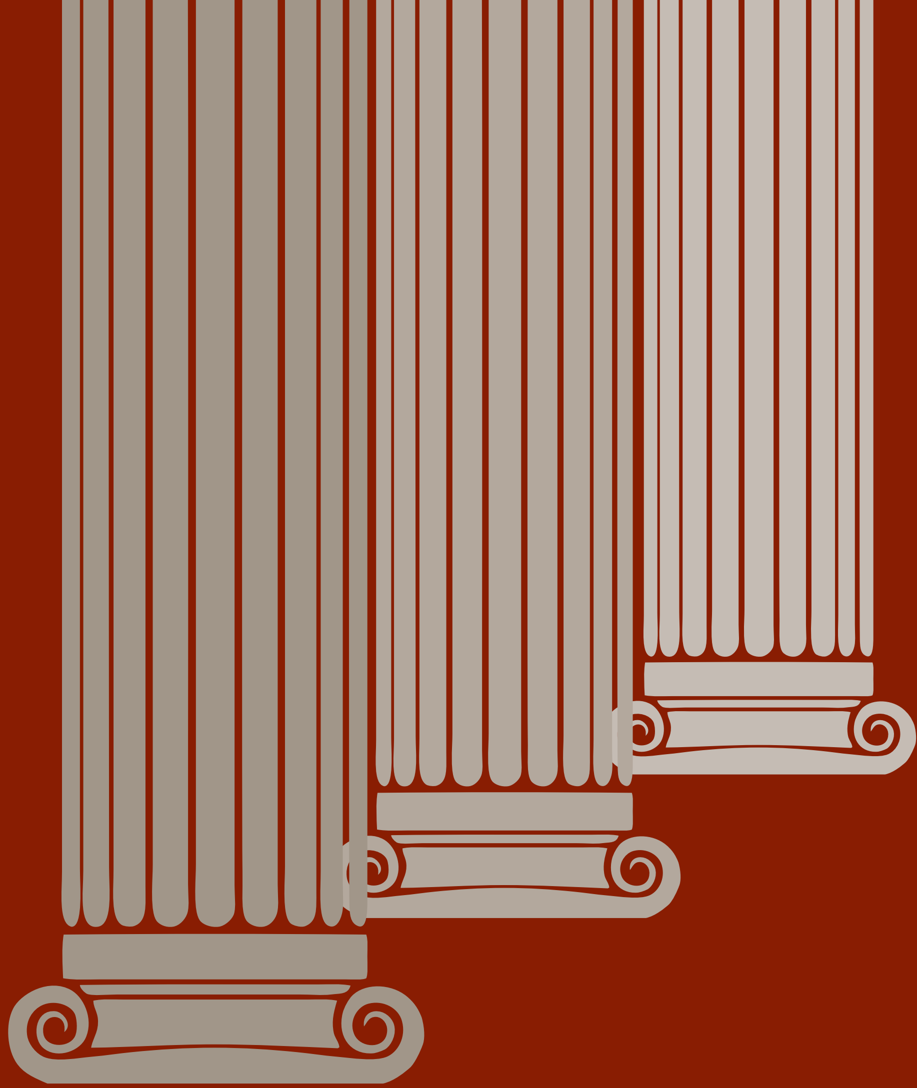

Financial**Report**

vanEyk **Three Pillars**

For the year ended 30 June 2011

vanEyk **Three Pillars**
ABN 91 106 854 175

Contents

For the year ended 30 June 2011

Directory

30 June 2011

Directors
Alan Dixon
Chris Brown
Chris Duffield
Alex MacLachlan
Stuart Nisbett
John Vatovec

Company Secretary
Brian McGarry

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Sydney NSW 2000

Accounting & Administration
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Sydney NSW 2000
Telephone: (02) 9264 5400

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Auditors
MNSA Pty Limited
Level 2, 333 George Street
Sydney NSW 2000
Telephone: (02) 9299 0901

Share Registrar
Boardroom Pty Limited
Level 7, 207 Kent Street
Sydney NSW 2000

Company Secretarial & All Other Enquiries
Brian McGarry
Telephone: 1300 732 413

Shareholder Enquiries	Telephone: (02) 9290 9600
Australian Securities Exchange (ASX) Code	VTP (Ordinary Shares)
Country of Incorporation	Australia

Directors' Review

For the Year Ended 30 June 2011

Operating Results

The company achieved a net loss after tax of $3,907,912 for the year ended 30 June 2011. This in part is due to the extraordinary tax expense of $8,529,155, $6,290,603 of which related to deferred tax asset write down due to the significant reduction in company scale. This compares to a net profit after tax of $8,447,044 for the year ended 30 June 2010.

Revenue from ordinary activities was $5,544,908, consisting net realised and unrealised gains of $5,053,038, dividends of $101,074 and interest of $390,796. This compares with a gain from ordinary activities for the financial year ended 30 June 2010 of $12,498,843, consisting net realised and unrealised gains of $8,596,105, revenues from dividends of $3,459,694 and interest of $443,044. Basic and diluted earnings per share was a loss of 19.6 cents, compared with earnings per share of 7.2 cents for the previous financial year.

Net assets per share (after tax) for the year ended 30 June 2011 was 77.6 cents, a 19.4 cents per share reduction on the previous balance date. This reduction is partly due to the company distributing a 100 per cent franked ordinary interim dividend of 25 cents per share on 1 November 2010.

Capital Return and Share Consolidation

As part of a strategic review, the board reviewed and recommended a range of capital management initiatives in early 2010. On 8 April 2010, Shareholders endorsed the board’s recommendation of a capital reduction amounting to approximately 95 per cent of the value of gross tangible assets, followed by a share consolidation on a 20-for-1 basis. A total of $96,587,286 was handed back to Shareholders on 27 August 2010, being a capital return of 88 cents per share (pre-share consolidation). The share consolidation occurred on 6 September 2010.

Unmarketable Share Parcels

On 11 April 2011, the company completed a buyback of unmarketable share parcels from 1,061 Shareholders, with 311,607 shares bought back by the company for a total consideration of $264,865.95 at a price of 85 cents per share.

Termination of Management Agreements

On 15 April 2011, the company executed a deed of termination and release with its external managers, van Eyk Research Limited, Three Pillars Portfolio Managers Pty Limited and VTP Management Pty Limited (Managers) for the termination of the company’s Management Agreements. The aggregate cash consideration paid to the Managers was $250,000 plus GST. The agreement also included provision for the Managers to provide the company with certain transitional services.

The above actions were undertaken with the intention of achieving the objectives of increasing the value of shares in the company and providing mechanisms for Shareholders to realise their investment in the company at, or close to, the value of the shares' NTA backing in a fair and timely manner.

Voluntary Off Market Buyback

On 8 July 2011, a proposed off-market share buyback was announced to the market. The buyback was for up to 90% of the company’s shares. At a general meeting held on 24 August 2011, shareholders approved the share buyback.

Shareholders representing 3,229,880 shares or 62.38% of the company’s shares were tendered into the buyback. The buyback price was calculated to be 69.2 cents and announced on 18 October 2011. The buyback contracts and payment for shares bought back are to be processed on or around 24 October 2011. The total consideration to be paid for the bought back shares will be $2,235,076.96.

Your board remains committed to maximising company value and will continue to pursue initiatives which achieve this objective. We would like to take this opportunity to thank you for your continued support of van Eyk Three Pillars.

Yours sincerely,

Stuart Nisbett
Chairman

Corporate Governance Statement

For the Year Ended 30 June 2011

This statement outlines the main corporate governance practices adopted by the company, which comply with the ASX Corporate Governance Council Principles and Recommendations (2nd Edition, August 2007) unless otherwise stated.

Structure of the Board

The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report is included in the Directors' Report. Directors of van Eyk Three Pillars Limited are considered to be independent when they are non-executive directors who are not a member of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of judgement.

In the context of director independence, "materiality" is considered from both the company and individual director's perspective. The determination of materiality requires consideration of both quantitative and qualitative elements. An item is presumed to be quantitatively immaterial if it is equal or less than 5% of the appropriate base amount. It is presumed to be material (unless there is qualitative evidence to the contrary) if it is equal to or greater than 10% of the appropriate base amount. Qualitative factors considered include whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangements governing it and other factors which point to the actual ability of the directors in question to shape the direction of the company's loyalty.

