APPENDIX 4E

Preliminary Final Report

Year ended 30 June 2009

Name of Entity: ING Office Fund

ARSN: The Responsible Entity for ING Office Fund comprising Armstrong Jones Office Fund ARSN 090 242 229 and Prime Credit Trust ARSN 089 849 196

Results for announcement to the market

	$m	
Revenues from ordinary activities	up 7% to 234.1	
Loss from ordinary activities after tax attributable to members	down 410% to 764.2 loss	
Net loss for the period attributable to members	down 410% to 764.2 loss	
Net operating income	up 8% to 146.9	
	30 June 2009	**30 June 2008**
Net assets per unit	$0.99	$1.81

Distributions	**Amount per unit (cents)**	**$m**
Interim - 30 September 2008	2.700	34.1
Interim - 31 December 2008	2.700	34.1
Interim - 31 March 2009	2.125	38.0
Final - 30 June 2009	2.125	38.4
Total	9.650	144.6
Previous Corresponding Period	10.750	134.6
Record date for determining entitlements to the final distribution	30 June 2009	

Note : Franked amount per unit is not applicable

Other significant information and commentary on results
See attached press release

For further details, please refer to the following attached documents:

- Directors' report
- Audited financial report
- Results presentation
- Property book

Hugh Thomson
Company Secretary

24 August 2009

ING OFFICE FUND

FINANCIAL & ASSOCIATED REPORTS

YEAR ENDED 30 JUNE 2009

ING Office Fund
Financial & associated reports
Year ended 30 June 2009

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The ING Office Fund (the "Fund") has been formed by the stapling of the units in two Australian registered schemes, Armstrong Jones Office Fund (ARSN 090 242 229) and Prime Credit Property Trust (ARSN 089 849 196). ING Management Limited (ABN 15 006 065 032; AFS licence number 237534), the Responsible Entity of both schemes, is incorporated and domiciled in Australia.

A description of the nature of the schemes' operations and their principal activities is included in the accompanying directors' report.

The registered office and principal place of business of the Responsible Entity is located at level 6, 345 George Street, Sydney, New South Wales.

The financial report was authorised for issue by the directors of the Responsible Entity on 24 August 2009. The Fund has the power to amend and reissue the financial report.

ING Office Fund
Directors' report
Year ended 30 June 2009

The ING Office Fund (the "Fund") was formed by the stapling of the units in two trusts, Armstrong Jones Office Fund and Prime Credit Property Trust (collectively the "Trusts"). The Responsible Entity for both Trusts is ING Management Limited, which now presents its report together with the Trusts' financial report for the year ended 30 June 2009 and the auditor's report thereon.

In accordance with Urgent Issues Group Interpretation 1013 *Consolidated Financial Reports in relation to Pre-Date-of-Transition Stapling Arrangements*, this stapling arrangement is regarded as a business combination and Armstrong Jones Office Fund (the "Parent" or "Parent Entity") has been identified as the parent for preparing consolidated financial reports. Consequently, the consolidated financial statements of the Armstrong Jones Office Fund present the combined financial results of both Trusts.

The directors' report is a combined directors' report that covers both Trusts. The financial information given for the ING Office Fund is taken from the consolidated financial statements and notes of the Armstrong Jones Office Fund.

Directors

The directors of the Responsible Entity at any time during or since the end of the financial year were:

Richard Colless AM	Chairman
Philip Clark AM	
Michael Easson AM	
Philip Redmond	
Paul Scully	
David Blight	Resigned 1 December 2008
Hugh Thomson	Alternate director for David Blight – ceased 1 December 2008
Adrian Astridge	Alternate director for David Blight – ceased 1 December 2008

Except as stated, these persons were directors of the Responsible Entity during the whole of the financial year and up to the date of this report.

Principal activity

The principal activity of the Trusts is investment in real estate. There was no significant change in the nature of the Trusts' activities during the financial year.

Review and results of operations

A summary of the Trusts' result for the financial year is:

	ING Office Fund		**Prime Credit Property Trust**	
	2009	**2008**	**2009**	**2008**
Net profit/(loss) for the year	(764.2)	246.6	(463.3)	91.3
Net operating income ($ million)	146.9	135.5	74.8	73.5
Distributions per unit (cents)	9.65	10.75	2.99	6.75
Earnings per unit - basic and diluted	(49.8)	19.8	(30.2)	7.3
Net operating income per unit (cents)	9.6	10.9	4.9	5.9

The Responsible Entity uses the Trusts' net operating income as an additional performance indicator. Net operating income does not take into account certain items recognised in the income statement including unrealised gains or losses on the revaluation of the Fund's properties and derivatives.

ING Office Fund
Directors' report
Year ended 30 June 2009

Net operating income for the financial year has been calculated as follows:

	ING Office Fund		Prime Credit Property Trust	
	2009 $m	2008 $m	2009 $m	2008 $m
Net profit/(loss) attributable to unitholders of the Fund	(764.2)	246.6	(463.3)	91.3
Adjusted for:				
Straight line lease revenue recognition	(4.4)	(4.0)	(3.0)	(2.4)
Net foreign exchange loss	37.0	8.5	19.8	1.7
Net loss on disposal of investment property	-	0.6	-	-
Amortisation of tenant incentives and leasing commissions [1]	-	4.9	-	4.3
Net (gain)/loss on change in fair value of:				
Investment properties	494.7	(130.7)	310.3	(62.4)
Derivatives	153.9	19.6	75.5	17.1
Items included in share of net profit of equity accounted investments:				
Investment properties	301.0	(25.1)	208.1	9.3
Derivatives	17.6	-	13.2	-
Minorities' share of gain/(loss) on change in fair value of investment properties	(15.2)	2.7	(15.2)	2.7
Deferred income tax (benefit)/expense	(73.5)	12.4	(70.6)	11.9
Net operating income	146.9	135.5	74.8	73.5

(1) From 1 July 2008 the Fund ceased to add back amortisation of tenant incentives and leasing commissions in the net operating income calculation.

Net operating income for the 2009 financial year increased by 8.4% to $146.9 million from $135.5 million for the 2008 financial year. The increase is mainly due to the increase in income from the property portfolio.

Net operating income per unit for the 2009 financial year was down 12% to 9.6 cents, compared to 10.9 cents per unit previously. This was chiefly due to the increase in units on issue following the December 2008 capital raising.

Earnings per unit as calculated under applicable accounting standards for the year ended 30 June 2009 were down 352% to a loss of 49.8 cents, compared to a profit of 19.8 cents per unit for the previous financial year. Revaluations accounted for losses of 50.9 cents per unit during the year (2008: gain of 12.3 cents).

Total assets decreased by $576.5 million or 16% to $2,968.9 million over the year primarily due to asset devaluations (including share of devaluations of equity accounted investments) of $795.7 million, partly offset by an increase in the carrying amounts of investment property and equity accounted investments values as a result of movements in exchange rates of $221.1 million. The basis of the valuations is described in note 1 in the financial report.

The decrease in total assets, together with the issue of new units following the December 2008 capital raising resulted in net asset value per unit decreasing by 45% to $0.99.

A total of $413.1 million of new equity (after costs) was raised during the year. As a result, issued units increased by 543.2 million to 1,806.5 million.

ING Office Fund
Directors' report
Year ended 30 June 2009

Distributions
Details of distributions are given in note 3 in the financial report.

Significant changes in the state of affairs
In the opinion of the directors of the Responsible Entity, there were no significant changes in the state of affairs of the Trusts that occurred during the financial year.

Events subsequent to reporting date
A total of $401.6 million of new equity (after costs) was raised in July 2009. The new equity was raised in the following manner:

	ING Office Fund $m	Prime Credit Property $m
Institutional placement	90.0	45.0
Entitlement offer	325.2	162.6
Less: Issue costs	(13.6)	(6.8)
	401.6	200.8

As a result issued units increased by 922.6 million to 2,729.1 million. The impact of this equity raising has not been reflected in this financial report.

On 31 July 2009, the Fund sold 412 St Kilda Rd for $42.0 million. The carrying value of the property at 30 June 2009 was $37.9 million, which accounted for selling costs.

On 11 August 2009, the Fund sold Budejovicka Alej for Euro 31.3 million, which reflects the carrying value at 30 June 2009.

Likely developments

The Responsible Entity will continue to actively manage the existing portfolio and may dispose of assets to maximise returns to unitholders and as part of its capital management strategy. New acquisitions will be considered on the relative value they may add to the Fund. Where appropriate, the Fund may raise additional equity as part of its capital management strategy and to fund new acquisitions.

Environmental regulation
The Trusts' operations are not subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Indemnities
The Trusts have not indemnified, nor paid any insurance premiums for, a person who is or has been an officer of the Responsible Entity or an auditor of the Trusts.

Interests of directors of the Responsible Entity
Units in each Trust held by directors of the Responsible Entity as at 30 June 2009 were:

	Number of units
Philip Redmond	25,564
Paul Scully	31,214

The other directors of the Responsible Entity did not hold any units in either Trust at that date.

ING Office Fund
Directors' report
Year ended 30 June 2009

Other information

Fees paid to the Responsible Entity and its associates, and the number of units in the Trusts held by the Responsible Entity and its associates as at the end of the financial year, are set out in note 22 in the financial report.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

Rounding of amounts

The Trusts are of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in this report and in the financial report. Amounts in these reports have been rounded off in accordance with that Class Order to the nearest hundred thousand dollars, or in certain cases, the nearest thousand dollars.

Signed in accordance with a resolution of the directors of the Responsible Entity.

Richard Colless AM
Chairman
Sydney
24 August 2009

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Auditor's Independence Declaration to the Directors of ING Management Limited as the Responsible Entity for the Armstrong Jones Office Fund

In relation to our audit of the financial report of the Armstrong Jones Office Fund and its controlled entities for the financial year ended 30 June 2009, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst + Young

Ernst & Young

Douglas Bain
Partner
24 August 2009

ING Office Fund
Income statements
Year ended 30 June 2009

	Note	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Revenue					
Rental income		203.7	187.0	65.6	63.6
Other property income		28.5	27.9	6.7	4.0
Distribution receivable from Subsidiaries		-	-	28.9	46.3
Interest income		1.9	4.3	0.5	2.1
		234.1	219.2	101.7	116.0
Other income					
Net foreign exchange gain/(loss)		(38.3)	0.1	(18.7)	(6.5)
Net loss on disposal of investment properties		-	(0.6)	-	(0.6)
Net gain/(loss) on change in fair value of:					
Investment properties		(494.7)	130.7	(147.8)	70.6
Derivatives		(153.9)	(19.6)	(78.4)	(2.4)
Other		-	-	3.7	3.7
Expenses					
Property expenses		(61.3)	(63.5)	(13.9)	(11.6)
Finance costs		(47.5)	(46.6)	(13.3)	(9.9)
Responsible Entity's fees	22	(10.8)	(10.3)	(5.9)	(4.7)
Other		(3.1)	(2.5)	(0.1)	(1.3)
Share of net profit/(loss) of equity accounted investments	11	(274.3)	58.1	-	-
Profit/(loss) before income tax		(849.8)	265.0	(172.7)	153.3
Income tax benefit/(expense)	6	71.4	(14.0)	-	-
Net profit/(loss) for the year		(778.4)	251.0	(172.7)	153.3
Net (profit)/loss attributable to minority interest		14.2	(4.4)	-	-
Net profit/(loss) attributable to unitholders of the Fund		(764.2)	246.6	(172.7)	153.3
Attributable to unit holders of:					
Armstrong Jones Office Fund		(300.9)	155.3	(172.7)	153.3
Prime Credit Property Trust		(463.3)	91.3	-	-
		(764.2)	246.6	(172.7)	153.3

	Note	Cents	Cents
Distributions per unit	3	9.65	10.75
Earnings per unit - basic and diluted	5	(49.8)	19.8
Net operating income per unit	5	9.6	10.9

