaration, a copy of which is attached to the directors’ report.

Auditor’s Opinion

In our opinion:

1. the financial report of the Schemes is in accordance with the Corporations Act 2001, including:
   
   i giving a true and fair view of the financial position of the Schemes as at 31 May 2015 and of their performance for the year ended on that date; and
   
   ii complying with Australian Accounting Standards and the Corporations Regulations 2001.

2. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a).

Ernst & Young

Rita Da Silva
Partner
22 July 2015
For more information call MLC from anywhere in Australia on 132 652 or contact your financial adviser.

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North Sydney NSW 2059

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