In accordance with the definition of independence above, and the materiality thresholds set, the following directors of van Eyk Three Pillars Limited are considered to be independent:

Name	Position
Stuart Nisbett	Chairman, Non-Executive Director
John Vatovec	Non-Executive Director
Alan Dixon	Non-Executive Director
Chris Brown	Non-Executive Director
Chris Duffield	Non-Executive Director
Alex MacLachlan	Non-Executive Director

There are procedures in place, agreed by the board, to enable directors, in furtherance of their duties, to seek independent professional advice at the company's expense.

The term in office held by each director in office at the date of this report is as follows:

Name	Position
Stuart Nisbett	22 Months
John Vatovec	22 Months
Alan Dixon	23 Months
Chris Brown	23 Months
Chris Duffield	23 Months
Alex MacLachlan	23 Months

Recommendation 2.1 requires that "A majority of the board should be independent directors". The company complies with this recommendation. The board comprises six directors, all of whom are considered to be independent. Although Alan Dixon, Chris Brown, Alex MacLachlan and Chris Duffield are all directors or employees of Dixon Advisory Group Limited and also hold some cross directorships (as set out in their biographies in the Directors' Report), the board considers each of these directors to be independent as they each satisfy the independence criteria set out below and are each free of any relationship that could materially interfere with the independent exercise of their judgements.

Recommendation 2.3 requires that "the role of the chair and chief executive officer of the company should not be exercised by the same individual". There is no chief executive officer of the company (for more information refer "Executive Management" in this statement).

Role of the Board

The board's primary role is the protection and enhancement of long-term shareholder value. To fulfill this role the board seeks to address:

(a) The prudential control of the company's operations;
(b) The resourcing, review and monitoring of executive management;
(c) The timeliness and accuracy of reporting to shareholders; and
(d) The determination of the company's broad objectives.

Board Processes

The board has established a number of board committees including a Nomination Committee, Remuneration Committee and an Audit Committee. These committees have written mandates and operating procedures which are reviewed on a regular basis. The board has also established a range of policies which govern its operation.

The board will hold four scheduled meetings each year plus any other strategic meetings as and when necessitated by the company's operations. The agenda for meetings is prepared through the input of the chairman and the company secretary. Standing items include matters of compliance and reporting, financials, shareholder communications and investments strategy and outcomes. Submissions are circulated in advance.

Composition of the Board

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the Directors' Report.

The names of the directors of the company in office at the date of this statement are set out in the Directors' Report.

The composition of the board is determined using the following principles:

- A minimum of three directors
- An independent, non-executive director as chairman
- A majority of non-executive directors

An independent director is considered to be a director:
(a) Who is not a substantial shareholder of the company or an officer of, or otherwise associated directly with, a substantial shareholder of the company;
(b) Who is not a member of management;
(c) Who has not within the last three years been employed in an executive capacity by the company or been a principal of a professional adviser or consultant to the company;
(d) Is not a significant supplier to or customer of the company; and
(e) Has no material contractual relationship with the company other than as a director.

Performance Evaluation of Directors

The Nomination Committee is responsible for the review of the board's performance as a whole. This review is conducted annually. Individual directors are subject to continuous review by the chairman.

Nomination Committee

The Nomination Committee considers the appropriate size and composition of the board, criteria for membership, identification of potential candidates and the terms and conditions of appointment to and retirement from the board.

The Nomination Committee is responsible for:

- Conducting an annual review of the board membership with regard to the present and future requirements of the company and make recommendations as to composition and appointments;
- Review of board succession plans, including succession of the chairman, to maintain an appropriate balance of skills, experience and expertise;
- Conducting an annual review of the time required from non-executive directors, and whether the directors are meeting this;
- Requesting non-executive directors to inform the chair and the chair of the Nomination Committee before accepting any new appointments as directors;
- Conducting an annual review of the independence of directors; and
- Recommendations to the board on necessary and desireable competencies of directors.

The committee's target is to ensure that (as a minimum) directors collectively have investment accounting, general business experience and shareholder representation.

The terms and conditions of the appointment and retirement of non-executive directors are set out in a letter of appointment. The committee is responsible for the performance review of the board and its committees. Individual directors are subject to continuous review by the chairman. Directors whose performance is unsatisfactory are asked to retire.

In addition, the performance of service providers (VTP Management Pty Limited and Three Pillars Portfolio Managers Pty Limited) is the subject of continuous oversight by the chairman and the board as a whole. A performance review of the board as a whole was conducted by the Nomination Committee in accordance with the process disclosed.

The Nomination Committee comprised the following members during the year:

- Stuart Nisbett - Chairman
- John Vatovec - Independent Non-Executive
- Chris Brown - Non-Executive

The Nomination Committee meets annually unless otherwise required. For details on the number of meetings of the Nomination Committee held during the year and the attendees at those meetings, refer to the Directors' Report.

Director Dealing in Company Shares

The company encourages directors to have a significant personal financial interest in van Eyk Three Pillars Limited, by acquiring and holding shares on a long-term basis.

Short term trading in van Eyk Three Pillars Limited's shares by directors is not permitted.

The board has adopted the following policy concerning dealing in van Eyk Three Pillars Limited's shares by directors and officers.

- Insider trading laws prohibit directors and their associates from dealing in the company's shares whilst in possession of price sensitive information that is not generally available.
- Directors and their associates are prohibited from trading in the company's shares during the period of seven days prior to the announcement of financial results, including the company's half year and full year results.
- As a matter of practice, directors and their associates will generally only be able to deal in the company's shares:
  - In the period of two weeks following the release of the company's monthly NTA results;
  - In the period of two weeks following the release of the company's annual results;
  - In the period of two weeks following the release of the company's half yearly results;
  - In the period of two weeks following the Annual General Meeting of the company; and
  - Following the release of a prospectus by the company relating to an issue of shares.

Independent Professional Advice and Access to Company Information

Each director has the right of access to all relevant company information and to the company's service providers and subject to prior consultation with the chairman, may seek independent professional advice at the company's expense. A copy of advice received by the director is made available to all other members of the board.

Remuneration Committee

The Remuneration Committee reviews and makes recommendations to the board on remuneration of the directors themselves. The Remuneration Committee meets once every full calender year. Full details on directors' remuneration are provided in the Directors' Report.

The members of the Remuneration Committee during the year were:

- Stuart Nisbett - Chairman
- John Vatovec - Independent Non-Executive
- Chris Brown - Non-Executive

The responsibility of considering and recommending appropriate remuneration of the independent non-executive directors' packages for the board lies with the Remuneration Committee. Independent non-executive directors are remunerated by way of cash and superannuation contributions. Non independent non-executive directors receive no fees for their duties as director.

For details on the number of meetings of the Remuneration Committee held during the year and the attendees at those meetings, refer to the Directors' Report.

Audit Committee

The Audit Committee has a documented charter, approved by the board. At least two members must be independent non-executive directors. The Audit Committee chairman is not the chairman of the board. A majority of the Audit Committee must have experience in financial and accounting matters. The committee is responsible for considering the effectiveness of the systems and standards of internal control, financial reporting and any other matter at the request of the board. The Audit Committee will meet at least twice per year.

The Audit Committee may have in attendance at their meeting such members of management as may be deemed necessary to provide information and explanations. The external auditors attend meetings by invitation to report to the committee.

The members of the Audit Committee during the year were:

- John Vatovec - Chairman - Independent Non-Executive
- Stuart Nisbett - Independent Non-Executive
- Chris Brown - Independent Non-Executive

Accordingly, the company complies with recommendation 4.2 that the Audit Committee be comprised of only non-executive directors, comprises a majority of independent directors, is chaired by an independent chair and has at least three members.