ING Office Fund
Balance sheets
As at 30 June 2009

	Note	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Current assets					
Cash and cash equivalents	7	18.8	31.3	1.4	1.4
Trade and other receivables	8	9.2	18.1	32.9	55.2
Investment properties	10	37.9	-	-	-
Derivatives	9	0.7	33.6	-	32.7
		66.6	83.0	34.3	89.3
Non-current assets					
Trade and other receivables	8	87.7	84.8	11.0	-
Investments in subsidiaries	23	-	-	676.0	676.0
Investment properties	10	2,158.2	2,481.5	734.6	797.2
Properties under construction	10	-	56.3	-	56.3
Equity accounted investments	11	656.4	839.8	-	-
		2,902.3	3,462.4	1,421.6	1,529.5
Total assets		2,968.9	3,545.4	1,455.9	1,618.8
Current liabilities					
Payables	12	23.4	19.5	180.3	214.2
Borrowings	13	-	-	-	150.0
Derivatives	9	57.1	-	37.0	2.8
Provision for distribution	3	38.4	34.1	26.5	12.7
		118.9	53.6	243.8	379.7
Non-current liabilities					
Payables	12	0.7	1.2	2.9	6.6
Borrowings	13	1,002.6	1,091.4	278.9	241.7
Deferred tax liabilities	14	36.3	84.5	-	-
		1,039.6	1,177.1	281.8	248.3
Total liabilities		1,158.5	1,230.7	525.6	628.0
Net assets		1,810.4	2,314.7	930.3	990.8
Equity					
Issued units	15	1,906.7	1,494.0	824.6	618.1
Reserves	16	(48.9)	(48.7)	-	(5.2)
Retained earnings	17	(66.1)	842.3	105.7	377.9
Unitholders' interest		1,791.7	2,287.6	930.3	990.8
Minority interest		18.7	27.1	-	-
Total equity		1,810.4	2,314.7	930.3	990.8
Attributable to unit holders of:					
Armstrong Jones Office Fund		860.0	1,029.9	930.3	990.8
Prime Credit Property Trust		931.7	1,257.7	-	-
Minority interest		18.7	27.1	-	-
		1,810.4	2,314.7	930.3	990.8
Net asset value per unit		$0.99	$1.81		

ING Office Fund
Cash flow statements
Year ended 30 June 2009

	Note	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Cash flows from operating activities	25				
Rental and other property income		244.4	217.6	76.9	69.7
Property and other expenses		(75.7)	(73.4)	(19.1)	(19.3)
Proceeds from termination of derivatives		1.9	-	1.8	-
Payments on termination of derivatives		(73.0)	-	(13.9)	-
Distributions received from equity accounted investments		23.3	32.5	-	-
Distributions received from subsidiaries		-	-	-	23.5
Interest received		1.9	4.5	0.5	2.1
Borrowing costs paid		(47.2)	(49.3)	(13.0)	(10.1)
		75.6	131.9	33.2	65.9
Cash flows from investing activities					
Additions to investment properties and properties under construction		(52.1)	(80.3)	(29.9)	(62.2)
Proceeds from sale of investment properties		-	86.4	-	86.4
Proceeds from sale of equity swaps		-	18.0	-	18.0
Purchase of equity accounted investments		-	(100.5)	-	(47.0)
Loans to equity accounted investments		-	(7.2)	-	-
Loan to stapled entity		-	-	(161.0)	(133.9)
Loans to subsidiaries		-	-	17.8	(18.8)
		(52.1)	(83.6)	(173.1)	(157.5)
Cash flows from financing activities					
Proceeds from issue of units	15	414.5	78.3	207.4	29.3
Unit issue costs	15	(13.5)	(1.3)	(6.7)	(0.5)
Distributions to unitholders	3	(128.2)	(133.1)	(79.9)	(49.5)
Distributions to minority interest		(0.8)	-	-	-
Proceeds from borrowings		191.7	213.3	54.6	131.9
Repayment of borrowings		(499.9)	(193.0)	(35.5)	(24.7)
		(36.2)	(35.8)	139.9	86.5
Net increase/(decrease) in cash		(12.7)	12.5	-	(5.1)
Cash at the beginning of the year		31.3	18.8	1.4	6.5
Effects of exchange rate changes on cash		0.2	-	-	-
Cash at the end of the year		18.8	31.3	1.4	1.4

ING Office Fund
Statements of changes in equity
Year ended 30 June 2009

	Note	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Total equity at the beginning of the year		2,314.7	2,136.0	990.8	864.0
Exchange differences on translation of foreign operations:					
Unitholders of the Fund	16	2.5	(10.8)	5.2	(5.2)
Minority interest		5.8	(3.9)	-	-
Share of net loss on cash flow hedge held by equity accounted investment		(2.7)	-	-	-
Net income recognised directly in equity		5.6	(14.7)	5.2	(5.2)
Net profit/(loss) for the year		(778.4)	251.0	(172.7)	153.3
Total recognised income and expense for the year		(772.8)	236.3	(167.5)	148.1
Transactions with unitholders in their capacity as equity holders:					
Issue of units	15	413.1	77.0	206.8	28.8
Distributions paid or payable	3	(144.6)	(134.6)	(99.8)	(50.1)
		268.5	(57.6)	107.0	(21.3)
Total equity at the end of the year		1,810.4	2,314.7	930.3	990.8
Total recognised income and expense for the year is attributable to:					
Unitholders of the Fund		(764.4)	235.8	(167.5)	148.1
Minority interest		(8.4)	0.5	-	-
		(772.8)	236.3	(167.5)	148.1

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

1. Summary of significant accounting policies

(a) The Fund

The ING Office Fund ("the Fund") was formed on 1 January 2000 by the stapling of the units in two Australian registered schemes, Armstrong Jones Office Fund and Prime Credit Property Trust (collectively the "Trusts"). Armstrong Jones Office Fund and Prime Credit Property Trust were constituted on 23 September 1984 and 12 October 1989, respectively.

The Responsible Entity for both Trusts is ING Management Limited. ING Management Limited is an Australian domiciled company and is a wholly owned company within the ING Groep NV group of companies.

The two Trusts have common business objectives and operate as an economic entity collectively known as ING Office Fund.

The stapling structure will cease to operate on the first to occur of:
(a) either of the Trusts resolving by special resolution in accordance with its constitution to terminate the stapling provisions; or
(b) the commencement of the winding up of either of the Trusts.

The Australian Securities Exchange reserves the right (but without limiting its absolute discretion) to remove one or both of the Trusts from the official list if any of their units cease to be stapled together, or any equity securities are issued by one Trust which are not stapled to equivalent securities in the other Trust.

(b) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards ("AASB"), Australian Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (the "Board") and the Corporations Act 2001.

In accordance with Urgent Issues Group Interpretation 1013 *Consolidated Financial Reports in relation to Pre-Date-of-Transition Stapling Arrangements*, the stapling arrangement discussed above is regarded as a business combination and Armstrong Jones Office Fund (the "Parent" or "Parent Entity") has been identified as the parent for preparing consolidated financial reports. The consolidated financial statements present the combined financial results of both Trusts.

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.

The financial report is presented in Australian dollars.

The financial report is prepared on the historical cost basis, except for investment properties and derivative financial instruments, which are measured at fair value.

(c) Adoption of new and revised accounting standards

In the current year the Fund has adopted all of the new and revised standards and interpretations issued by the Board that are relevant to its operations and effective for the current annual reporting period. There was no material effect on the financial statements.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

1. Summary of significant accounting policies (continued)

(d) Principles of consolidation

The consolidated financial statements comprise the Parent and its subsidiaries as at 30 June 2009 (the "Group"). Subsidiaries are all those entities (including special purpose entities) whose financial and operating policies the Group has the power to govern, which generally accompanies a shareholding of more than one-half of the voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent, using consistent accounting policies. Adjustments are made to bring into line dissimilar accounting policies. Inter-company balances and transactions including unrealised profits have been eliminated.

Subsidiaries are consolidated from the date on which control is transferred to the Parent. They are de-consolidated from the date that control ceases.

Minority interests represent the interests in subsidiaries not held by the Group.

Investments in subsidiaries are carried at cost in the Parent's financial statements.

(e) Distribution policy

Distributions are paid to unitholders each quarter out of realised income available for distribution and transfers from equity. A provision for distribution for any distribution declared on or before the end of the reporting period is recognised on the balance sheet in the reporting period to which the distribution pertains.

(f) Foreign currency

(i) Functional and presentation currencies

The functional currency and presentation currency of the Group (with the exception of its foreign subsidiaries) is the Australian dollar.

(ii) Translation of foreign currency transactions

Transactions in foreign currency are initially recorded in the functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are retranslated at the rate of exchange prevailing at the balance date. All differences in the consolidated financial report are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment at which time they are recognised in the income statement.

A non-monetary item that is measured at fair value in a foreign currency is translated using the exchange rates at the date when the fair value was determined.

(iii) Translation of financial statements of foreign subsidiaries

The functional currency of certain subsidiaries is not the Australian dollar. At reporting date, the assets and liabilities of these entities are translated into the presentation currency of the Group at the rate of exchange prevailing at balance date. Financial performance is translated at the average exchange rate prevailing during the reporting period. The exchange differences arising on translation are taken directly to the foreign currency translation reserve in equity.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that foreign operation is recognised in the income statement.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

1. Summary of significant accounting policies (continued)

(g) Leases

Leases where the lessor retains substantially all the risk and benefits of ownership are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the term of the lease on the same basis as the lease income. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the term of the lease.

Incentives may be provided to tenants to enter into an operating lease. These incentives may be in the form of cash, rent free periods, lessee or lessor owned fit outs. The incentive is amortised over the term of the lease as a reduction in rental income. The unamortised carrying amount of the incentive is reflected in the carrying value of the investment property.

Leasing fees that are directly associated with the negotiation and execution of a lease agreement (including commissions, legal fees and costs of preparing and processing documentation) are capitalised as part of the carrying value of the property.

Leasing fees in relation to the initial leasing of the investment property after a redevelopment are capitalised to the carrying value of the property as a cost of bringing the investment property to completion and intended use.

(h) Financial assets and liabilities

Current and non-current financial assets and liabilities within the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as at fair value through profit or loss; loans and receivables; held-to-maturity investments; or as available-for-sale. The Group determines the classification of its financial assets and liabilities at initial recognition with the classification depending on the purpose for which the asset or liability was acquired or issued. Financial assets and liabilities are initially recognised at fair value, plus directly attributable transaction costs unless their classification is at fair value through profit or loss. They are subsequently measured at fair value or amortised cost using the effective interest method. Changes in fair value of available-for-sale financial assets are recorded directly in equity. Changes in fair values of financial assets and liabilities classified as fair value through profit or loss are recorded in the income statement.

The fair values of financial instruments that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the balance sheet date. For those with no active market, fair values are determined using valuation techniques. Such techniques include: using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible and keeping judgemental inputs to a minimum.

(i) Impairment of non-financial assets

Assets other than investment property and financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Non-financial assets that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

1. Summary of significant accounting policies (continued)

(j) Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(k) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. A provision for impairment is made when there is objective evidence that collection of the full amount is no longer probable.

(l) Derivative financial instruments

The Group uses derivative financial instruments such as foreign currency contracts and interest rate swaps to hedge its risks associated with foreign currency and interest rate fluctuations. The Group may also invest in derivatives related to listed property equities and indices and may issue derivatives related to its own units. Such derivative financial instruments are initially recognised at fair value on the date in which the derivative contract is entered into and are subsequently remeasured to fair value.

For hedge accounting, hedges are classified as fair value hedges when they hedge the exposure to changes in the fair value of a recognised asset or liability; cash flow hedges where they hedge exposure to variability in cash flows that is attributable either to a particular risk associated with a recognised asset or liability or to a forecast transaction; or hedges of a net investment in a foreign operation.

