

26 September 2007

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Australian Securities Exchange
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20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

CARINDALE PROPERTY TRUST (ASX: CDP) – 2007 ANNUAL REPORT

Attached is the Annual Report for Carindale Property Trust for the year ended 30 June 2007.

Yours faithfully

Westfield Management Limited
Responsible Entity of Carindale Property Trust



Simon Tuxen
Company Secretary

Encl.

2007 ANNUAL REPORT



Westfield Management Limited ABN 41 001 670 579

AFS Licence 230329 as responsible entity of
Carindale Property Trust ARSN 093 261 744

Carindale Property Trust

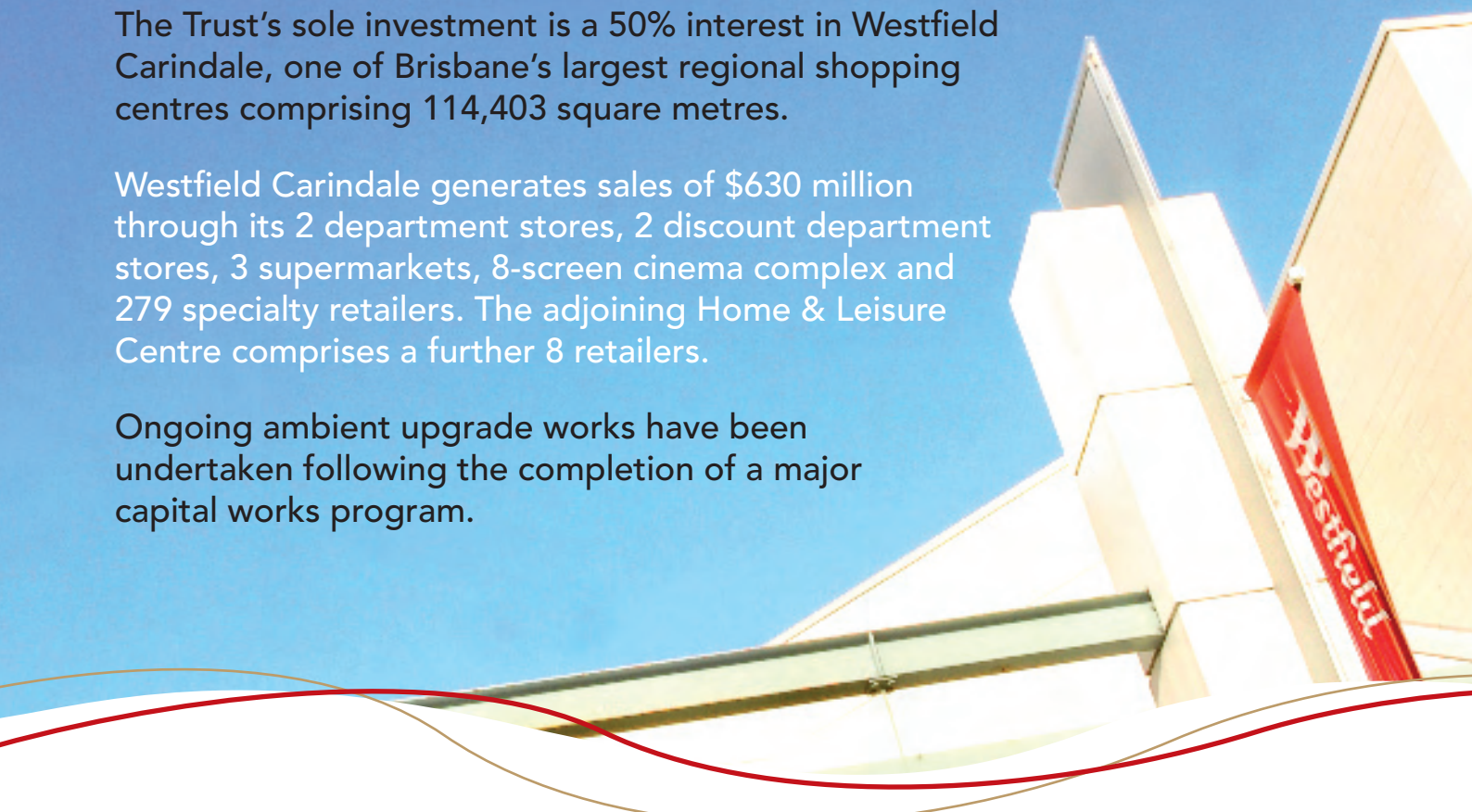
Carindale Property Trust Annual Report 2007

Carindale Property Trust was listed on the Australian Stock Exchange in 1996. As at 30 June 2007 the Trust had a market capitalisation of \$340 million.