The responsibilities of the Audit Committee are to ensure that:

1. Relevant, reliable and timely information is available to the board to monitor the performance of the company;
2. External reporting is consistent with committee members' information and knowledge and is adequate for shareholder needs;
3. Management process support external reporting in a format which facilitates ease of understanding by shareholders and institutions;
4. The external audit arrangements are adequate to ensure the maintenance of an effective and efficient external audit. This involves:
   (a) Reviewing the terms of engagement, scope and auditor's independence;
   (b) Recommendations as to the appointment, removal and remuneration of an auditor; and
   (c) Reviewing the provision of non-audit services provided by the external auditor ensuring they do no adversely impact on audit independence.
5. Review the company's risk profile and assess the operation of the company's internal control system.

The external auditor is required to attend the Annual General Meeting and is available to answer shareholder questions.

For details on the number of meetings of the Audit Committee held during the year and the attendees at those meetings, refer to the Directors' Report.

Risk Management Policy

The board acknowledges that it is responsible for the overall system of internal control but recognises that no cost effective internal control system will preclude all errors and irregularities. The board has delegated responsibility for reviewing the risk profile and reporting on the operation of the internal control system to the Audit Committee.

The Audit Committee (a) requires executive management to report annually on the operation of internal controls, (b) reviews the external audit of internal controls and liaises with the external auditor and (c) conducts any other investigations and obtains any other information it requires in order to report to the board on the effectiveness of the internal control system. In respect of the current financial year all necessary declarations have been submitted to the board.

The board identifies the following business risks as having the potential to significantly or materially impact the company's performance (a) administrative risks including operational, compliance and financial reporting (b) market related risks.

Administrative Risks
The company has outsourced its administrative functions to service providers, JPMorgan Chase Bank, National Association (Sydney Branch) (custody) and DFK Laurence Varnay (accounting - previously outsourced to White Outsourcing Pty Limited). Accordingly risk issues associated with these activities are handled in accordance with the service providers' policies and procedures. DFK Laurence Varnay is responsible for recognising and managing administrative risks including (a) operational, (b) compliance and (c) financial reporting (these responsibilities were formerly charged to White Outsourcing Pty Limited).

The company secretary provides a declaration to the board twice annually, to certify that the company's financial statements and notes present a true and fair view, in all material respects, of the company's financial condition and operational results and that they have been prepared and maintained in accordance with relevant accounting standards and the Corporations Act 2001. In respect of the current financial year all necessary declarations have been submitted to the board.

Market Risks
The board is primarily responsible for recognising and managing market related risks. By its nature as a Listed Investment Company, the company will always carry investment risk because it must invest its capital in securities which are not risk free.

The Audit Committee and the board perform a risk review on an annual basis to ensure that adequate controls are in place to mitigate risk associated with investment manager performance, market risk, fraud, transaction reporting errors, material reporting risks and compliance risk.

Executive Management

Until 15 April 2011, the company's operations were conducted through Three Pillars Portfolio Managers Pty Limited (investment manager) and White Outsourcing Pty Limited as engaged by VTP Management Pty Limited (Administration Manager). These entities incorporate the specialist wholesale investment and administration personnel who have undertaken the company's executive operations since inception. The company has contracted with Three Pillars Portfolio Managers Pty Limited (via van Eyk Research) and VTP Management Pty Limited to provide all investment management and administration services. Post the termination of the management agreements the board has taken control over investments and it is expected that DFK Laurence Varnay will take the place of White Outsourcing Pty Limited in assisting with the company's accounting and other administrative executive operations.

The company's executive management arrangements have been structured to provide investors with a cost efficient investment vehicle and access to a significant depth of professional resources.

Ethical Standards

The board expects all directors to act professionally in their conduct and with the utmost integrity and objectivity. All directors must comply with the company's code of conduct and ethics.

The board monitors its outsourced service providers compliance with the company's code of conduct and ethics, which is accessible to outside parties via the company's website.

Shareholder Rights

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of directors, changes to the constitution and are able to receive annual and interim financial statements if requested. Shareholders are strongly encouraged to attend and participate in the Annual General Meetings of van Eyk Three Pillars Limited, to lodge questions to be responded by the board, and are able to appoint proxies.

Shareholder Communications

The board informs shareholders of all major developments affecting the company's state of affairs as follows:
- All information lodged with the ASX is available on ASX's website at www.asx.com.au
- A hard copy Annual Report will be mailed to shareholders who have requested to receive one at the close of the financial year. An electronic version of the Annual Report will be available on the company's website.
- As a minimum net asset backing per share is released to the ASX by the 14th day following each month-end.

The company secretary is responsible for ensuring van Eyk Three Pillars Limited complies with its continuous disclosure obligations.

Corporate Governance Statement

For the Year Ended 30 June 2011

Until 15 April 2011, relevant staff of Three Pillars Portfolio Managers Pty Limited and White Outsourcing Pty Limited were made aware of these obligations and are required to report any price sensitive information to the company secretary immediately, once they become aware of it. DFK Laurence Varnay has replaced White Outsourcing Pty Limited in this capacity. The company secretary in consultation with a director will decide whether the information should be disclosed to the ASX.

Where possible, all continuous disclosure releases to the ASX are approved by the board, except the monthly net asset backing per share which was approved by Three Pillars Portfolio Managers Pty Limited in consultation with White Outsourcing Pty Limited (since 1 May 2011 DFK Laurence Varnay has replaced White Outsourcing Pty Limited in this capacity). Where time does not permit approval by the board, the chairman of directors must approve the release.

Any information of a material nature affecting the company is disclosed to the market through release to the ASX as soon as the company becomes aware of such information, in accordance with the ASX continuous disclosure requirements. All ASX releases are available on the company's website.

Board policies and charters covering the following are available on the company's website:

- Board Charter
- Appointment and Selection of Directors Policy
- Nomination Committee Charter
- Code of Conduct and Ethics
- Audit Committee Charter
- Remuneration Committee Charter
- Disclosure Policy
- Communication Policy
- Risk Management Policy
- Performance Evaluation Policy
- Trading Policy

Portfolio Shareholdings

As At 30 June 2011

Security	Value ($)	% of Portfolio
Vanguard Australian Shares Index ETF	3,839,718	92.58%
Cash at Bank	307,962	7.42%
TOTAL	**4,147,680**	**100%**

The accompanying notes form part of these financial statements.

Directors' Report

For the Year Ended 30 June 2011

Your directors present their report on van Eyk Three Pillars Limited for the financial year ended 30 June 2011.

Directors

The names of directors in office at any time during or since the end of the year are:

Stuart Nisbett (Chairman, Non-Executive Director)
John Vatovec (Non-Executive Director)
Alan Dixon (Non-Executive Director)
Chris Brown (Non-Executive Director)
Chris Duffield (Non-Executive Director)
Alex MacLachlan (Non-Executive Director)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company secretary

Brian McGarry is a Fellow of the Australian Society of Accountants and is a Fellow of the Institute of Chartered Secretaries and Administrators. His career has included appointments as company secretary for such listed entities as General Property Trust and, from 2001, Investa Property Trust.

Principal activities

The principal activity of the company during the year was investment in securities listed on the Australian Stock Exchange.

No significant changes in the nature of the entity's activity occurred during the financial year.

Dividends Paid

An ordinary dividend of $1,372,268 (25 cents per share) was paid on 1 November 2010.

Operating Results and Financial Review

	2011 $	2010 $
Profit from ordinary activities before income tax expense	4,621,243	10,871,661
Income tax expense	(8,529,155)	(2,424,617)
(Loss)/Profit from ordinary activities after income tax expense	(3,907,912)	8,447,044

Directors' Report (continued)

For the Year Ended 30 June 2011

The net assets of the company have decreased by $102,342,395 since 30 June 2010 to $4,022,753 as at 30 June 2011. This decrease is primarily an outcome of the capital return to shareholders, share buy-back and a reduction in the value of the trading portfolio.

The net tangible asset backing of the company as at 30 June 2011 was 78 cents per share. This is a decrease from 97 cents per share as at 30 June 2010.

Significant Changes in the State of Affairs

On 27 August 2010, a capital return of $96,587,286 was undertaken, being equal to 88 cents per share.

On 6 September 2010, a share consolidation occurred on a 20 for 1 basis.

On 11 April 2011, 311,607 shares were bought back at a price of 85 cents per share under the Non Marketable Parcels Program.