Any gain or loss arising from measuring fair value hedges that meet the conditions for hedge accounting is recognised in the income statement. Any gain or loss on the hedged item attributable to the hedged risk is adjusted against the carrying amount of the relevant financial instrument.

Any gain or loss arising on cash flow hedges which hedge firm commitments and which qualify for hedge accounting are recognised directly in equity. Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss.

Any gain or loss arising on hedges of a net investment in a foreign operation, which qualify for hedge accounting, are recognised directly in equity. On disposal of the foreign operation, the cumulative amount of any such gains and losses is transferred to profit or loss.

For derivatives that do not meet the documentation requirements to qualify for hedge accounting and for the ineffective portion of qualifying hedges, any gains or losses arising from changes in fair value are recognised in the income statement.

Hedge accounting is discontinued when the hedge instrument expires, is sold, exercised, terminated or no longer deemed effective. Any cumulative gains or losses relating to the hedge that were previously recognised in equity are transferred to the income statement.

(m) Investment property

Land and buildings have the function of an investment and are regarded as composite assets. In accordance with applicable accounting standards, the buildings, including plant & equipment, are not depreciated.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

1. Summary of significant accounting policies (continued)

It is the Group's policy to have all investment properties externally valued at intervals of not more than three years and that such valuation be reflected in the financial reports of the Group. It is the policy of the Responsible Entity to review the fair value of each investment property every six months and to cause investment properties to be revalued to fair values whenever their carrying value differs materially to their fair values.

Fair value represents the amount at which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction at the date of valuation. It is based on current prices in an active market for similar property in the same location and condition and subject to similar lease and other contracts, adjusted for any differences in the nature, location or condition of the property, or in the contractual terms of the leases and other contracts relating to the property.

In the absence of current prices in an active market, the Responsible Entity considers information from a variety of sources, including current prices in an active market for properties of different nature, condition or location, adjusted to reflect those differences, recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices, and discounted cash flow projections based on reliable estimates of future cash flows, using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

In determining fair values, expected net cash flows are discounted to their present value using a market determined risk adjusted discount rate. The assessment of fair value of investment properties does not take into account potential capital gains tax assessable. Changes in the fair value of an investment property are recorded in the income statement.

(n) Property under construction

Property under construction is carried at historical cost. Cost includes the cost of acquisition and additions and, during development, includes financing charges, related professional fees incurred and other directly attributable costs.

Property under construction is transferred to investment property on completion of the construction. Any difference between the fair value of the property at that date and its previous carrying amount is recognised in profit or loss.

(o) Equity accounted investments

A jointly controlled entity is a joint venture that involves the establishment of a corporation, partnership or other entity in which each venturer has an interest. A contractual arrangement between the venturers establishes joint control over the economic activity of the entity. Associates are those entities over which the Group has significant influence, but not control. Jointly controlled entities and associates, and investments in those entities, are referred to as "equity accounted investments". Equity accounted investments are accounted for in the Parent's financial statements using the cost method and in the consolidated financial statements using the equity method. The Group's share of net profit is recognised in the consolidated income statement and its share of any movement in reserves is recognised in reserves in the consolidated balance sheet. The accumulation of post-acquisition movements in the Group's share of net assets is adjusted against the carrying value of the investment. Distributions received or receivable are recognised in the Parent's income statement and reduce the carrying value of the investment in the consolidated financial statements.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

1. Summary of significant accounting policies (continued)

(p) Payables

Trade and other payables are carried at amortised cost and due to their short-term nature are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and are recognised when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 60 days of recognition.

(q) Financial guarantees

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation, where appropriate.

Where guarantees in relation to loans or other payables of subsidiaries or associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

(r) Borrowings

Borrowings are initially recorded at the fair value of the consideration received less directly attributable transaction costs associated with the borrowings. After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest rate method. Under this method fees, costs, discounts and premiums that are yield related are included as part of the carrying amount of the borrowing and amortised over its expected life.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs are expensed as incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. When this is the case, they are capitalised as part of the acquisition cost of that asset.

(s) Issued units

Issued and paid up units are recognised at the fair value of the consideration received by the Fund. Any transaction costs arising on issue of ordinary units are recognised directly in unitholders' interest as a reduction of the units proceeds received.

(t) Revenue

Revenue from rents, interest and distributions is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue brought to account but not received at balance date is recognised as a receivable.

Rental income from operating leases is recognised on a straight-line basis over the lease term. Contingent rentals are recognised as income in the financial year that they are earned. Fixed rental increases that do not represent direct compensation for underlying cost increases or capital expenditures are recognised on a straight-line basis until the next market review date.

Interest income is recognised as the interest accrues using the effective interest method.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

1. Summary of significant accounting policies (continued)

(u) Income tax

(i) Current income tax

Under the current tax legislation, the Group is not liable to pay Australian income tax provided that its taxable income (including any assessable capital gains) is fully distributed to unitholders each year. Tax allowances for building and fixtures depreciation are distributed to unitholders in the form of the tax deferred component of distributions.

The subsidiaries that hold the Group's foreign properties may be subject to corporate income tax and withholding tax in the countries in which they operate. Under current Australian income tax legislation, unitholders may be entitled to receive a foreign tax credit for this withholding tax.

(ii) Deferred income tax

Deferred income tax represents foreign tax (including withholding tax) expected to be payable or recoverable by foreign taxable entities on the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised through continuing use or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at reporting date. Income taxes related to items recognised directly in equity are recognised in equity and not against income.

(v) Earnings per unit

Basic earnings per unit is calculated as net profit attributable to unitholders of the Fund divided by the weighted average number of issued units. As there are no potentially dilutive units on issue, diluted earnings per unit is the same as basic earnings per unit.

(w) Goods and services tax ("GST") and value added tax ("VAT")

Revenue, expenses and assets (with the exception of receivables) are recognised net of the amount of GST and VAT to the extent that the GST and VAT is recoverable from the taxation authority. Where GST or VAT is not recoverable, it is recognised as part of the cost of the acquisition, or as an expense.

Receivables and payables are stated inclusive of GST and VAT. The net amount of GST and VAT recoverable from or payable to the tax authority is included in the balance sheet as an asset or liability.

Cash flows are included in the cash flow statement on a gross basis. The GST and VAT components of cash flows arising from investing and financing activities, which are recoverable from or payable to the tax authorities, are classified as operating cash flows.

(x) Pending Accounting Standards

Accounting Standards AASB 8 *Operating Segments*, AASB 2008-3 *Amendments to Australian Accounting Standards arising from AASB 8*, AASB 101 *Presentation of Financial Statements* (revised) and AASB 2008-8 *Amendments to Australian Accounting Standards arising from AASB 101* are applicable to annual reporting periods beginning on or after 1 January 2009. The Group has not adopted these standards early. Application of the standards will not affect any of the amounts recognised in the financial statements, but will affect the type of information disclosed.

Revised Accounting Standards AASB 3 *Business Combinations* and AASB 127 *Consolidated and Separate Financial Statements* are applicable to annual reporting periods beginning on or after 1 July 2009. The Group has not adopted these standards early. Application of the standards may affect amounts recognised in respect of future business combinations or on any future loss of control of a subsidiary.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

1. Summary of significant accounting policies (continued)

Other new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for the current reporting period. These are not expected to have any material impact on the Fund's financial report in future reporting periods.

2. Accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Responsible Entity to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

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

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates, by definition, will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The Group had investment properties with a carrying amount of $2,196.1 million (2008: $2,537.8 million), representing estimated fair value. In addition, the carrying amount of the Group's equity accounted investments of $656.4 million (2008: $839.8 million) also reflects investment properties carried at fair value. These carrying amounts reflect certain assumptions about expected future rentals, rent-free periods, operating costs and appropriate discount and capitalisation rates. In forming these assumptions, the Responsible Entity considered information about current and recent sales activity, current market rents, and discount and capitalisation rates, for properties similar to those owned by the Group, as well as independent valuations of the Group's property.

(b) Critical judgements in applying the entity's accounting policies

There were no judgements, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies that had a significant effect on the amounts recognised in the financial report.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

3. Distributions

	Consolidated		Parent entity	
	2009	**2008**	**2009**	**2008**
Rates and amounts of distributions				
	Cents	**Cents**	**Cents**	**Cents**
Distributions have been paid or are payable in respect of the following periods at the following rates (in cents per unit):				
Quarter ended 30 September	2.700	2.675	1.863	0.996
Quarter ended 31 December	2.700	2.675	1.863	0.996
Quarter ended 31 March	2.125	2.700	1.466	1.006
Quarter ended 30 June	2.125	2.700	1.466	1.006
	9.650	10.750	6.658	4.004
	$m	**$m**	**$m**	**$m**
The total amounts of these distributions were:				
Quarter ended 30 September	34.1	32.6	23.5	12.1
Quarter ended 31 December	34.1	33.8	23.5	12.6
Quarter ended 31 March	38.0	34.1	26.3	12.7
Quarter ended 30 June	38.4	34.1	26.5	12.7
	144.6	134.6	99.8	50.1

The distribution for the quarter ended 30 June 2008 was recognised in the 2008 financial year and paid on 29 August 2008. The distribution for the quarter ended 30 June 2009 was recognised in the 2009 financial year and will be paid on 31 August 2009.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

4. Net operating income

The Responsible Entity uses the Fund's net operating income as an additional performance indicator. Net operating income does not take into account certain items recognised in the income statement including unrealised gains or losses on the revaluation of the Fund's properties and derivatives.

Net operating income is calculated as follows:

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$m	$m	$m	$m
Net profit/(loss) attributable to unitholders	(764.2)	246.6	(172.7)	153.3
Adjusted for:				
Straight line lease revenue recognition	(4.4)	(4.0)	(0.2)	(1.6)
Net foreign exchange loss	37.0	8.5	17.3	6.8
Net loss on disposal of investment property	-	0.6	-	0.6
Amortisation of tenant incentives and leasing commissions (1)	-	4.9	-	1.2
Net (gain)/loss on change in fair value of:				
Investment properties	494.7	(130.7)	147.8	(70.6)
Derivatives	153.9	19.6	78.4	2.4
Items included in share of net profit of equity accounted investments:				
Investment properties	301.0	(25.1)	-	-
Derivatives	17.6	-	-	-
Minorities' share of gain/(loss) on change in fair value of investment property	(15.2)	2.7	-	-
Deferred income tax (benefit)/expense	(73.5)	12.4	-	-
Net operating income	146.9	135.5	70.6	92.1

(1) From 1 July 2008 the Fund ceased to add back amortisation of tenant incentives and leasing commissions in the net operating income calculation.