The Trust's sole investment is a 50% interest in Westfield Carindale, one of Brisbane's largest regional shopping centres comprising 114,403 square metres.

Westfield Carindale generates sales of \$630 million through its 2 department stores, 2 discount department stores, 3 supermarkets, 8-screen cinema complex and 279 specialty retailers. The adjoining Home & Leisure Centre comprises a further 8 retailers.

Ongoing ambient upgrade works have been undertaken following the completion of a major capital works program.



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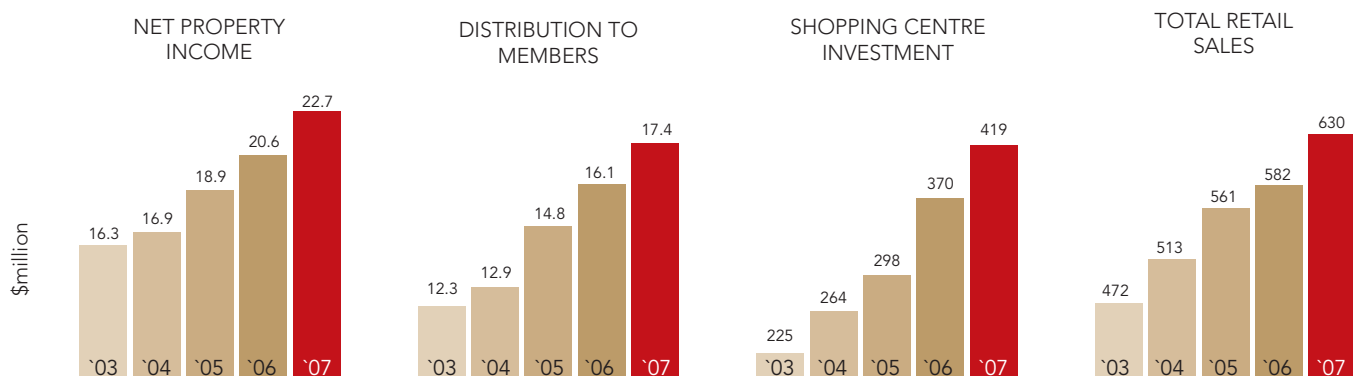
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Financial Highlights

Total retail sales increased 8.3% over the
12 months to **\$630 million**

99% occupancy at **30 June 2007**

Year	2003	2004	2005	2006	2007	% Change 2006 to 2007
Net property income (\$,000)	16,330	16,938	18,933	20,589	22,669	10.1%
Distribution to members (\$,000)	12,301	12,899	14,811	16,059	17,437	8.6%
Distribution per unit (cents)	17.57	18.43	21.16	22.94	24.91	8.6%
Tax advantaged portion (%)	56	46	37	31	24	-
Shopping centre investment (\$,000)	225,000	263,603	297,621	369,540	419,360	13.5%
Total members' funds (\$,000)	183,316	220,095	252,835	319,718	370,396	15.9%
Number of units on issue (million)	70	70	70	70	70	-
Net asset backing per unit	\$2.62	\$3.14	\$3.61	\$4.57	\$5.29	15.8%
Market capitalisation (million)	\$182	\$185	\$224	\$270	\$340	25.9%



Year in Review

Financial Results

Carindale Property Trust (the "Trust") has reported a net profit of \$68.1 million for the year ended 30 June 2007. Excluding the property revaluation increment and other adjustments, profit was \$17.4 million.

The Trust's net property income for the period was \$22.7 million representing a 10.1% increase on the previous year. The growth in earnings has been generated through a capital works program undertaken over the past 2 years combined with ongoing intensive management of the Trust's sole property investment, Westfield Carindale.

An independent valuation of the Trust's 50% interest in Westfield Carindale was undertaken at 30 June 2007 resulting in a \$49.9 million increase in the centre's value to \$419.4 million. This represents a 13.5% increase on the valuation undertaken at 30 June 2006.

Primarily as a result of the property revaluation, total assets of Carindale Property Trust increased 13.7% to \$425.3 million as at 30 June 2007. While borrowings remained at \$41.0 million, the gearing level has reduced to 9.7% of total assets. Total unit holders' funds attributable to members increased 15.9% to \$370.4 million.