The above actions were undertaken with the intention of achieving the objectives of increasing the value of shares in the company and providing mechanisms for shareholders to realise their investment in the company at, or close to, the value of the shares' net tangible asset (NTA) backing in a fair and timely manner.

Other than the above, no significant changes in the company's state of affairs occurred during the financial year.

Events Subsequent to Statement of Financial Position Date

On 8 July 2011, a proposed share buy-back was announced to the market. This buy-back proposal will give shareholders the choice to remain in the company or receive in cash the then effective NTA value of their shares. Full details of the buy-back proposal were sent to shareholders together with a notice of an extraordinary general meeting (EGM) on 21 July 2011. The date of the EGM is scheduled to be 24 August 2011.

Other than the matters described above, no other matter or circumstance has arisen since the end of the financial year which has significantly affected or may significantly affect the company's operations or results in future years, or the company's state of affairs in future years.

Environmental Issues

The company's operations are not subject to any significant environmental regulations under the law of the Commonwealth and State.

To the extent that any environmental regulations may have an incidental impact on the company's operations, the directors of the company are not aware of any breach by the company of those regulations.

Likely Developments and Expected Results of Operations

The company will continue to pursue its investment objectives for the long term benefit of the members. This will require continual review of the investment strategies that are currently in place and may require changes to these strategies to maximise returns.

Directors' Benefits

No Director of the company has received or become entitled to receive a benefit, other than a remuneration benefit as disclosed in the directors' report, by reason of a contract made by the company or a related entity with the director or with a firm of which he is a member, or with a company in which he has a substantial interest.

Directors' Report (continued)

For the Year Ended 30 June 2011

Information on directors

Director Name and Title	Stuart Nisbett (Chairman, Non-Executive Director)
Qualifications, Experience & Special Responsibilities	Managing Director, Archerfield Capital Partners; Previously Executive Director, Head of Property Funds, ANZ Institutional Bank; Previously Managing Director and Head of Property Investment Banking, N M Rothschild; Previously Director, Property Investment Banking Macquarie Bank; Previously Senior Development & Finance Executive Lend Lease Group; Stuart holds a Bachelor of Commerce and Master of Commerce from the University of New South Wales and is a member of the Institute of Chartered Accountants in Australia.
Direct Interest in Shares	Nil
Indirect Interest in Shares	Nil

Director Name and Title	John Vatovec (Non-Executive Director)
Qualifications, Experience & Special Responsibilities	Non-Executive Vice Chairman, Arowana Capital Managing Partner, Firefox Capital Previously International Portfolio Manager, Lowy Family Group; Previously Divisional Director, Macquarie Group; Previously Portfolio Manager & Analyst, Prudential; John holds a Bachelor of Commerce from the University of NSW.
Direct Interest in Shares	Nil
Indirect Interest in Shares	Nil

Director Name and Title	Alan Dixon (Non-Executive Director)
Qualifications, Experience & Special Responsibilities	Managing Director, Dixon Advisory & Superannuation Services Limited; Director, Dixon Advisory & Superannuation Services Limited, Responsible Entity and Manager of the US Masters Residential Property Fund; Director, Australian Masters Corporate Bond Fund No. 1, No. 2, No. 3, No. 4 & No. 5; Director, Australian Masters Yield Fund No. 1 & No. 2; Non-Executive Director, Asian Masters Fund Limited; Non-Executive Director, Global Resource Masters Fund Limited; Alan holds a Bachelor of Commerce from the Australian National University and is a Member of the Institute of Chartered Accountants in Australia.
Direct Interest in Shares	Nil
Indirect Interest in Shares	84,534

Director Name and Title	Chris Brown (Non-Executive Director)
Qualifications, Experience & Special Responsibilities	Managing Director, Strategy, Dixon Advisory & Superannuation Services Limited; Director, Dixon Advisory & Superannuation Services Limited, Responsible Entity and Manager of the US Masters Residential Property Fund; Director, Australian Masters Corporate Bond Fund No. 1, No. 2, No. 3, No. 4 & No. 5; Director, Australian Masters Yield Fund No. 1 & No. 2; Previously Executive Director, Investment Banking, UBS AG; Chris has a Bachelor of Chemical Engineering with 1st class honors and a Bachelor of Commerce from Sydney University.
Direct Interest in Shares	Nil
Indirect Interest in Shares	2,250

Information on directors continued

Director Name and Title	Chris Duffield (Non-Executive Director)
Qualifications, Experience & Special Responsibilities	Executive Director, Dixon Advisory & Superannuation Services Limited; Property Division Head, Dixon Advisory & Superannuation Services Limited; Previously held roles across the UK & Europe, including assisting with the demerger and restructure of Allergen and AMO; Chris holds a Bachelor of Economics and a Bachelor of Information Technology both from the Australian National University.
Direct Interest in Shares	Nil
Indirect Interest in Shares	Nil

Director Name and Title	Alex MacLachlan (Non-Executive Director)
Qualifications, Experience & Special Responsibilities	Managing Director, Funds Management, Dixon Advisory & Superannuation Services Limited; Director, Dixon Advisory & Superannuation Services Limited, Responsible Entity and Manager of the US Masters Residential Property Fund; Managing Director, Global Resource Masters Fund Limited; Director, Australian Masters Corporate Bond Fund No. 1, No. 2, No. 3, No. 4 & No. 5; Director, Australian Masters Yield Fund No. 1 & No. 2; Director, Asian Masters Fund Limited. Previously Head of Energy, Australasia, UBS AG; Alex has a Bachelor of Arts from Cornell University and a Masters of Business Administration from The Wharton School, University of Pennsylvania.
Direct Interest in Shares	Nil
Indirect Interest in Shares	Nil

Meetings of Directors

The following table sets out the number of meetings of the company's directors held during the year ended 30 June 2011, and the numbers of meetings attended by each director of the company:

	Directors' Meetings		Audit Committee		Remuneration Committee		Nomination Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Stuart Nisbett (Chairman, Non-Executive Director)	5	5	2	2	1	1	1	1
John Vatovec (Non-Executive Director)	5	5	2	2	1	1	1	1
Alan Dixon (Non-Executive Director)	5	4	-	-	-	-	-	-
Chris Brown (Non-Executive Director)	5	5	2	2	1	1	1	1
Chris Duffield (Non-Executive Director)	5	4	-	-	-	-	-	-
Alex MacLachlan (Non-Executive Director)	5	5	-	-	-	-	-	-

Remuneration Report and Policy

The Board determines the remuneration structure of the Managing Director and Non-Executive Directors based on the recommendation of the Remuneration Committee, having regard to the scope of the company’s operations and other

Directors' Report (continued)

For the Year Ended 30 June 2011

Remuneration Report and Policy continued

relevant factors including the frequency of board meetings as well as directors' length of service, particular experience and qualifications. The board makes a recommendation to shareholders as to the level of Non-Executive Directors remuneration which is then put to shareholders at the Annual General Meeting for approval.

As the company does not pay performance based remuneration, nor provide share or option schemes to directors and executives, remuneration of executive and non-executive directors is not explicitly linked to the company's performance. Notwithstanding this, board members and company executives are subject to ongoing performance monitoring and regular performance reviews.

Details of the nature and amount of each director and senior executives' emoluments from the company are as follows:

Table of benefits and payments

	short term	post employment	
	Base Fee	Superannuation	
2011	$	$	$
Directors			
Stuart Nisbett	**137,615**	**12,385**	**150,000**
John Vatovec	**68,807**	**6,193**	**75,000**
Alan Dixon	-	-	-
Chris Brown	-	-	-
Chris Duffield	-	-	-
Alex MacLachlan	-	-	-
	206,422	**18,578**	**225,000**

2010			
Directors			
Stuart Nisbett (appointed 12 October 2009)	98,713	8,884	107,597
John Vatovec (appointed 12 October 2009)	49,357	4,442	53,799
David Iliffe (held office until 29 September 2009)	5,718	515	6,233
Andrew Grant (appointed 23 September 2008 and held office until 29 September 2009)	5,718	515	6,233
Cameron McCullagh (held office until 29 September 2009)	-	-	-
Mark Thomas (held office until 29 September 2009)	5,000	-	5,000
Alan Dixon (appointed 29 September 2009)	-	-	-
Chris Brown (appointed 29 September 2009)	-	-	-
Chris Duffield (appointed 29 September 2009)	-	-	-
Alex MacLachlan (appointed 29 September 2009)	-	-	-
Company Secretary			
Brian McGarry	4,920	-	4,920
	169,426	14,356	183,782

Directors' Report (continued)

For the Year Ended 30 June 2011

Insurance of Directors

During the financial year the company has paid insurance premiums to insure directors against liabilities incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

The directors & officers liability of the company insures any past, present or future director, secretary, executive officer or employee of van Eyk Three Pillars Limited.