5. Earnings per unit

	Note	Consolidated 2009	Consolidated 2008
Net operating income - $ million	4	146.9	135.5
Profit/(loss) attributable to unitholders - $ million		(764.2)	246.6
Weighted average number of units outstanding - millions		1,534.8	1,246.9
Net operating income per unit - cents		9.6	10.9
Basic and diluted earnings per unit - cents		(49.8)	19.8

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

6. Income tax expense

	Note	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
(a) Income tax expense					
Current tax		(0.1)	1.6	-	-
Deferred tax:					
Increase/(decrease) in deferred tax liabilities	14	(71.3)	12.4	-	-
		(71.4)	14.0	-	-
(b) Reconciliation between tax expense and pre-tax net profit					
Profit/(loss) before income tax		(849.8)	265.0	(172.7)	153.3
Income tax at the Australian tax rate of 30% (2008: 30%)		(254.9)	79.5	(51.8)	46.0
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:					
Australian income		130.9	(87.1)	51.8	(46.0)
Other non taxable income		23.4	18.0	-	-
Difference between Australian and foreign tax rates		19.3	3.6	-	-
Deferred tax assets not brought to account account		9.9	-	-	-
Income tax (benefit)/expense		(71.4)	14.0	-	-

7. Cash and cash equivalents

	Note	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Cash at bank and in hand	20	15.8	26.9	0.2	0.3
Short term deposits	20	3.0	4.4	1.2	1.1
		18.8	31.3	1.4	1.4

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

8. Trade and other receivables

	Note	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Current	20				
Rental and other amounts due [1]		7.5	16.6	3.7	8.7
Receivables from equity accounted investments	22	1.6	1.5	-	-
Provision for doubtful debts		(0.3)	(0.3)	(0.1)	(0.1)
Amounts receivable from subsidiaries		-	-	28.9	46.3
Accrued income, prepayments and deposits		0.4	0.3	0.4	0.3
		9.2	18.1	32.9	55.2
Non-current	20				
Loan to Prime Credit Property Trust [2]		-	-	11.0	-
Loan to equity accounted investments	22	87.7	84.8	-	-
		87.7	84.8	11.0	-

(1) Rental and other amounts due are receivable within 30 days.

(2) This loan is interest free and receivable on demand.

9. Derivatives

	Note	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Current assets	20				
Forward foreign exchange contracts		0.7	6.4	-	2.0
Cross currency swap contracts		-	2.7	-	-
Interest rate swap contracts		-	24.5	-	30.7
		0.7	33.6	-	32.7
Current liabilities	20				
Forward foreign exchange contracts		3.8	-	3.8	-
Cross currency swap contracts		-	-	-	2.8
Interest rate swap contracts		53.3	-	33.2	-
		57.1	-	37.0	2.8

10. Property investments

(a) Summary of carrying amounts

	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Investment properties:				
Current	37.9	-	-	-
Non-current	2,158.2	2,481.5	734.6	797.2
Properties under construction - non-current	-	56.3	-	56.3
	2,196.1	2,537.8	734.6	853.5

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

10. Property investments (continued)

(b) Individual valuations and carrying amounts

Property	Cost to date	Latest external valuation		Carrying amount		Capitalisation rate		Discount rate	
		Date	Valuation	2009	2008	2009	2008	2009	2008
	$m		$m	$m	$m	%	%	%	%
Investment property									
Prime Credit Property Trust - current									
412 St Kilda Rd									
Melbourne Vic	36.7	31 Dec 08	45.0	37.9	-	8.5%	-	9.5%	-
Parent - non-current									
10-20 Bond St (5)									
Sydney NSW	354.9	30 Jun 09	109.0	109.0	150.0	7.3%	5.9%	9.3%	8.3%
Hitachi Complex									
Brisbane Qld	117.1	30 Jun 09	188.5	188.5	219.0	8.5%	7.5%	9.5%	9.0%
347 Kent St									
Sydney NSW	187.3	30 Jun 09	244.0	244.0	273.0	6.8%	5.8%	9.0%	8.3%
Times Square									
16-18 Mort St Canberra ACT	56.8	31 Dec 08	57.8	48.1	64.2	9.5%	7.5%	9.5%	8.3%
QBE House									
628 Bourke St Melbourne Vic	80.1	30 Jun 09	85.0	85.0	91.0	8.8%	7.3%	9.8%	8.8%
Wellington Central									
Perth WA	82.7	30 Jun 09	60.0	60.0	-	8.8%	7.8%	9.8%	9.3%
	878.9		744.3	734.6	797.2	7.9%	6.6%	9.4%	8.5%
Subsidiaries - non-current									
NRMA Centre									
388 George St Sydney NSW	156.3	30 Jun 09	170.5	170.5	190.0	7.0%	5.8%	9.0%	8.3%
Budejovicka Alej									
Prague Czech Republic	65.0	31 Dec 08	58.1	54.5	61.4	6.8%	6.0%	9.8%	7.0%
	221.3		228.6	225.0	251.4	7.0%	5.8%	9.2%	8.0%

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

10. Property investments (continued)

Property	Cost to date	Latest external valuation		Carrying amount		Capitalisation rate		Discount rate	
		Date	Valuation	2009	2008	2009	2008	2009	2008
	$m		$m	$m	$m	%	%	%	%
Prime Credit Property Trust - non-current									
990 Whitehorse Rd									
Box Hill Vic	64.6	31 Dec 08	47.9	42.5	56.0	9.0%	8.3%	9.5%	8.5%
Royal Mint Centre									
383 Latrobe St Melbourne Vic	33.5	30 Jun 09	47.2	47.2	54.6	9.0%	7.3%	9.8%	8.8%
1230 Nepean Hwy									
Cheltenham Vic	38.4	31 Dec 08	26.0	22.7	28.0	9.0%	8.3%	9.3%	8.5%
412 St Kilda Rd									
Melbourne Vic	-	-	-	-	47.8	-	7.5%	-	8.5%
Coles Group Headquarters									
800 Toorak Rd Tooronga Vic	61.3	30 Jun 09	61.8	61.8	71.0	8.0%	7.0%	9.3%	8.8%
Australian Government Centre									
Brisbane Qld	128.3	30 Jun 09	263.0	263.0	338.5	8.5%	7.5%	9.3%	8.8%
Campus MLC 105-151 Miller St									
North Sydney NSW	117.7	30 Jun 09	149.0	149.0	172.0	7.8%	6.3%	9.0%	8.3%
151 Clarence St									
Sydney NSW	59.4	31 Dec 08	88.0	74.8	85.0	8.3%	6.8%	9.3%	8.5%
111 Pacific Hwy									
North Sydney NSW	114.3	31 Dec 08	125.0	108.8	128.0	8.0%	6.5%	9.3%	8.3%
Computer Associates Plaza									
Plano Texas USA	69.2	30 Jun 09	51.9	51.9	50.8	9.0%	7.8%	9.5%	9.0%
Noblis Headquarters									
Falls Church Wash DC USA	119.3	31 Dec 08	117.8	89.3	110.6	7.9%	6.0%	8.5%	7.5%

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

10. Property investments (continued)

Property	Cost to date	Latest external valuation		Carrying amount		Capitalisation rate		Discount rate	
		Date	Valuation	2009	2008	2009	2008	2009	2008
	$m		$m	$m	$m	%	%	%	%
Homer Building									
601 13th St Wash DC USA	292.4	30 Jun 09	287.6	287.6	290.6	7.1%	5.3%	8.0%	7.0%
	1,098.4		1,265.2	1,198.6	1,432.9	8.0%	6.7%	8.9%	8.2%
Consolidated - non-current	2,198.6		2,238.1	2,158.2	2,481.5	7.9%	6.6%	9.1%	8.3%
Total investment properties	2,235.3		2,283.1	2,196.1	2,481.5	7.9%	6.6%	9.1%	8.3%
Property under construction									
Parent									
Wellington Central (1)									
Perth WA	-		-	-	56.3				
Total all property investments	2,198.6		2,238.1	2,158.2	2,537.8				

(1) Development of this property was substantially completed during the year. The property is now included in investment properties.

(2) Investment property that has not been valued by external valuers at reporting date is carried at the Responsible Entity's estimate of fair value in accordance with the accounting policy detailed at note 1(m).

(3) Valuations made in a foreign currency have been converted at the rate of exchange ruling at reporting date.

(4) Investment properties that are held for sale and are expected to be realised within twelve months after the reporting date are classified as current.

(5) The tenants which occupy approximately 80% of 10-20 Bond St will be vacating in December 2009; assumptions included in the determination of the fair value of this property includes refurbishment commencing January 2010 and releasing in three equal stages commencing January 2011 and completing in June 2012.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

10. Property investments (continued)

(c) Movements in carrying amounts

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$m	$m	$m	$m
Investment property				
Carrying amount at beginning of year	2,481.5	2,475.5	797.2	807.0
Exchange rate fluctuations	105.6	(58.6)	-	-
Additions to existing property	25.4	24.0	3.6	6.5
Transferred from property under construction	82.7	-	82.7	-
Disposals	-	(87.0)	-	(87.0)
Amortisation of tenant incentives and leasing commissions	(8.5)	(7.7)	(1.3)	(1.1)
Straight line lease revenue recognition	4.1	4.6	0.2	1.2
Net change in fair value	(494.7)	130.7	(147.8)	70.6
Carrying amount at end of year	2,196.1	2,481.5	734.6	797.2
Property under construction				
Carrying amount at beginning of year	56.3	-	56.3	-
Additions	26.4	56.3	26.4	56.3
Transferred to investment property	(82.7)	-	(82.7)	-
Carrying amount at end of year	-	56.3	-	56.3

(d) Tenants' incentives and leasing commissions

The net carrying amounts of investment properties include the unamortised balance of tenants' incentives and leasing commissions as follows:

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$m	$m	$m	$m
Cost	59.5	50.7	5.8	4.0
Accumulated amortisation	(17.3)	(9.2)	(2.5)	(1.2)
	42.2	41.5	3.3	2.8

(e) Leasing arrangements

The investment properties are leased to tenants under long-term operating leases. Lease terms vary between tenants. Future minimum rentals receivable under these leases are:

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$m	$m	$m	$m
Within one year	191.4	173.7	50.2	53.4
Later than one year but not later than five years	500.4	528.1	138.8	144.3
Later than five years	324.2	407.1	137.8	161.3
	1,016.0	1,108.9	326.8	359.0

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11. Equity accounted investments

(a) Details of investments

Name	Principal activity	Ownership interest 2009	Ownership interest 2008
2980 Fairview Park LLC	Real estate investment	50%	50%
900 Third Avenue LP	Real estate investment	49%	49%
DOF Master Fund CV (1)	Real estate investment	13.4%	13.4%
DOF Master Fund CVII (1)	Real estate investment	13.4%	13.4%
DOF Development Fund CV (1)	Real estate investment	13.4%	13.4%
ING Reboi SA	Real estate investment	50%	50%
Neuilly Victor Hugo	Real estate investment	50%	50%
Waltham Winter Street group	Real estate investment	50%	50%

(1) Notwithstanding the reduction in the Group's interest during the 2008 financial year, this investment continues to be equity accounted because the Group retains significant influence by reason of its continuing participation in policy-making processes, particularly decisions about financing and distributions.

	Consolidated 2009 $m	Consolidated 2008 $m
(b) Share of assets and liabilities		
Total assets	1,091.1	1,227.1
Total liabilities	(434.7)	(387.3)
Net assets	656.4	839.8
(c) Share of results		
Revenue	107.3	97.5
Gain/(loss) on change in fair value of:		
Investment properties	(301.0)	25.1
Derivatives	(17.6)	-
Expenses	(65.2)	(63.6)
Profit/(loss) before income tax	(276.5)	59.0
Income tax benefit/(expense)	2.2	(0.9)
Profit/(loss) for the year	(274.3)	58.1

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12. Payables

	Note	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Current liabilities					
Trade payables		14.8	17.8	1.6	0.7
Amounts payable to subsidiaries	22	-	-	175.0	208.7
Financial guarantees of subsidiaries' borrowings		-	-	3.7	3.7
Payables to equity accounted investment	22	4.4	-	-	-
Other payables		4.2	1.7	-	1.1
		23.4	19.5	180.3	214.2
Non-current liabilities					
Financial guarantees of subsidiaries' borrowings		-	-	2.9	6.6
Other payables		0.7	1.2	-	-
		0.7	1.2	2.9	6.6

13. Borrowings

		Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Current liabilities	20				
Loan from Prime Credit Property Trust	(c)	-	-	-	150.0
Non-current liabilities					
Syndicated bank debt	(a)	768.8	887.2	278.9	241.7
Other external debt	(b)	233.8	204.2	-	-
		1,002.6	1,091.4	278.9	241.7

(a) Syndicated bank debt

The syndicated bank debt has two tranches: the first has a limit of $570.0 million expiring in June 2010, and the second has a limit of $855.0 million expiring in June 2012. The undrawn facility at 30 June 2009 is $570 million (2008: $47.8 million) for the first tranche and $86.2 million (2008: $490 million) for the second tranche. The borrowing at reporting date was $147.6 million (2008: nil) denominated in Australian dollars, nil (2008: $313.7 million) denominated in United States dollars and $621.2 million (2008: $573.5 million) denominated in Euros.