The net tangible asset backing as at 30 June 2007 has increased to \$5.29 per unit, an increase of 15.8% on the net tangible asset backing per unit as at 30 June 2006.

Trust Distribution

The total amount distributed to members for the financial year ended 30 June 2007 was \$17.4 million representing a full year distribution of 24.91 cents per unit, up 8.6% on last year's 22.94 cents per unit. An interim distribution of 12.20 cents per unit was paid on 28 February 2007 and the final distribution of 12.71 cents per unit was paid to members on 31 August 2007. The full year distribution is approximately 24% tax advantaged.

Centre Performance

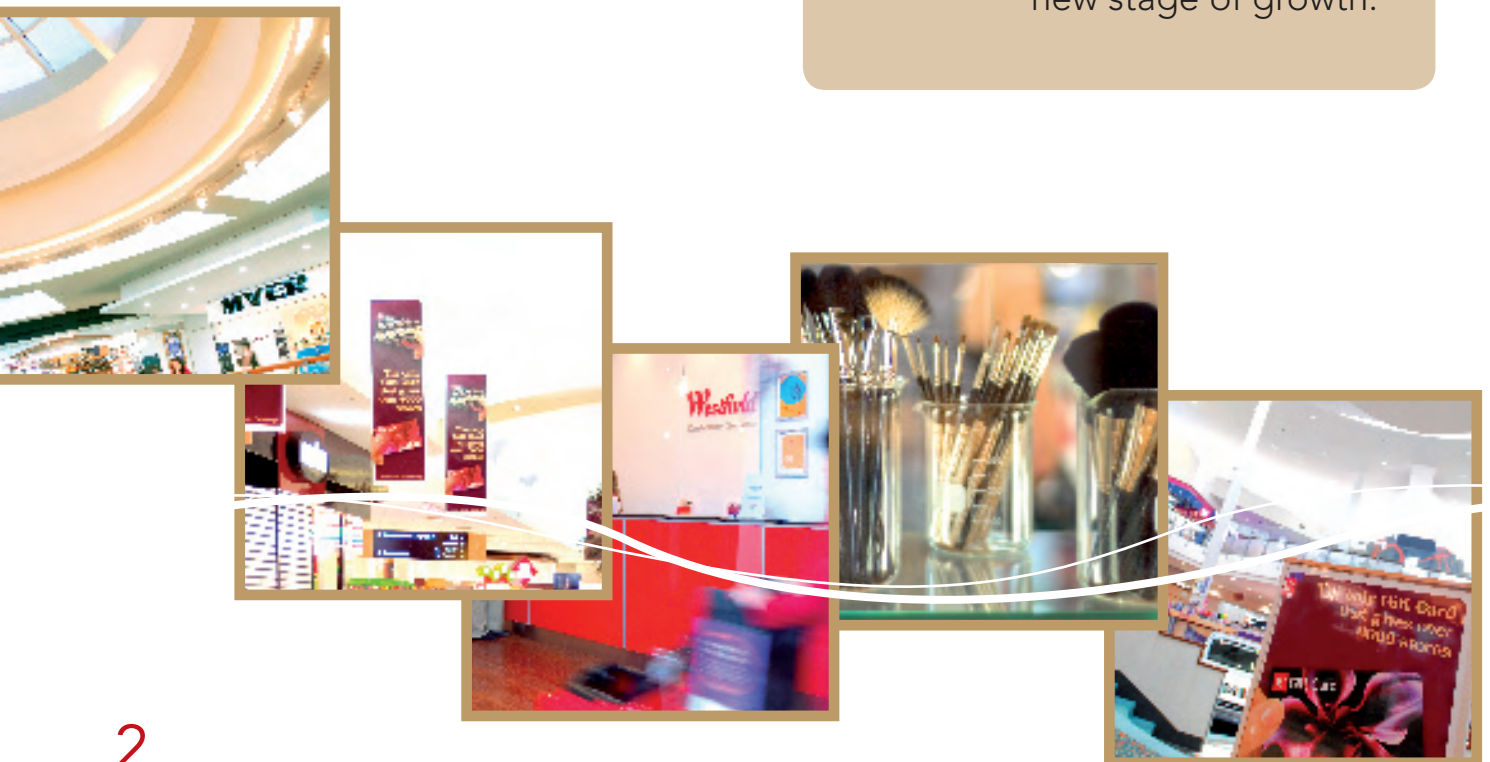
Westfield Carindale continues to perform well. The asset's strength has been consolidated by the recent capital works program and tenancy remix as well as the ongoing intensive management approach of Westfield. The combination of these efforts has greatly contributed to the significant growth in net property income.