Options

No options over issued shares or interest in the company were granted during the financial year and there were no options outstanding at the date of this report.

Proceedings on Behalf of the Company

No person has applied to the Court to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

The company was not a party to any such proceedings during the year.

Non-Audit Services

The board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the company and have been reviewed by the Audit Committee to ensure they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in Professional Statement F1 Professional Independence, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the company, acting as an advocate for the company or jointly sharing risks and rewards.

Auditor's independence declaration

The auditor's independence declaration for the year ended 30 June 2011 has been received and can be found on page 16.

This report is made in accordance with a resolution of the directors of the company.

Director: ....
Stuart Nisbett (Chairman, Non-Executive Director)

Dated: 23 August 2011
Sydney

VAN EYK THREE PILLARS LIMITED
ABN 91 106 854 175

AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF VAN EYK THREE PILLARS LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

MNSA P/L

MNSA PTY LTD

Phillip Miller
Director

Dated in Sydney, this 23rd day of August 2011

MNSA PTY LTD
ABN 59 133 605 400

Level 2, 333 George St
Sydney NSW 2000
GPO Box 2943 Sydney 2001

Tel (02) 9299 0901
Fax (02) 9299 8104
Email admin@mnsa.com.au

Statement of Comprehensive Income

For the Year Ended 30 June 2011

	Note	2011 $	2010 $
Revenue from trading portfolio			
Dividends		**101,074**	3,459,694
Interest		**390,796**	443,044
Net unrealised gains/(losses)		**(160,045)**	6,593,865
Realised gain/(loss) on sale of trading portfolio		**5,213,083**	2,002,240
Total profit/(loss) from trading portfolio		**5,544,908**	12,498,843
Expenses			
Management fees		**(344,675)**	(960,831)
Audit fees	10	**(38,473)**	(24,025)
Brokerage		**(12,799)**	(82,898)
Share registry fees		**(83,079)**	(140,614)
Directors' fees		**(225,000)**	(178,862)
Insurance		**(74,685)**	(72,738)
ASX listing fees		**(47,091)**	(51,269)
Legal fees		**(54,315)**	(13,416)
EGM related fees		**-**	(42,404)
Other operating expenses		**(43,548)**	(60,125)
Total Expenses		**(923,665)**	(1,627,182)
Profit before income tax		**4,621,243**	10,871,661
Income tax expense	11	**(8,529,155)**	(2,424,617)
(Loss)/Profit for the year		**(3,907,912)**	8,447,044
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive (loss)/income for the year		**(3,907,912)**	8,447,044
Earnings per share			
Basic and diluted earnings per share (cents)	12	**(19.6)**	7.2

The accompanying notes form part of these financial statements.

Statement of Financial Position

As At 30 June 2011

	Note	2011 $	2010 $
ASSETS			
Cash and cash equivalents	2	**307,962**	15,723,404
Trade and other receivables	3	**35,228**	621,174
Financial Assets	4	**3,839,718**	81,787,871
Other assets	5	**22,917**	102,782
Deferred tax assets	8	**-**	8,456,467
TOTAL ASSETS		**4,205,825**	106,691,698
LIABILITIES			
Trade and other payables	6	**182,659**	309,268
Borrowings	7	**413**	-
Deferred tax liabilities	8	**-**	17,282
TOTAL LIABILITIES		**183,072**	326,550
NET ASSETS		**4,022,753**	106,365,148
EQUITY			
Issued capital	9	**24,661,423**	121,723,638
Accumulated losses		**(20,638,670)**	(15,358,490)
TOTAL EQUITY		**4,022,753**	106,365,148

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2011

2011

	Share Capital	Accumulated Losses	Total
	$	$	$
Balance at 1 July 2010	**121,723,638**	**(15,358,490)**	**106,365,148**
Profit or loss attributable to members	**-**	**(3,907,912)**	**(3,907,912)**
Dividends provided for or paid	**-**	**(1,372,268)**	**(1,372,268)**
Capital return	**(96,587,286)**	**-**	**(96,587,286)**
Shares bought back during the year	**(264,866)**	**-**	**(264,866)**
Costs of issued capital	**(210,063)**	**-**	**(210,063)**
Balance at 30 June 2011	**24,661,423**	**(20,638,670)**	**4,022,753**

2010

	Share Capital	Accumulated Losses	Total
Balance at 1 July 2009	141,540,507	(20,578,729)	120,961,778
Profit or loss attributable to members	-	8,447,044	8,447,044
Dividends provided for or paid	-	(3,226,805)	(3,226,805)
Dividend Reinvestment Plan shares issued for dividend payment	1,215,288	-	1,215,288
Shares bought back during the year	(20,520,390)	-	(20,520,390)
Costs of issued capital	(511,767)	-	(511,767)
Balance at 30 June 2010	121,723,638	(15,358,490)	106,365,148

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2011

	Note	2011 $	2010 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of trading portfolio		**88,714,163**	72,594,692
Payments for purchase of trading portfolio		**(5,712,972)**	(41,355,106)
Dividends received		**660,774**	3,441,594
Interest received		**411,301**	430,238
Management fees paid		**(507,738)**	(971,889)
Other expenses paid		**(546,899)**	(1,369,542)
Net cash provided by operating activities	13	**83,018,629**	32,769,987
CASH FLOWS FROM FINANCING ACTIVITIES			
Share buy-back payment		**(265,000)**	(20,544,844)
Capital return payment		**(96,797,216)**	-
Dividends paid		**(1,372,268)**	(2,011,524)
Net cash (used in) financing activities		**(98,434,484)**	(22,556,368)
Net increase (decrease) in cash and cash equivalents held		**(15,415,855)**	10,213,619
Cash and cash equivalents at beginning of financial year		**15,723,404**	5,509,785
Cash and cash equivalents at end of financial year	2	**307,549**	15,723,404

The accompanying notes form part of these financial statements.

van Eyk Three Pillars Limited is a company domiciled in Australia. The company's registered office is C/- Watson Mangioni, Level 13, 50 Carrington Street, Sydney NSW 2000. The financial statements of van Eyk Three Pillars Limited are for the year ended 30 June 2011. The company is primarily involved in the operations of the financial sector of Australia, making investments and deriving revenue and investment income in securities listed on the Australian Stock Exchange.

1 Statement of Significant Accounting Policies

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards means that the financial statements and notes also comply with International Financial Reporting Standards.

The financial statements cover van Eyk Three Pillars Limited which is a listed public company, incorporated and domiciled in Australia. The financial statements have been prepared on an accruals basis and are based on historical costs with the exception of the revaluation of financial assets and financial liabilities for which the fair value basis of accounting has applied.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current, additional information regarding this is included in the relevant notes.

Investments

(i) Classification

The trading portfolio comprises securities held for short term trading purposes. The purchase and the sale of securities are accounted for at the date of trade. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace conventions.

Securities in the trading portfolio are classified as "assets measured at fair value through the profit or loss statement."

(ii) Valuation and Recognition

Financial instruments are initially measured at fair value on trade dates which excludes transaction costs, where the contractual rights or obligations exist. All securities in the trading portfolio are revalued to market values continuously.

Increments and decrements on the value of the securities in the trading portfolio are taken directly through the Statement of Comprehensive Income in the period in which they arise.

(iii) Income from Holding of Securities

Distributions relating to listed securities are recognised as income when those securities are quoted in the market on an ex-distribution basis unless the distributions are capital returns on ordinary shares in which case the amount of the distribution is treated as an adjustment to the carrying value of the shares.