The facility contains a negative pledge that imposes certain covenants including maintenance of the following financial ratios:
(i) total look-through liabilities will not exceed 50% of look-through total tangible assets; and
(ii) earnings before borrowing costs and taxation will not be less than 2.5 times borrowing costs.

(b) Other external debt

This comprises two loans. The liability under the first loan was $193.9 million (2008: $161.7 million), including minority interest share, denominated in United States dollars. The Homer Building in Washington, DC that is pledged as security for this loan had a carrying amount at reporting date of $287.6 million (2008: $290.6 million), including minority interest share. This loan is due to mature in January 2012.

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13. Borrowings (continued)

The liability under the second loan at reporting date was $39.9 million (2008: $42.5 million), denominated in Euros. The subsidiary that is the borrower must ensure that the loan to property value ratio (based on the latest external valuation, being 31 December 2008) does not at any time exceed 70% and that the rent to finance costs ratio is not less than 1.5. The property pledged as security had a carrying amount at reporting date of $54.5 million (2008: $61.4 million). This loan is due to mature on 30 June 2011.

(c) Loan from Prime Credit Property Trust

This loan is interest free and payable on demand.

14. Deferred tax liabilities

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$m	$m	$m	$m
The balance comprises temporary differences attributable to:				
Investment properties	36.3	84.5	-	-
Deferred tax (benefit)/expense recognised in the income statement in respect of deferred tax liabilities is attributable to temporary differences arising from:				
Investment properties	(71.3)	12.4	-	-
Deductible temporary differences for which no deferred tax asset has been recognised	31.7	37.1	-	-
Potential tax benefit	4.8	5.6	-	-

15. Issued units

(a) Carrying amounts

	Note	Consolidated		Parent entity	
		2009	2008	2009	2008
		$m	$m	$m	$m
At beginning of year		1,494.0	1,417.6	618.1	589.5
Issued during the year:					
Placements and rights issues		414.5	78.3	207.4	29.3
Distribution reinvestment plan		12.1	-	6.1	-
Unit issue costs		(13.5)	(1.3)	(6.7)	(0.5)
Transfer to net operating income	(d)	(0.4)	(0.6)	(0.3)	(0.2)
At end of year		1,906.7	1,494.0	824.6	618.1

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15. Issued units (continued)

(b) Number of issued units

	Consolidated		Parent entity	
	2009 millions	2008 millions	2009 millions	2008 millions
At beginning of year	1,263.3	1,217.8	1,263.3	1,217.8
Issued during the year:				
Placements and rights issues	518.1	40.7	518.1	40.7
Distribution reinvestment plan	25.1	4.8	25.1	4.8
At end of year	1,806.5	1,263.3	1,806.5	1,263.3

(c) Terms of units

All units are fully paid and rank equally with each other for all purposes. Each unit entitles the holder to one vote, in person or by proxy, at a meeting of unitholders.

(d) Transfer to net operating income

The transfer to net operating income represents the portion of distributions paid to holders of new units for that part of the period to which the distribution relates that occurred before the issue of the units.

16. Reserves

		Consolidated		Parent entity	
		2009 $m	2008 $m	2009 $m	2008 $m
Foreign currency translation					
Balance at beginning of year		(48.7)	(37.9)	(5.2)	-
Translation differences arising during the year		2.5	(10.8)	5.2	(5.2)
Balance at end of year	(a)	(46.2)	(48.7)	-	(5.2)
Share of reserve for net loss on cash flow hedge held by equity accounted investment					
Balance at beginning of year		-	-	-	-
Transfer to reserve		(2.7)	-	-	-
Balance at end of year	(b)	(2.7)	-	-	-
Total reserves at end of year		(48.9)	(48.7)	-	(5.2)

Nature and purpose of reserves

(a) Foreign currency translation

The foreign currency translation reserve records exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

(b) Share of reserves for net loss on cash flow hedge held by equity accounted investment

The share of reserve for net loss on cash flow hedge held by equity accounted investments is used to record the fund's share of the equity accounted investment's loss on a hedge instrument in a cash flow hedge that is determined to be an effective hedge.

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17. Retained earnings

	Note	Consolidated		Parent entity	
		2009	2008	2009	2008
		$m	$m	$m	$m
Balance at beginning of year		842.3	729.7	377.9	274.5
Net profit/(loss) for the year		(764.2)	246.6	(172.7)	153.3
Transfer from issued units	15	0.4	0.6	0.3	0.2
Distributions paid or payable	3	(144.6)	(134.6)	(99.8)	(50.1)
Balance at end of year		(66.1)	842.3	105.7	377.9

18. Commitments

Commitments for capital expenditure on investment property contracted but not provided for at reporting date amounted to $24.5 million (2008: $16.9m), payable within one year, $5.4 million (2008: $6.5m) payable within one to five years and $0.5m payable greater than five years (2008: nil).

19. Capital management

The Group aims to meet its strategic objectives and operational needs and to maximise returns to unitholders through the appropriate use of debt and equity, while taking account of the additional financial risks of higher debt levels.

In determining the optimal capital structure, the Group takes into account a number of factors, including the views of investors and the market in general, the capital needs of its portfolio, the relative cost of debt versus equity, the execution risk of raising equity or debt, and the additional financial risks of debt including increased volatility of earnings due to exposure to interest rate movements, the liquidity risk of maturing debt facilities and the potential for acceleration prior to maturity.

In assessing this risk, the Group takes into account the relative security of its income flows, the predictability of its expenses, its debt profile, the degree of hedging and the overall level of debt as measured by gearing.

The actual capital structure at a point in time is the product of a number of factors, many of which are market driven and to various degrees outside of the control of the Group, particularly the impact of revaluations on gearing levels, the availability of new equity and the liquidity in real estate markets. While the Group periodically determines the optimal capital structure, the ability to achieve the optimal structure may be impacted by market conditions and the actual position may often differ from the optimal position.

The Group’s capital position is primarily monitored through its ratio of total liabilities to total assets (“Leverage Ratio”), calculated on a look-through basis, in which the Group’s interest in its joint ventures and associates are proportionately consolidated based on the Group’s ownership interest. The Group’s medium term strategy is to maintain the Leverage Ratio below 50%. At 30 June 2009, the Leverage Ratio was 45.3%, compared to 39.8% at 30 June 2008, calculated as follows:

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19. Capital management (continued)

	Consolidated 2009 $m	Consolidated 2008 $m
Total consolidated liabilities	1,158.5	1,230.7
Plus share of liabilities of equity accounted investments	434.7	387.3
Less elimination of receivables from and payables to equity accounted investments	(93.7)	- (84.8)
Total look-through liabilities	1,499.5	1,533.2
Total consolidated assets	2,968.9	3,545.4
Less equity accounted investments	(656.4)	(839.8)
Plus share of assets of equity accounted investments	1,091.1	1,227.1
Less elimination of receivables from and payables to equity accounted investments	(93.7)	- (84.8)
Total look-through assets	3,309.9	3,847.9
Gearing ratio	45.3%	39.8%

In addition, the Group monitors the ratio of debt to total assets ("Gearing Ratio"), calculated on a proportional consolidation basis. At 30 June 2009, the gearing ratio was 39.2%, compared to 35.3% at 30 June 2008, calculated as follows:

	Consolidated 2009 $m	Consolidated 2008 $m
Total consolidated borrowings	1,002.6	1,091.4
Plus share of net debt of equity accounted investments	309.8	280.0
Less minority interest share in property level debt	(38.8)	(32.3)
Total look-through liabilities	1,273.6	1,339.1
Total consolidated assets	2,968.9	3,545.4
Less equity accounted investments	(656.4)	(839.8)
Plus share of assets of equity accounted investments	1,091.1	1,227.1
Less minority interest share in assets	(57.5)	(58.1)
Less elimination of receivables from and payables to equity accounted investments	(93.7)	(84.8)
Total look-through assets	3,252.4	3,789.8
Gearing ratio	39.2%	35.3%

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20. Financial instruments

(a) Introduction

The Group's principal financial instruments comprise receivables, payables, interest bearing liabilities, other financial liabilities, cash and short-term deposits and derivative financial instruments.

The main risks arising from the Group's financial instruments are interest rate risk, foreign exchange risk, credit risk and liquidity risk. The Group manages its exposure to these risks primarily through its Treasury Policy. The policy sets out various targets aimed at restricting the financial risk taken by the Group. Management reviews actual positions of the Group against these targets on a regular basis. If the target is not achieved, or forecast not to be achieved, a plan of action is, where appropriate, put in place with the aim of meeting the target within an agreed timeframe. Depending on the circumstances of the Group at a point in time, it may be that positions outside of the Treasury Policy are accepted and no plan of action is put in place to meet the Treasury targets, because, for example, the risks associated with bringing the Group into compliance outweigh the benefits. The adequacy of the Treasury Policy in addressing the risks arising from the Group's financial instruments is reviewed on a regular basis.

While the Group aims to meet its Treasury Policy targets, many factors influence its performance, and it is probable that at any one time it will not meet all its targets. For example, the Group may be unable to negotiate the extension of bank facilities sufficiently ahead of time, so that it fails to achieve its liquidity target. When refinancing loans it may be unable to achieve the desired maturity profile or the desired level of flexibility of financial covenants, because of the cost of such terms or their unavailability. Hedging instruments may not be available, their cost may outweigh the benefit of risk reduction or they may introduce other risks such as mark to market risk. Changes in market conditions may limit the Group's ability to raise capital through the issue of units or sale of properties.

(b) Interest rate risk

The Group's exposure to the risk of changes in market interest rates arises primarily from its use of borrowings. The main consequence of adverse changes in market interest rates is higher interest costs, reducing the Group's profit. In addition, one or more of the Group's loan agreements may include minimum interest cover covenants. Higher interest costs resulting from increases in market interest rates may result in these covenants being breached, providing the lender the right to call in the loan or to increase the interest rate applied to the loan.

The Group manages the risk of changes in market interest rates by maintaining an appropriate mix of fixed and floating rate borrowings. Fixed rate debt is achieved either through fixed rate debt funding or through derivative financial instruments permitted under the Treasury Policy. The policy sets minimum and maximum levels of fixed rate exposure over a five-year time horizon.

At 30 June 2009, after taking into account the effect of interest rate swaps, approximately 87% of the Group's borrowings are at a fixed rate of interest (2008: 73%) (Parent: 100%; 2008: 100%).

Exposure to changes in market interest rates also arises from financial assets such as cash deposits and loan receivables subject to floating interest rate terms. Changes in market interest rates will also change the fair value of any interest rate hedges.