Total retail sales within the centre have grown to \$630.0 million for the 12 months to 30 June 2007, representing an increase of 8.3% on sales for the previous year.

Outlook

The Directors are pleased with the result, which highlights the strength of the underlying asset, the benefit of an intensive management focus and the sound retail environment. They are confident that the centre is well-positioned for continuing future growth.

The consolidation of the asset's strength through capital works and tenancy remixing means the centre is ready to enter a new stage of growth.





Carindale Property Trust has reported a net profit of \$68.1 million for the year ended 30 June 2007.

Profit was \$17.4 million (which represents an increase of 8.6% on the previous year) excluding the property revaluation increment and other adjustments.

Distribution per unit is 24.91 cents, an 8.6% increase over last year's 22.94 cents per unit.

The value of Westfield Carindale has increased by \$49.9 million or 13.5% to \$419.4 million.

Platform for Growth

Westfield Carindale is one of Brisbane's largest shopping centres and has consolidated its position as a popular destination for customers from the city and surrounding areas.

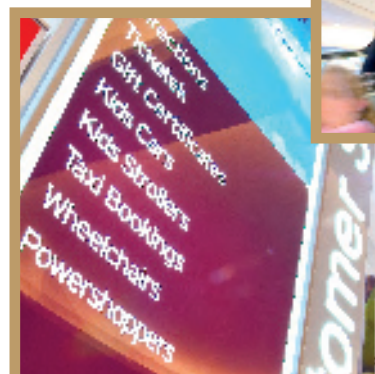
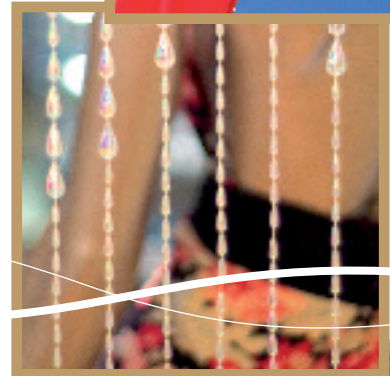
The recent capital works program has delivered significant benefits for the centre through precinct upgrades, improved access and tenancy remixing to respond to consumer demand and the introduction of new businesses.

This remixing of retailers within the centre has contributed to the centre's emerging position as a key fashion destination in Brisbane. Some of Australia's best-known fashion brands, such as Witchery, Nine West, Esprit, and Cue, as well as fashion kiosks like Napoleon Perdis, are all represented. The centre will continue to build on its fashion offer with further development of its fashion precinct, additional decor upgrades and ongoing focus on the retail mix.

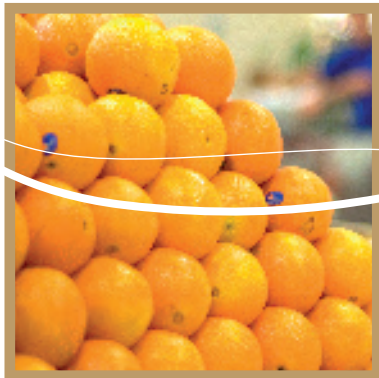
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Since the completion of the multi-project redevelopment in 2006, there has been a program of works that includes the installation of new amenities and a general upgrading of ambient furnishings.

In the past 12 months the centre has stabilised following the completion of a major capital works program in 2006 and is now in a position to move to the next stage of growth. This will ensure it remains one of Brisbane's best-performing retail assets.



Community & Environment



Community

Westfield Carindale continues to be a hub for the local community with a range of fundraising and other entertainment events held throughout the year.

An Australia Day ceremony was hosted in-centre to welcome the official arrival of more than 50 new Australian citizens with gifts provided by the Camp Hill Carindale Lions Club.

Carindale also supported Children's Week by staging a number of entertainment events and with the support of retailers including Michel's Patisserie and Optus World. Significant funds were raised for the Starlight Foundation.

As part of the centre's Wonderland Christmas campaign, 30 children with special needs were treated to a day in the centre that included breakfast with Santa, assisted shopping, gift cards and a free movie. The program was run in conjunction with the local branch of the Save the Children's Charity.