1 Statement of Significant Accounting Policies continued

(iv) Determination of Fair Value

AIFRS defines fair value for the purpose of valuing holdings of securities that are listed or traded on an exchange to be based on quoted "bid" prices for securities prevailing at the close of business on the balance date.

AASB 139 and AG72 state that the current bid price is usually the appropriate price to be used in measuring the fair value of actively traded financial assets. Financial assets should be valued at their fair values without any deduction for transaction costs that may be incurred on sale or other disposal. Certain costs in acquiring investments, such as brokerage and stamp duty, are expensed in the Statement of Comprehensive Income.

Taxation

The income tax expense/(benefit) for the year comprises current income tax expense/(benefit) and deferred tax expense/(benefit).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense/(benefit) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss..

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective assets and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

1 Statement of Significant Accounting Policies continued

Investment Income

The change in the net fair value of the trading portfolio as mentioned in note 1(ii) above is recognised as income in determining the profit and loss for the year.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

Dividend revenue is recognised when the right to receive a dividend has been established.

The realised gains or losses on the sale of the trading portfolio represent the difference between the net proceeds and the net fair value of the investments at the prior year end or cost if acquired during the year.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

For the purposes of the Statement of Cash Flows, cash includes deposits held at call with financial institutions.

Trade and Other Receivables

Receivables may include amounts for dividends, interest and securities sold. Dividends are receivable when they have been declared and are legally payable. Interest is accrued at the year end from the time of last payment. Amounts received for securities sold are recorded when a sale has occurred. Amounts are generally received within 30 days of being recorded as a receivable.

Trade and Other Payables

Payables represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid at the reporting date. Payables are unsecured and are usually paid within 30 days of recognition.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis except the GST component of investing and financing activities, which are disclosed as operating cash flows.

Loss per Share

Basic loss per share is determined by dividing the operating result after income tax by the weighted average number of ordinary shares on issue during the financial year, adjusted for any bonus element.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

1 Statement of Significant Accounting Policies continued

Functional and Presentation Currency

The functional and presentation currency of the company is Australian Dollars.

Operating Segments

The Company operated in Australia only and the principal activity is investment.

Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2011 reporting periods. The company's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (effective 1 January 2013)

AASB 9 Financial Instruments addresses the classification and measurement of financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not traded. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss. The company has not yet decided how it would classify its financial assets under this new standard.

(ii) Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards (effective 1 January 2011)

In December 2009 the AASB issued a revised AASB 124 Related Party Disclosures. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively. The amendment removes the requirement for governments-related entities to disclose details of all transactions with the government and other governments-related entities and clarifies and simplifies the definition of a related party. The company will apply the amended standard from 1 July 2011. When the amendments are applied, the company would need to disclose any transactions between its subsidiaries and its associates. However, as the company does not have any subsidiaries and associates, the amendment will not have any effect on the company's financial statements.

(iii) AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets (effective for annual reporting periods beginning on or after 1 July 2011)

In November 2010, the AASB issued AASB 2010-6 Disclosures on Transfers of Financial Assets which amends AASB 1 First-time Adoption of Australian Accounting and AASB 7 Financial Instruments: Disclosures to introduce additional disclosures in respect of risk exposures arising from transferred financial assets. The amendments will affect particularly entities that sell, factor, securitise, lend or otherwise transfer financial assets to other parties. The amendments will not have any impact on the company's disclosures. The company intends to apply the amendment from 1 July 2011.

(iv) Amendments to AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (effective for annual reporting periods beginning on or after 1 July 2010 / 1 January 2011)

In June 2010, the AASB made a number of amendments to Australian Accounting Standards as a result of the IASB's

1 Statement of Significant Accounting Policies continued

annual improvements project. The company does not expect that any adjustments will be necessary as a result of applying the revised rules.

(v) AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements (effective from 1 July 2013)

On 30 June 2010 the AASB officially introduced a revised differential reporting framework in Australia. Under this framework, a two-tier differential reporting regime applies to all entities that prepare general purpose financial statements. The company is listed on the ASX and is not eligible to adopt the new Australian Accounting Standards – Reduced Disclosure Requirements. The two standards will therefore have no impact on the financial statements of the entity.

(vi) AASB 2010-8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets (effective from 1 January 2012)

In December 2010, the AASB amended AASB 112 Income Taxes to provide a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model. AASB 112 requires the measurement of deferred tax assets or liabilities to reflect the tax consequences that would follow from the way management expects to recover or settle the carrying amount of the relevant assets or liabilities, that is, through use or through sale. The amendment introduces a rebuttable presumption that investment property which is measured at fair value is recovered entirely by sale. The company will apply the amendment from 1 July 2012. It is currently evaluating the impact of the amendment.

Notes to the Financial Statements

For the Year Ended 30 June 2011

2 Cash and Cash Equivalents

	2011 $	2010 $
Cash at bank and in hand	**307,962**	15,723,404
	307,962	15,723,404

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	Note	2011 $	2010 $
Cash and cash equivalents		**307,962**	15,723,404
Bank overdrafts	7	**(413)**	-
Balance as per statement of cash flows		**307,549**	15,723,404

The credit risk of the company in relation to cash is the carrying amount and any unpaid interest.

3 Trade and Other Receivables

	2011 $	2010 $
GST receivable	**35,228**	26,319
Other receivables	**-**	594,855
	35,228	621,174

Receivables are non-interest bearing and unsecured. Outstanding settlements are on the terms operating in the securities industry, which usually require settlement within three days of the date of a transaction.

The credit risk of the company in relation to receivables is the carrying amount.

4 Financial Assets

	2011 $	2010 $
Listed investments at fair value	**3,839,718**	81,787,871
	3,839,718	81,787,871

5 Other Assets

	2011 $	2010 $
Prepayments	**22,917**	102,782
	22,917	102,782

Notes to the Financial Statements

For the Year Ended 30 June 2011

6 Trade and Other Payables

	2011	2010
	$	$
Sundry payables and accrued expenses	**182,659**	309,268
	182,659	309,268

7 Borrowings

	2011	2010
	$	$
Bank overdraft	**413**	-
	413	-

8 Tax

Recognised deferred tax assets and liabilities

	2011	2010
	$	$
Deferred tax assets	**-**	8,456,467
Deferred tax liabilities	**-**	17,282

	Opening Balance	Charged to Income	Closing Balance
	$	$	$
Deferred tax assets			
Excess franking credits carried forward	2,152,476	(2,152,476)	-
Unrealised losses on trading portfolio	2,281,679	(1,953,291)	328,388
Tax benefit on listing costs and legal fees	337,751	62,641	400,392
Expenses not deductible in current year	4,658	(1,960)	2,698
Deferred tax assets attributable to tax losses	5,881,141	1,843,848	7,724,989
Balance at 30 June 2010	10,657,705	(2,201,238)	8,456,467
Unrealised losses on trading portfolio	**328,388**	**(328,388)**	**-**
Tax benefit on listing costs and legal fees	**400,392**	**(400,392)**	**-**
Expenses not deductible in current year	**2,698**	**(2,698)**	**-**
Deferred tax assets attributable to tax losses	**7,724,989**	**(7,724,989)**	**-**
Balance at 30 June 2011	**8,456,467**	**(8,456,467)**	**-**
Deferred tax liability			
Accrued dividends	10,921	210	11,131
Accrued interest	2,311	3,840	6,151
Balance at 30 June 2010	13,232	4,050	17,282
Accrued dividends	**11,131**	**(11,131)**	**-**
Accrued interest	**6,151**	**(6,151)**	**-**
Balance at 30 June 2011	**17,282**	**(17,282)**	**-**

8 Tax continued

Unrecognised carried forward tax losses

	2011	2010
	$	$
Tax losses	**6,290,603**	-

Carried forward tax losses have not been recognised because it is presently not considered probable that future taxable profit will be available against which van Eyk Three Pillars Limited can utilise the benefits therein.

9 Issued Capital

	2011	2010
	$	$
5,177,466 (2010: 109,758,280) Ordinary Shares	**24,661,423**	121,723,638
	24,661,423	121,723,638

Ordinary shares

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the company. Shareholders are entitled to one vote per share when a poll is called at shareholder meetings. Otherwise each shareholder has one vote on a show of hands.