ING Office Fund
Notes to the financial statements
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20. Financial instruments (continued)

(c) Interest rate risk exposure

The Group's exposure to interest rate risk and the effective interest rates on financial instruments at reporting date was:

30 June 2009	Consolidated				
	Floating interest rate	Fixed interest maturing in: Less than 1 year	1 to 5 years	More than 5 years	Total
Principal amounts $m					
Financial assets					
Cash at bank	15.8	-	-	-	15.8
Short term deposits	3.0	-	-	-	3.0
Loans to equity accounted investments	87.7	-	-	-	87.7
Financial liabilities					
Bank debt denominated in AUD	147.6	-	-	-	147.6
Bank debt denominated in €	621.2	-	-	-	621.2
Other external debt denominated in USD	-	-	193.9	-	193.9
Other external debt denominated in €	39.9	-	-	-	39.9
Interest rate swaps:					
- denominated in USD; Fund pays fixed rate[1]	(241.8)	-	241.8	-	-
- denominated in €; Fund pays fixed rate	(678.2)	-	678.2	-	-
Weighted average interest rates					
Financial assets					
Cash at bank	2.7%	-	-	-	na
Short term deposits	3.0%	-	-	-	na
Loans to equity accounted investments	6.0%	-	-	-	na
Financial liabilities					
Bank debt denominated in AUD	3.8%	-	-	-	na
Bank debt denominated in €	1.3%	-	-	-	na
Other external debt denominated in USD	-	-	5.4%	-	na
Other external debt denominated in €	1.1%	-	-	-	na
Interest rate swaps:					
- denominated in USD; Fund pays fixed rate	0.6%	-	4.8%	-	na
- denominated in €; Fund pays fixed rate	1.1%	-	3.9%	-	na

[1] This is made up of two forward start interest rate swaps, the first is for United States dollars 95 million commencing on 19 August 2009 for a term of five years at a fixed rate of 4.99%, the second is for United States dollars 100 million commencing on 19 May 2010 for a term of seven years at a fixed rate of 4.67%.

Other financial instruments of the Group not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

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20. Financial instruments (continued)

The Group's exposure to interest rate risk and the effective interest rates on financial instruments at the end of the previous financial year was:

30 June 2008	Consolidated				
	Floating interest rate	Fixed interest maturing in: Less than 1 year	1 to 5 years	More than 5 years	Total
Principal amounts $m					
Financial assets					
Cash at bank	26.9	-	-	-	26.9
Short term deposits	4.4	-	-	-	4.4
Loans to equity accounted investments	84.8	-	-	-	84.8
Financial liabilities					
Bank debt denominated in USD	313.7	-	-	-	313.7
Bank debt denominated in €	573.5	-	-	-	573.5
Other external debt denominated in USD	-	-	161.7	-	161.7
Other external debt denominated in €	42.5	-	-	-	42.5
Cross currency swaps - receive AUD fixed	-	-	(76.2)	(38.1)	(114.3)
Cross currency swaps - pay USD fixed	-	-	76.2	38.1	114.3
Cross currency swaps - receive AUD fixed	-	-	(47.0)	-	(47.0)
Cross currency swaps - pay € fixed	-	-	47.0	-	47.0
Interest rate swaps:					
- denominated in USD; Fund pays fixed rate[1]	(633.3)	37.4	595.9	-	-
- denominated in €; Fund pays fixed rate	(640.4)	-	640.4	-	-
Weighted average interest rates					
Financial assets					
Cash at bank	6.9%	-	-	-	na
Short term deposits	7.2%	-	-	-	na
Loans to equity accounted investments	6.0%	-	-	-	na
Financial liabilities					
Bank debt denominated in USD	2.7%	-	-	-	na
Bank debt denominated in €	5.0%	-	-	-	na
Other external debt denominated in USD	-	-	5.4%	-	na
Other external debt denominated in €	5.0%	-	-	-	na
Cross currency swaps - receive AUD fixed	-	-	2.8%	2.2%	na
Cross currency swaps - receive AUD fixed	-	-	7.0%	-	na
Cross currency swaps - pay € fixed	-	-	4.3%	-	na
Interest rate swaps:					
- denominated in USD; Fund pays fixed rate	2.7%	-	4.4%	-	na
- denominated in €; Fund pays fixed rate	5.0%	-	4.0%	-	na

[1] This is made up of two forward start interest rate swaps, the first is for United States dollars 95 million commencing on 19 August 2009 for a term of five years at a fixed rate of 4.99%, the second is for United States dollars 100 million commencing on 19 May 2010 for a term of seven years at a fixed rate of 4.67%.

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20. Financial instruments (continued)

The Parent's exposure to interest rate risk and the effective interest rates on financial instruments at reporting date was:

30 June 2009	Parent entity				
	Floating interest rate	Fixed interest maturing in: Less than 1 year	1 to 5 years	More than 5 years	Total
Principal amounts $m					
Financial assets					
Cash at bank	0.2	-	-	-	0.2
Short term deposits	1.2	-	-	-	1.2
Financial liabilities					
Bank debt denominated in AUD	9.0	-	-	-	9.0
Bank debt denominated in €	269.9	-	-	-	269.9
Interest rate swaps:					
- denominated in €; Fund pays fixed rate	(678.2)	-	678.2	-	-
Weighted average interest rates					
Financial assets					
Cash at bank	2.7%	-	-	-	na
Short term deposits	3.0%	-	-	-	na
Financial liabilities					
Bank debt denominated in AUD	3.8%	-	-	-	na
Bank debt denominated in €	0.9%	-	-	-	na
Interest rate swaps:					
- denominated in €; Fund pays fixed rate	1.1%	-	3.9%	-	na

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20. Financial instruments (continued)

The Parent's exposure to interest rate risk and the effective interest rates on financial instruments at the end of the previous financial year was:

30 June 2008	Parent entity				
	Floating interest rate	Fixed interest maturing in: Less than 1 year	1 to 5 years	More than 5 years	Total
Principal amounts $m					
Financial assets					
Cash at bank	0.3	-	-	-	0.3
Short term deposits	1.1	-	-	-	1.1
Financial liabilities					
Bank debt denominated in €	241.7	-	-	-	241.7
Cross currency swaps - receive AUD fixed	-	-	47.0	-	47.0
Cross currency swaps - pay € fixed	-	-	(47.0)	-	(47.0)
Interest rate swaps:					
- denominated in €; Fund pays fixed rate	(640.4)	-	640.4	-	-
Weighted average interest rates					
Financial assets					
Cash at bank	6.9%	-	-	-	na
Short term deposits	7.2%	-	-	-	na
Financial liabilities					
Bank debt denominated in €	5.0%	-	-	-	na
Other external debt denominated in €	5.0%	-	-	-	na
Cross currency swaps - receive AUD fixed	-	-	7.0%	-	na
Cross currency swaps - pay € fixed	-	-	4.3%	-	na
Interest rate swaps:					
- denominated in €; Fund pays fixed rate	5.0%	-	4.0%	-	na

(d) Interest rate sensitivity analysis

The impact of an increase or decrease in average interest rates of 1% (100 basis points) at reporting date, with all other variables held constant, is illustrated in the tables below. This analysis is based on the interest rate risk exposures in existence at balance sheet date. As the Group has no derivatives that meet the documentation requirements to qualify for hedge accounting, there would be no impact on equity (apart from the effect on profit).

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20. Financial instruments (continued)

(i) Increase in average interest rates of 1%

The effect on net interest expense for one year would have been:

	Effect on profit/(loss) after tax			
	Consolidated Higher/(lower)		Parent entity Higher/(lower)	
	2009 $m	2008 $m	2009 $m	2008 $m
Variable interest rate instruments denominated in:				
Australian dollars	(1.4)	0.1	(0.1)	-
Euros	(0.9)	(0.1)	2.6	(1.7)
United States dollars	-	(0.4)	-	-
	(2.3)	(0.4)	2.5	(1.7)

The effect on change in fair value of derivatives would have been:

	Effect on profit/(loss) after tax			
	Consolidated Higher/(lower)		Parent entity Higher/(lower)	
	2009 $m	2008 $m	2009 $m	2008 $m
Variable interest rate instruments denominated in:				
Euros	21.7	1.2	21.7	1.2
United States dollars	11.0	0.1	-	-
	32.7	1.3	21.7	1.2

(ii) Decrease in average interest rates of 1%

The effect on net interest expense for one year would have been:

	Effect on profit/(loss) after tax			
	Consolidated Higher/(lower)		Parent entity Higher/(lower)	
	2009 $m	2008 $m	2009 $m	2008 $m
Variable interest rate instruments denominated in:				
Australian dollars	1.4	(0.1)	0.1	-
Euros	0.9	0.1	(2.6)	1.7
United States dollars	-	0.5	-	-
	2.3	0.5	(2.5)	1.7

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20. Financial instruments (continued)

The effect on change in fair value of derivatives would have been:

	Effect on profit/(loss) after tax			
	Consolidated Higher/(lower)		Parent entity Higher/(lower)	
	2009 $m	2008 $m	2009 $m	2008 $m
Variable interest rate instruments denominated in:				
Euros	(22.8)	(1.2)	(22.8)	(1.2)
United States dollars	(11.6)	(0.1)	-	-
	(34.4)	(1.3)	(22.8)	(1.2)

(e) Foreign exchange risk

By acquiring properties in offshore markets, the Group is exposed to the risk of movements in foreign exchange rates. Foreign exchange rate movements may reduce the Australian dollar equivalent of the carrying value of the Group's offshore properties, and may result in lower Australian dollar equivalent proceeds when an offshore property is sold. In addition, foreign exchange rate movements may reduce the Australian dollar equivalent of the earnings from the offshore properties while they are owned by the Group.

The Group reduces its exposure to the foreign exchange risk inherent in the carrying value of its offshore properties and interests in offshore investments by partly or wholly funding their acquisition using borrowings denominated in the particular offshore currency, and by using derivatives. The Treasury Policy sets a target for minimum and maximum hedging of the carrying value of its offshore properties.

Fully hedging the value of offshore properties and interests in offshore investments exposes the Group to the risk that foreign exchange rate movements cause the Group's Leverage Ratio to increase. To reduce this risk, the Group has closed out its foreign exchange derivatives and redenominated its foreign currency borrowings under its syndicated bank facilities. These actions were completed shortly after reporting date. As a result, the foreign exchange risk inherent in the carrying value of its offshore properties is now hedged solely by the offshore borrowings of the Group and of its associates, leaving the equity value of the Group's investments into Europe and the United States of America exposed to adverse movements in foreign exchange rates.

The Group's exposure to the impact of exchange rate movements on its earnings from its offshore properties is partly mitigated by the foreign denominated interest expense of its foreign denominated borrowings and any derivative hedges. The Group aims to reduce any residual exposure to its earnings arising because of its investment in offshore markets by using forward exchange contracts. The Treasury Policy sets out targets of minimum and maximum hedging of its earnings from offshore properties over a five-year time horizon.

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20. Financial instruments (continued)

(f) Net foreign currency exposure

The Group's net foreign currency monetary exposure, after taking into account the effect of foreign exchange derivatives, as at reporting date is shown in the following table. The net foreign currency exposure reported is of foreign currencies held by entities whose functional currency is the Australian dollar. It excludes assets and liabilities of entities, including the Group's European and United States subsidiaries and equity accounted investments, whose functional currency is not the Australian dollar.

	Net foreign currency asset/(liability)			
	Consolidated		Parent entity	
	2009	2008	2009	2008
	$m	$m	$m	$m
Euros	(269.9)	(241.7)	(269.9)	(241.7)
United States dollars	0.3	1.1	-	-
	(269.6)	(240.6)	(269.9)	(241.7)

(g) Foreign exchange sensitivity analysis

The impact of an increase or decrease in average foreign exchange rates of 10% at reporting date, with all other variables held constant, is illustrated in the tables below. This analysis is based on the foreign exchange risk exposures in existence at balance sheet date. As the Group has no derivatives that meet the documentation requirements to qualify for hedge accounting, there would be no impact on equity (apart from the effect on profit).

(i) Effect of appreciation in Australian dollar of 10%:

	Effect on profit/(loss) after tax			
	Consolidated		Parent Entity	
	Higher/(lower)		Higher/(lower)	
	2009	2008	2009	2008
	$m	$m	$m	$m
Foreign exchange risk exposures denominated in:				
United States dollars	1.5	12.7	-	-
Euros	(3.5)	33.1	(3.5)	33.1
	(2.0)	45.8	(3.5)	33.1

(ii) Effect of depreciation in Australian dollar of 10%:

	Effect on profit/(loss) after tax			
	Consolidated		Parent Entity	
	Higher/(lower)		Higher/(lower)	
	2009	2008	2009	2008
	$m	$m	$m	$m
Foreign exchange risk exposures denominated in:				
United States dollars	(1.8)	(15.6)	-	-
Euros	10.4	(35.1)	10.4	(35.1)
	8.6	(50.7)	10.4	(35.1)

The Responsible Entity believes that the reporting date risk exposures are representative of the risk exposure inherent in the Group's financial instruments.

These tables do not show the effect on equity that would occur from the translation of the financial statements of foreign operations because of the assumed 10% change in exchange rates.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

20. Financial instruments (continued)

(h) Foreign exchange derivatives held

The following tables detail the forward exchange contracts, options and foreign exchange swaps outstanding at reporting date. These have been taken out to mitigate the effect of foreign exchange movements on the financial statements.

At balance sheet date, none of the following foreign exchange derivatives qualifies for hedge accounting and gains and losses arising from changes in fair value have been taken to the income statement. The consolidated loss for the year ended 30 June 2009 was $51.8 million (2008: $0.8 million loss) (Parent entity $17.3 million loss; 2008: $3.2 million loss).

Forward foreign exchange contracts to receive Australian dollars and pay United States dollars were:

Maturing	Weighted average exchange rate 2009	Weighted average exchange rate 2008	Principal amount 2009 AUD m	Principal amount 2009 USD m	Principal amount 2008 AUD m	Principal amount 2008 USD m
			Consolidated			
Within one year	0.6940	0.9110	6.1	4.2	46.5	42.4
Later than one year but not later than five years	0.7616	0.6940	13.7	10.4	11.1	7.7
			19.8	14.6	57.6	50.1

The Parent Entity does not hold any United States dollars forward foreign exchange contracts.

Forward foreign exchange contracts to receive Australian dollars and pay Euros were:

Maturing	Weighted average exchange rate 2009	Weighted average exchange rate 2008	Principal amount 2009 AUD m	Principal amount 2009 EUR m	Principal amount 2008 AUD m	Principal amount 2008 EUR m
			Consolidated			
Within one year	0.5669	0.5960	399.5	226.5	9.8	5.8
Later than one year but not later than five years	0.5179	0.5376	45.0	23.3	49.0	26.4
Later than five years	-	0.4983	-	-	6.9	3.4
			444.5	249.8	65.7	35.6

The Parent Entity holds all the Euro forward foreign exchange contracts in the above table.

Cross currency exchange contracts to receive Australian dollars and pay United States dollars were:

Maturing	Weighted average exchange rate 2009	Weighted average exchange rate 2008	Principal amount 2009 AUD m	Principal amount 2009 USD m	Principal amount 2008 AUD m	Principal amount 2008 USD m
			Consolidated			
Within one year	-	-	-	-	-	-
Later than one year but not later than five years	-	0.8748	-	-	76.2	66.7
Later than five years	-	0.8748	-	-	38.1	33.3
			-	-	114.3	100.0

The Parent Entity does not hold any United States dollars cross currency swap contracts.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

20. Financial instruments (continued)

Cross currency exchange contracts to receive Australian dollars and pay Euros were:

Maturing	Weighted average exchange rate 2009	Weighted average exchange rate 2008	Principal amount 2009 AUD m	Principal amount 2009 EUR m	Principal amount 2008 AUD m	Principal amount 2008 EUR m
			Consolidated			
Later than one year but not later than five years	-	0.6275	-	-	47.0	29.5

The Parent Entity held all the Euro cross currency swap contracts in the prior year.

(i) Credit risk

Credit risk refers to the risk that a counterparty defaults on its contractual obligations resulting in a financial loss to the Group.

The major credit risk for the Group is default by tenants, resulting in a loss of rental income while a replacement tenant is secured and further loss if the rent level agreed with the replacement tenant is below that previously paid by the defaulting tenant. In addition, a default of one the Group's major tenants may trigger the right for one or more of the lenders to the Group to review or call in its loan.

The Group assesses the credit risk of prospective tenants, the credit risk of in-place tenants when acquiring properties and the credit risk of existing tenants renewing upon expiry of their leases. Factors taken into account when assessing credit risk include the aggregate exposure the Group may have to the prospective tenant if the counterparty is already a tenant in the Group's portfolio; the strength of the prospective tenant's business; the level of its commitment to locating in the Group's property; and any form of security, for example a rental bond, to be provided.

The decision to accept the credit risk associated with leasing space to a particular tenant is balanced against the risk of the potential financial loss of not leasing up vacant space.

Rent receivable balances are monitored on an ongoing basis and arrears actively followed up in order to reduce, where possible, the extent of any losses should the tenant subsequently default.

The Responsible Entity believes that the Group's receivables that are neither past due nor impaired do not give rise to any significant credit risk.

Credit risk also arises from deposits placed with financial institutions and derivatives contracts that may have a positive value to the Group. The Group's Treasury Policy sets target limits for credit risk exposure with financial institutions and minimum counterparty credit ratings. Counterparty exposure is measured as the aggregate of all obligations of any single legal entity or economic entity to the Group, after allowing for appropriate set offs which are legally enforceable.

The Group's maximum exposure to credit risk at reporting date in relation to each class of financial instrument is its carrying amount as reported in the balance sheet.

(j) Liquidity risk

The main objective of liquidity risk management is to reduce the risk that the Group does not have the resources available to meet its financial obligations and working capital and committed capital expenditure requirements. The Group's Treasury Policy sets a target for the level of cash and available undrawn debt facilities to cover future committed expenditure in the next year, loan maturities within the next six months and an allowance for unforeseen events such as tenant default.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

20. Financial instruments (continued)

The Group may also be exposed to contingent liquidity risk under its term loan facilities, where term loan facilities include covenants which if breached give the lender the right to call in the loan, thereby accelerating a cash flow which otherwise was scheduled for the loan maturity. The Group monitors adherence to loan covenants on a regular basis, and the Treasury Policy sets targets based on the ability to withstand adverse market movements and remain within loan covenant limits.

The Group monitors its debt expiry profile and aims to achieve staggered maturities, where possible, to reduce refinance risk in any one year. At present the Group has not achieved the desired level of staggered maturities.

The contractual maturities of the Group's financial liabilities at reporting date are reflected in the following table. It shows the undiscounted contractual cash flows required to discharge the liabilities, and related derivative assets, including interest at market rates. Foreign currencies have been converted at rates of exchange ruling at reporting date.

	Consolidated 2009			
	Less than 1 year $m	1 to 5 years $m	More than 5 years $m	Total $m
Trade & other payables	23.4	0.7	-	24.1
Borrowings	30.1	1,070.0	14.9	1,115.0
Derivatives that are liabilities	26.5	27.3	0.1	53.9
	80.0	1,098.0	15.0	1,193.0
Derivatives that are assets	(0.9)	(0.8)	-	(1.7)

	Consolidated 2008			
	Less than 1 year $m	1 to 5 years $m	More than 5 years $m	Total $m
Trade & other payables	19.5	1.2	-	20.7
Borrowings	56.0	1,226.2	-	1,282.2
	75.5	1,227.4	-	1,302.9
Derivatives that are assets	(11.7)	(50.1)	(3.4)	(65.2)

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

20. Financial instruments (continued)

The contractual maturities of the Parent's financial liabilities at reporting date, on the same basis, were:

	Parent entity 2009			
	Less than 1 year	1 to 5 years	More than 5 years	Total
	$m	$m	$m	$m
Trade & other payables	180.3	2.9	-	183.2
Borrowings	5.8	297.1	-	302.9
Derivatives that are liabilities	22.8	13.3	-	36.1
	208.9	313.3	-	522.2

	Parent entity 2008			
	Less than 1 year	1 to 5 years	More than 5 years	Total
	$m	$m	$m	$m
Trade & other payables	214.2	6.6	-	220.8
Borrowings	12.3	271.7	-	284.0
	226.5	278.3	-	504.8
Derivatives that are assets	(9.0)	(34.7)	(3.4)	(47.1)

(k) Fair value of financial assets and liabilities

The carrying amounts of the Group's financial instruments approximate their fair values, except for fixed rate debt as follows:

	Consolidated			
	2009		2008	
	Fair value	Carrying amount	Fair value	Carrying amount
	$m	$m	$m	$m
Other debt	214.3	195.9	171.8	164.0

These fair values have been calculated by discounting the expected future cash flows at prevailing market interest rates varying from 1.5% to 4.2% (2008: 3.6% to 5.0%) depending on the type of borrowing.

21. Auditor's remuneration

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Amounts received or receivable by Ernst & Young for:				
Audit or review of financial reports of the Fund and any other entity in the consolidated entity	316	373	114	139
Other services - assurance related	29	57	12	8
	345	430	126	147

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

22. Related parties

(a) Responsible Entity

The Responsible Entity of both Trusts is ING Management Limited ("IML"), a member of the ING group of companies for which the ultimate holding company is ING Groep NV, a company incorporated in the Netherlands.

(b) Fees of the Responsible Entity and its related parties

	Note	Consolidated 2009 $'000	Consolidated 2008 $'000	Parent entity 2009 $'000	Parent entity 2008 $'000
ING Management Limited:	(i)				
Responsible Entity's fees		10,768	10,253	5,901	4,708
Property management and leasing fees		720	1,033	242	524
ING Clarion Partners LLC:	(ii)				
Asset management fees		3,812	3,958	-	-
Income performance fees		(1,619)	2,212	-	-
Other ING subsidiaries:	(iii)				
Property management and leasing fees		1,924	1,250	-	-
		15,605	18,706	6,143	5,232

(i) IML receives a base fee of 0.52% per annum of total Australian assets up to a value of $1.5 billion, together with 0.45% per annum of total Australian assets in excess of that amount. In addition, it receives property management and leasing fees at commercial rates.

(ii) ING Clarion Partners LLC ("Clarion") receives a base fee of 0.45% of the fair value of United States properties and may receive property management and leasing fees at commercial rates. In addition, Clarion may receive income and capital performance fees if property performance exceeds nominated benchmarks.

(iii) ING Real Estate Investment Management Czech Republic, ING Real Estate Investment Management France and ING Real Estate Investment Management Belgium receive a fee of 0.45% of the fair value of the respective properties they manage.

(c) Holdings of the Responsible Entity and its related parties

Holdings of the Responsible Entity and its related parties (including managed investment schemes for which a related party is the Responsible Entity) as at 30 June 2009, and distributions receivable for the year then ended, were:

Name	Number of units held 000s	Distributions Consolidated 2009 $'000	Receivable Parent entity 2009 $'000
ING Australia Holdings Limited	21,629	2,087	1,440
ING Clarion	578	12	8
ING Fund Management Limited	7,762	1,080	745
ING Investment Management Limited	1,868	84	58
ING Life Limited	3,662	477	329
ING New Zealand	6,544	404	279
ING Real Estate Income Fund	4,282	413	285
ING Real Estate International Investments III BV	63,358	6,083	4,197
	109,683	10,640	7,341

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

22. Related parties (continued)

Holdings of those parties as at 30 June 2008, and distributions receivable for the year then ended, were:

Name	Number of units held 000s	Distributions Receivable Consolidated 2008 $'000	Parent entity 2008 $'000
ANZ Management Investments Limited	4,360	265	99
ING Australia Holdings Limited	21,629	2,325	866
ING Clarion	699	19	7
ING Investment Management Limited	339	47	18
ING Life Limited	4,291	250	93
ING Management Limited	-	91	34
ING New Zealand	1,550	55	20
ING Property Securities Trust	2,960	173	64
ING Real Estate Income Fund	4,282	460	171
ING Real Estate International Investments III BV	75,156	7,537	2,808
ING Tax Effective Fund	3,382	222	83
	118,648	11,444	4,263

(d) Other transactions with the Responsible Entity and its related parties

The Group has borrowings at reporting date totalling $67.5 million (2008: $77.9 million) from ING Real Estate Finance ("INGREF"), a division of ING, as part of the Group's syndicated bank facility. Interest expense on the borrowing for the financial year was $3.3 million (2008: $6.7 million). Further details of the loan are given at notes 13 and 20. In addition, the Group has entered into an interest rate swap with ING Bank N.V, which had a (negative) fair value at reporting date of ($13.7m) million (2008: $13.6 million).