Capital Management

Capital management by the board is focussed on providing mechanisms for shareholders to realise their investment in the company at, or close to, the value of the shares' net tangible asset backing in a fair and timely manner. Accordingly, the board has sold a significant portion of the company's investment portfolio and conducted a share buy-back and return of capital to shareholders during the year in order to work towards achieving these initiatives. A proposal for another share buy-back was released to the market on 8 July 2011, again with the aim of returning value to shareholders.

10 Auditors' Remuneration

	2011	2010
	$	$
Remuneration of the auditor of the company for:		
- auditing or reviewing the financial report	**35,744**	21,517
- other services	**2,729**	2,508

11 Income Tax Expense

(a) The components of tax expense comprise:

	2011	2010
	$	$
Current income tax expense	**-**	308,627
Origination and reversal of temporary differences	**8,529,155**	2,115,990

11 Income Tax Expense continued

	8,529,155	2,424,617

(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2011	2010
	$	$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2010: 30%)	**1,386,373**	3,261,498
Add:		
Tax effect of:		
- imputation gross-up on dividends received	**28,390**	356,426
- temporary differences	**8,529,155**	-
- non-deductible expenses	**48,013**	-
	9,991,931	3,617,924
Less:		
Tax effect of:		
- rebateable fully franked dividends	**28,390**	1,188,088
- temporary differences	**-**	5,219
Recoupment of prior year tax losses not brought to account	**1,434,386**	-
Income tax expense	**8,529,155**	2,424,617
The applicable weighted average effective tax rates are as follows:	**185%**	22%

The increase in the weighted average effective tax rate for 2011 is a result of the derecognition of prior year deferred tax assets arising substantially from carried forward tax losses.

12 Earnings per Share

(a) Weighted average number of ordinary shares outstanding during the year used in calculating basic earnings per share.

	2011	2010
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic earnings per share	**19,989,898**	117,016,042

(b) Diluted earnings per share is equivalent to basic earnings per share. The company has no securities outstanding which have the potential to convert to ordinary shares and dilute the basic earnings per share.

Notes to the Financial Statements

For the Year Ended 30 June 2011

13 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

	2011 $	2010 $
(Loss)/Profit for the year	**(3,907,912)**	8,447,044
Non-cash flows in profit:		
- net gain on disposal of trading portfolio	**5,213,083**	2,002,240
- unrealised (losses) on fair value of trading portfolio	**(160,045)**	(6,593,865)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**585,946**	(43,781)
- (increase)/decrease in prepayments	**79,865**	(71,798)
- (increase)/decrease in trading portfolio	**72,895,115**	28,136,600
- increase/(decrease) in trade and other payables	**(126,608)**	(1,311,741)
- increase/(decrease) in income taxes payable	**8,439,185**	2,205,288
Cashflow from operations	**83,018,629**	32,769,987

14 Related Party Information

(a) Key management personnel

The names of the persons who were key management personnel of the company during the financial year were:

Alan Dixon
Chris Brown
Chris Duffield
Alex MacLachlan
Stuart Nisbett
John Vatovec

Key management personnel information has been included in the remuneration report section of the Directors' Report.

(b) Key Management Personnel Remuneration

Income paid to key management personnel by the company and related parties in connection with the management of the affairs of the company were:

	2011 $	2010 $
Base salary and fees	**206,422**	164,506
Superannuation	**18,578**	14,356
	225,000	178,862

The directors' remuneration excludes insurance premiums paid and payable by the company in respect of directors' liability insurance.

14 Related Party Information continued

The Remuneration Committee of the Board of Directors of van Eyk Three Pillars Limited is responsible for determining and reviewing compensation arrangements for the directors. The Remuneration Committee assesses the appropriateness of the nature and amount of emoluments of each director on a periodic basis by reference to workload and market conditions. The overall objective is to ensure maximum stakeholder benefit from the retention of a high quality board whilst constraining costs.

Apart from the details disclosed in this note, no director has entered into a material contract with the company during the financial year.

There were no shares granted during the reporting period as compensation.

(c) Shareholdings of Key Management Personnel (and their related entities)

Directors' transactions concerning dividends and ordinary shares are on the same terms and conditions applicable to ordinary members.

In connection with ongoing company secretarial assistance and administrative assistance which included assistance in preparing and lodging ASX and ASIC documents, share buyback review, Board minutes, co-ordinating annual and semi annual reports, notice of meetings, organising shareholder meetings, other shareholder communications and other administrative assistance, Dixon Advisory was paid fees totalling $70,746, including GST. Alan Dixon and Chris Brown are officers and employees and have a financial interest in Dixon Advisory. Alex MacLachlan and Chris Duffield are employees and have a financial interest in Dixon Advisory.

2011
Equity Instruments and Directors Holdings - Ordinary Shares

Name	Balance at 1 July 2010	1 for 20 Share Consolidation	Acquired Holdings	Sold	Shares No Longer Deemed Director Related	Balance at 30 June 2011
Alan Dixon	1,690,658	84,534	-	-	-	84,534
Chris Brown	45,000	2,250	-	-	-	2,250
Chris Duffield	6,000	300	-	(300)	-	-
Alex MacLachlan	10,000	500	-	(500)	-	-
Stuart Nisbett	-	-	-	-	-	-
John Vatovec	-	-	-	-	-	-

2010
Equity Instruments and Directors Holdings - Ordinary Shares

Name	Balance at 1 July 2009	Acquired Holdings	Sold	Shares No Longer Deemed Director Related	Balance at 30 June 2010
Alan Dixon	-	1,690,658	-	-	1,690,658
Chris Brown	-	45,000	-	-	45,000
Chris Duffield	-	6,000	-	-	6,000
Alex MacLachlan	-	10,000	-	-	10,000
Stuart Nisbett	-	-	-	-	-
John Vatovec	-	-	-	-	-
David Iliffe	162,182	-	-	(162,182)	-
Cameron McCullagh	2,721,260	-	-	(2,721,260)	-
Mark Thomas	84,526	-	-	(84,526)	-

15 Segment Information

The company has only one reportable segment. The company operates predominantly in Australia and in one industry being the securities investment industry, deriving revenue from dividend income, interest income and from the sale of its portfolio.

16 Financial Risk Management

The company's financial instruments comprise mainly of deposits with banks, trading portfolio, accounts receivable and payable.

The company's activities expose it to a variety of financial risks: market risk (including price risk), credit risk and liquidity risk.

The Investment Manager reviews and agrees policies for managing each of these risks and they are summarised below. The Investment Manager also monitors the market price risk arising from all financial instruments.

(a) Credit risk

The standard defines this as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The maximum exposure to credit risk excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statement.

There are no other material amounts of collateral held as security at 30 June 2011.

Credit risk is managed as provided in Note 3 with respect to receivables and Note 2 with respect to cash assets. None of these assets are overdue or considered to be impaired.

(b) Liquidity risk

The standard defines this as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Until 15 April 2011, the Investment Manager monitored the cash-flow requirements daily in relation to the trading account taking into account upcoming dividends, tax payments and trading activity. Since this date the board has taken this responsibility.

The company's inward cash-flows depend upon the level of dividend and distribution revenue received. Should these decrease by a material amount, the company would amend its outward cash-flows accordingly. As the company's major cash outflows are the purchase of securities and dividends paid to shareholders, the level of both of these is managed by the board.

Furthermore, the assets of the company are largely in the form of readily tradeable securities which can be sold on-market if necessary.

The table below analyses the company's non-derivative financial liabilities in relevant maturity groupings based on the remaining period to the earliest possible contractual maturity date at the year end date. The amounts in the table are contractual undiscounted cash flows.

16 Financial Risk Management continued

	Less than 1 month		more than 1 month		Total	
	2011	2010	2011	2010	2011	2010
	$	$	$	$	$	$
Financial liabilities due for payment						
Trade and other payables	**182,659**	309,268	**-**	-	**182,659**	309,268
Deferred tax liabilities	**-**	-	**-**	17,282	**-**	17,282
Bank overdrafts	**413**	-	**-**	-	**413**	-
Total contractual outflows	**183,072**	309,268	**-**	17,282	**183,072**	326,550

(c) Market risk

The standard defines this as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

By its nature as a Listed Investment Company that invests, the company can never be free of market risk as it invests its capital in securities which are not risk free - the market price of these securities can fluctuate.