(e) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Responsible Entity.

The names of the directors of the Responsible Entity, and their dates of appointment or resignation, if they were not directors for all of the financial year, are:

Richard Colless AM	Chairman
Philip Clark AM	
Michael Easson AM	
Philip Redmond	
Paul Scully	
David Blight	Resigned 1 December 2008
Hugh Thomson	Alternate director for David Blight – ceased 1 December 2008
Adrian Astridge	Alternate director for David Blight – ceased 1 December 2008

The names of other key management personnel, and their dates of appointment or resignation if they did not occupy their position for all of the financial year, are:

Hugh Thomson	Group Executive Officer
Valentino Tanfara	Fund Chief Executive Officer
David Hunt	Chief Financial Officer

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

22. Related parties (continued)

Key management personnel do not receive any remuneration directly from the Group. They receive remuneration from the Responsible Entity in their capacity as directors or employees of the Responsible Entity or its related parties. Consequently, the Group does not pay any compensation as defined in Accounting Standard AASB 124 *Related Parties* to its key management personnel.

Units held directly, indirectly or beneficially in the Fund by each key management person, including their related parties, were:

	2009 000s	2008 000s
Philip Redmond		
Held at the beginning and end of the financial year	26	26
Paul Scully		
Held at the beginning of the financial year	23	23
Acquisitions	8	-
Held at the end of the financial year	31	23
Hugh Thomson		
Held at the beginning of the financial year	394	371
Acquisitions	-	23
Disposals	(394)	-
Held at the end of the financial year	-	394
Valentino Tanfara		
Held at the beginning of the financial year	500	589
Disposals	(500)	(89)
Held at the end of the financial year	-	500
David Hunt		
Held at the beginning of the financial year	175	167
Acquisitions	2	8
Held at the end of the financial year	177	175

Distributions received and receivable from the Fund by each key management person were:

	2009 $'000	2008 $'000
Philip Redmond	2	3
Paul Scully	3	2
Hugh Thomson	-	41
Valentino Tanfara	-	54
David Hunt	17	19
	22	119

In addition to the above persons, key management personnel as defined in the Accounting Standards includes the Responsible Entity. Details of the remuneration of the Responsible Entity are given at note (b) above. Details of its holdings in the Fund are given at note (c) above.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

22. Related parties (continued)

(f) Transactions with equity accounted investments

The Group has lent and borrowed monies to and from its equity accounted investments on normal commercial terms. Amounts recognised were:

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Amounts receivable at reporting date	89,378	86,298	-	-
Amounts payable at reporting date	4,426	-	-	-

(g) Transactions with subsidiaries

The Parent has lent monies to and borrowed from its subsidiaries. Loans are generally interest free and repayable on demand. Amounts recognised were:

	Parent entity	
	2009	2008
	$'000	$'000
Amounts receivable at reporting date	28,871	46,302
Amounts payable at reporting date	174,996	208,751

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

23. Subsidiaries

Names of subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(d):

Name	Country of residence	Ownership interest 2009 %	2008 %
Clarence Street Sydney Subsidiary Trust	Australia	100	100
Clarence Street Sydney Trust	Australia	100	100
Dutch Office Investments Subsidiary Trust	Australia	100	100
George Street Sydney Subsidiary Trust	Australia	100	100
George Street Sydney Trust	Australia	100	100
ING Office Finance Pty Ltd	Australia	100	100
IOF European Trust No 1	Australia	100	100
IOF European Trust No 2	Australia	100	100
Miller Street North Sydney Trust	Australia	100	100
Prime Credit Property Trust	Australia	100	100
Prime Credit Subsidiary Property Trust No.2	Australia	100	100
Toorak Road Toorak Trust	Australia	100	100
ING Reboi SA	Brussels	100	100
ING Budejovicka Alej as	Czech Republic	100	100
IOF Czech sro	Czech Republic	100	100
SCI IOF Holding	France	100	100
ING Office Real Estate France Sarl	Luxembourg	100	100
ING Office Real Estate Luxembourg Sarl	Luxembourg	100	100
ING Office Malta 1 Limited	Malta	100	100
ING Office Malta 2 Limited	Malta	100	100
2980 Fairview Park LLC	United States of America	100	100
601 Thirteenth Street NW Associates LP	United States of America	80	80
Dutch Office Investments LLC	United States of America	100	100
ING UOC 900 Third Avenue 1 LP LLC	United States of America	100	100
ING UOC 900 Third Avenue 2 GP LLC	United States of America	100	100
ING UOC Falls Church GP LLC	United States of America	100	100
ING UOC Falls Church LP	United States of America	100	100
ING UOC Homer GP LLC	United States of America	100	100
ING UOC Homer LP	United States of America	100	100
ING UOC Plano GP LLC	United States of America	100	100
ING UOC Plano LP	United States of America	100	100
ING UOC Waltham GP LLC	United States of America	100	100
ING UOC Waltham LP	United States of America	100	100
ING US Office Corporation	United States of America	100	100

The Group’s voting interest in its subsidiaries is the same as its ownership interest.

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

24. Segment information

(a) Description of segments

The Group operates in the one business segment, investment in commercial property, in three geographical areas, Australia, the United States of America and Europe.

(b) Segment accounting policies

Segment accounting policies are the same as the Group's policies described in note 1. During the financial year, there were no changes in segment policies that had a material effect on segment information.

(c) Primary reporting format - geographical segments

	Australia $m	United States $m	Europe $m	Total $m
Year ended 30 June 2009				
Segment revenue				
Rental income	156.5	42.9	4.3	203.7
Other property income	15.5	11.9	1.1	28.5
Total segment revenue	172.0	54.8	5.4	232.2
Interest income				1.9
Total revenue				234.1
Segment result				
Segment result	(264.7)	(101.2)	(7.0)	(372.9)
Share of net loss of equity accounted investments		(209.2)	(65.1)	(274.3)
	(264.7)	(310.4)	(72.1)	(647.2)
Interest income				1.9
Net loss on change in fair value of derivatives				(153.9)
Finance costs				(47.5)
Other expenses				(3.1)
Loss before income tax				(849.8)
Segment assets	1,481.2	549.7	918.5	2,949.4
Unallocated				19.5
Consolidated assets				2,968.9
Segment liabilities	46.8	29.9	22.1	98.8
Unallocated				1,059.7
Consolidated liabilities				1,158.5
Other segment information				
Acquisition of investment properties and other non-current assets	41.4	10.4	-	51.8
Carrying amount of investment in associates	-	111.1	545.3	656.4

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

24. Segment information (continued)

	Australia $m	United States $m	Europe $m	Total $m
Year ended 30 June 2008				
Segment revenue				
Rental income	148.1	35.2	3.7	187.0
Other property income	12.5	14.4	1.0	27.9
Total segment revenue	160.6	49.6	4.7	214.9
Interest income				4.3
Total revenue				219.2
Segment result				
Segment result	243.7	24.8	2.8	271.3
Share of net profit/(loss) of equity accounted investments	-	(0.6)	58.7	58.1
	243.7	24.2	61.5	329.4
Interest income				4.3
Net loss on change in fair value of derivatives				(19.6)
Finance costs				(46.6)
Other expenses				(2.5)
Profit before income tax				265.0
Segment assets	2,005.2	710.2	765.1	3,480.5
Unallocated				64.9
Consolidated assets				3,545.4
Segment liabilities	39.5	83.3	16.5	139.3
Unallocated				1,091.4
Consolidated liabilities				1,230.7
Other segment information				
Acquisition of investment properties and other non-current assets	18.1	5.9	-	24.0
Carrying amount of investment in associates	-	252.1	587.7	839.8

ING Office Fund
Notes to the financial statements
Year ended 30 June 2009

25. Notes to the cash flow statements

(a) Reconciliation of profit to net cash flows from operations

	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Net profit/(loss) for the year	(778.4)	251.0	(172.7)	153.3
Adjustments for:				
Straight line lease revenue recognition	(4.1)	(4.6)	(0.2)	(1.6)
Unrealised foreign exchange loss	32.5	5.8	18.0	6.8
Net loss on disposal of investment properties	-	0.6	-	0.6
Net (gain)/loss on change in fair value of:				
Investment properties	494.7	(130.7)	147.8	(70.6)
Derivatives	89.6	19.6	66.9	2.4
Amortisation of tenant incentives and leasing commissions	8.5	7.7	1.3	1.1
Excess of distributions received from equity accounted investments over share of profits	297.6	(30.4)	-	-
Deferred income tax (benefit)/expense	(71.3)	12.4	-	-
Other non-cash items	0.6	(8.9)	(0.1)	(5.4)
Operating profit for the year before changes in working capital	69.7	122.5	61.0	86.6
Changes in working capital:				
(Increase)/decrease in receivables	9.1	7.4	(24.1)	(22.9)
Increase/(decrease) in interest payable	(1.1)	3.3	0.2	(0.3)
Increase/(decrease) in other payables	(2.1)	(1.3)	(3.9)	2.5
Net cash provided by operating activities	75.6	131.9	33.2	65.9

(b) Non-cash financing and investing activities

	Consolidated 2009 $m	Consolidated 2008 $m	Parent entity 2009 $m	Parent entity 2008 $m
Re-investment of distributions pursuant to Distribution Investment Plan	12.1	-	6.1	-

26. Subsequent events

A total of $401.6 million of new equity (after costs) was raised in July 2009. The new equity was raised in the following manner:

	$m
Institutional placement	90.0
Entitlement offer	325.2
Less: Issue costs	(13.6)
	401.6

On 31 July 2009, the Fund sold 412 St Kilda Rd for $42.0 million. The carrying value of the property at 30 June 2009 was $37.9 million, which accounted for selling costs.

On 11 August 2009, the Fund sold Budejovicka Alej for Euro 31.3 million, which reflects the carrying value at 30 June 2009.

ING Office Fund
Directors' declaration
Year ended 30 June 2009

In accordance with a resolution of the directors of ING Management Limited, I state that:

1. In the opinion of the directors:

    (a) the financial statements and notes of Armstrong Jones Office Fund are in accordance with the Corporations Act 2001, including:

        (i) giving a true and fair view of the Parent's and the Group's financial position as at 30 June 2009 and of their performance for the year ended on that date; and

        (ii) complying with Accounting Standards and Corporations Regulations 2001; and

    (b) there are reasonable grounds to believe that Armstrong Jones Office Fund will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made by the chief executive officer and chief financial officer to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ending 30 June 2009.

On behalf of the directors

Richard Colless AM
Chairman
Sydney, 24 August 2009

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Independent auditor's report to the unitholders of Armstrong Jones Office Fund

Report on the Financial Report

We have audited the accompanying financial report of Armstrong Jones Office Fund, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of ING Management Limited, the Responsible Entity of Armstrong Jones Office Fund and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of ING Management Limited as Responsible Entity for Armstrong Jones Office Fund are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1 (b), the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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. These Auditing 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 our 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 follows the directors' report. In addition to our audit of the financial report, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Auditor's Opinion

In our opinion:

1. the financial report of Armstrong Jones Office Fund is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the financial position of Armstrong Jones Office Fund and the consolidated entity at 30 June 2009 and of their performance for the year ended on that date; and

   ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

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

Ernst & Young

Ernst & Young

Douglas Bain
Partner
Sydney
24 August 2009