A general fall in market prices of 5 per cent and 10 per cent, if spread equally over all assets in the investment portfolio would lead to a reduction in the company's equity of $134,390 (2010: $2.9 million) and $268,780 (2010: $5.8 million) respectively, assuming a flat tax-rate of 30 per cent.

Refer to Portfolio Shareholdings for details on the individual securities that comprise the company's investment portfolio at 30 June 2011.

The company is not directly exposed to currency risk as all its investments are quoted in Australian Dollars.

(d) Interest rate risk

The Company's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

Sensitivity analysis - interest rate risk

An increase of 75 basis points in interest rates as at the reporting date (assuming a flat tax rate of 30 per cent) would have increased the company's equity and revenue from trading portfolio by $1,617 (2010: $82,548). A decrease of 75 basis points would have an equal but opposite effect.

16 Financial Risk Management continued

(e) Fair value hierarchy

The company classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes ‘observable’ requires significant judgement by the directors. The directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The table below sets out the company’s financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2011. Comparative information has not been provided as permitted by the transitional provisions of the new rules.

	Level 1 $	Level 2 $	Level 3 $	Total $
Financial Assets				
Listed Equities	3,839,718	-	-	3,839,718
	3,839,718			3,839,718

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities, certain unlisted unit trusts and exchange traded derivatives.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. The company has no investments that are classified within level 2.

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. The company has no investments that are classified within level 3.

17 Dividends

	2011 $	2010 $
The following dividends were declared and paid:		
Ordinary dividend of 25 (2010: 2.5) cents per share paid on 1 November 2010	**1,372,268**	3,226,805
	1,372,268	3,226,805

17 Dividends continued

Franking account

	2011	2010
	$	$
The franking credits available for subsequent financial years at a tax rate of 30%	**73,035**	633,759

The above available balance is based on the dividend franking account at year-end adjusted for:

(a) Franking credits that will arise from the payment of the current tax liabilities;

(b) Franking debits that will arise from the payment of dividends recognised as a liability at the year end;

(c) Franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.

The ability to use the franking credits is dependent upon the entity's future ability to declare dividends.

18 Events Occuring After the Statement of Financial Position Date

The financial statements were authorised for issue on 23 August 2011 by the board of directors.

On 8 July 2011, a proposed share buy-back was announced to the market. This buy-back proposal will give shareholders the choice to remain in the company or receive in cash the then effective NTA value of their shares. Full details of the buy-back proposal were sent to shareholders together with a notice of an extraordinary general meeting (EGM) on 21 July 2011. The date of the EGM is on 24 August 2011.

There has not been in the interval between the end of the financial period and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the company, to significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity, in future financial years.

19 Contingent Liabilities and Contingent Assets

The directors are not aware of any potential liabilities or claims against the company as at the date of the Directors' Report.

20 Company Details

The registered office of the company is:

C/- Watson Mangioni
Level 13
50 Carrington Street
Sydney NSW 2000

Principal place of business:

Level 16
100 Pacific Highway
North Sydney NSW 2060

van Eyk Three Pillars Limited
ABN 91 106 854 175

Directors' Declaration

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 17 to 35, are in accordance with the *Corporations Act 2001* and:

   a. comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

   b. give a true and fair view of the financial position of the company as at 30 June 2011 and of the performance for the year ended on that date;

2. The directors have declared that of the company:

   a. the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

   b. the financial statements and notes for the financial year comply with the Accounting Standards; and

   c. the financial statements and notes for the financial year give a true and fair view.

3. As at the date of this declaration, in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

....

Stuart Nisbett (Chairman, Non-Executive Director)

Dated: 23 August 2011
Sydney

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VAN EYK THREE PILLARS LIMITED ABN 91 106 854 175

Report on the Financial Report

We have audited the accompanying financial report of van Eyk Three Pillars Limited (the company), which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control 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 control. 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.

Our procedures included reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

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

MNSA PTY LTD
ABN 59 133 605 400

Level 2, 333 George St
Sydney NSW 2000
GPO Box 2943 Sydney 2001

Tel (02) 9299 0901
Fax (02) 9299 8104
Email admin@mnsa.com.au

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In our opinion:

a. the financial report of van Eyk Three Pillars Limited is in accordance with the *Corporations Act 2001*, including:

    i. giving a true and fair view of the company's financial position as at 30 June 2011 and of its 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*; and

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

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 14 of the report of the directors for the year ended 30 June 2011. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the remuneration report of van Eyk Three Pillars Limited for the year ended 30 June 2011, complies with section 300A of the Corporations Act 2001.

MNSA P/L

MNSA PTY LTD

Phillip Miller
Director
Sydney
Dated this 23rd day of August 2011

MNSA PTY LTD
ABN 59 133 605 400
Level 2, 333 George St
Sydney NSW 2000
GPO Box 2943 Sydney 2001
Tel (02) 9299 0901
Fax (02) 9299 8104
Email admin@mnsa.com.au

Members Information

As At 14 October 2011

Substantial Shareholders

The number of substantial shareholders and their associates are set out below:

Shareholders	Number of shares
LOFTUS LANE INVESTMENTS PTY LTD	533,995
LOFTUS LANE INVESTMENTS PTY LIMITED	490,939

Voting Rights

Ordinary Shares

At a general meeting, on a show of hands, every ordinary member present in person shall have one vote for every share held. Proxies present at the meeting are not entitled to vote on a show of hands, but on a poll have one vote for every share held.

Distribution of Equity Security Holders

Holding	No. of Shareholders	Number of Shares
1 - 1,000	496	352,248
1,001 - 5,000	896	1,880,264
5,001 - 10,000	74	508,109
10,001 - 100,000	46	1,009,458
100,000 and over	4	1,427,387
	1,516	5,177,466

There were 116 holders of less than a marketable parcel of ordinary shares as at 14 October 2011.

Members Information

As At 14 October 2011

Twenty Largest Shareholders

	Ordinary shares	
	Number held	**% of issued shares**
LOFTUS LANE INVESTMENTS PTY LTD	533,995	10.31
LOFTUS LANE INVESTMENTS PTY LIMITED	490,939	9.48
MRS JACQUELINE CHIU-YUEH HSU & MR STEPHEN CHIA-KUEI HSU	202,453	3.91
MCNEIL NOMINEES PTY LIMITED	200,000	3.86
CSM INVESTMENT PTY LTD	74,687	1.44
DARMAL PTY LIMITED	66,063	1.28
MR BARRY MARTIN LAMBERT & MRS JOY WILMA LILLIAN LAMBERT	65,122	1.26
COUNT FINANCIAL LIMITED	59,947	1.16
MR JOHN AUSTIN BENNETT	37,853	0.73
MOREY ANKATELL PTY LTD	37,542	0.73
MR GLENN DAVID JACKSON & MRS MERYL RUTH JACKSON	36,500	0.71
LONGMUIR RESOURCES PTY LTD	35,000	0.68
MRS MARGARET ROSE AIKEN	34,500	0.67
L & K INVESTMENTS PTY LIMITED	33,513	0.65
WILMAR ENTERPRISES PTY LTD	32,500	0.63
MS SONYA FORDREE	32,455	0.63
STOKES PARTNERS SUPER FUND PTY LTD	27,236	0.53
MR WILLIAM GEORGE BRITCHFORD	26,061	0.50
ASWIG MANAGEMENT PTY LTD	24,747	0.48
MR PETER DONALD MCKENNA	20,511	0.40
	2,071,624	40.01

Registry

Share registry functions are maintained by Boardroom Pty Limited and their details are as follows:

Level 7
207 Kent Street
Sydney NSW 2000
Shareholder enquiries telephone: (02) 9290 9600

Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Stock Exchange Limited.

Corporate Governance

The company has followed all applicable best practice recommendations set by ASX Corporate Governance Council during the reporting period, unless otherwise stated.

Buyback

The company is not currently undertaking an on-market buyback.

vanEyk **Three Pillars**

ABN 91 106 854 175