A number of other community activities were supported by the centre including the Quest Business Achiever Awards run by the local newspaper, and the Brisbane City Council Annual Carindale Capers Billycart Championship which was heavily supported by Carindale's retailers.

The centre and its retailers also sponsored the Fashion Design competition of the Metropolitan South Institute of TAFE.

Environment

Energy efficiency objectives were in place at Carindale over the past 12 months with defined reduction targets set for water, electricity and waste.

Water reduction exceeded its target of 10% with usage reduced by 14% through a range of initiatives that included automatic shut-off taps and other waterless facilities installed in all new and existing amenities. The centre also worked closely with retailers to reduce their water consumption.

The installation of equipment into air conditioning systems contributed to the reduction in water and energy use, and additional energy savings were made through the continued re-tubing of lights in the common mall areas and carparks.

Waste management efficiency increased over the 12 month period thanks to close collaboration with retailers in the ongoing management of cardboard recycling and other waste practices.

Board of Directors



MR FRANK P LOWY AC :: Chairman

Frank Lowy is executive chairman and co-founder of the Westfield Group. He is the founder and chairman of the Lowy Institute for International Policy, a member of The Brookings Institution's International Advisory Council, and chairman of Football Federation Australia. He is chairman of the Westfield Group Nomination Committee.

MR DAVID H LOWY AM :: Deputy Chairman

Appointed non-executive deputy chairman of Westfield Holdings Limited in June 2000, David Lowy holds a Bachelor of Commerce degree from the University of NSW. He joined Westfield in 1977 and was appointed executive director in 1982. He became managing director in 1987, a position he held until June 2000. Mr Lowy is a principal of LFG Holdings and is a director of Publishing and Broadcasting Limited. He is the founder and president of Temora Aviation Museum. Mr Lowy is chairman of the Westfield Group Board Risk Management Committee.

MR ROY L FURMAN

Roy Furman was appointed as a non-executive director of Westfield Holdings Limited in July 2004 following the merger of Westfield Holdings Limited with Westfield Trust and Westfield America Trust. Mr Furman holds a degree in law from Harvard Law School. He is based in the US and is vice-chairman of Jefferies and Company and chairman of Jefferies Capital Partners, a group of private equity funds. He was co-founder of Furman Selz (1973) - an international investment banking, institutional brokerage and money management firm. He is a member of the Westfield Group Remuneration Committee.

MR DAVID M GONSKI AC

Appointed as a non-executive director of Westfield Holdings Limited in 1985, Mr Gonski holds degrees in law and commerce from the University of NSW. He is chairman of Investec Bank Australia Limited and Coca-Cola Amatil Limited. He is a director of ASX Limited and Singapore Airlines Limited. He is chairman of Sydney Grammar School and Chancellor of the University of NSW. Mr Gonski is a member of the Westfield Group Audit and Compliance Committee, the Remuneration Committee and the Nomination Committee.

PROFESSOR FREDERICK G HILMER AO

Frederick Hilmer was appointed a non-executive director of Westfield Holdings Limited in 1991. He is chairman of the Westfield Group Audit and Compliance Committee and the Remuneration Committee and is the lead independent director. Professor Hilmer became vice-chancellor and president of the University of NSW in June 2006. From 1998 until November 2005, he was chief executive officer and a director of John Fairfax Holdings Limited. Between 1989 and 1997, Professor Hilmer was Dean and Professor of Management at the Australian Graduate School of Management (University of NSW). Professor Hilmer holds degrees in law from the Universities of Sydney and Pennsylvania and an MBA from the Wharton School of Finance.

MR STEPHEN P JOHNS

Stephen Johns is a non-executive director of the Westfield Group. Mr Johns holds a Bachelor of Economics degree from the University of Sydney and is a fellow of the Institute of Chartered Accountants in Australia. Mr Johns was appointed an executive director of Westfield Holdings Limited and Westfield Management Limited in 1985 and of Westfield America Management Limited in 1996. He held a number of positions within Westfield, including Group Finance Director from 1985 to 2002, and became a non-executive director of the three Westfield entities in October 2003. Mr Johns is also chairman of the Spark Infrastructure Group, a director of Brambles Limited and Sydney Symphony Limited. He is a member of the Westfield Group Audit and Compliance Committee and of the Risk Management Committee.



MR PETER S LOWY :: Group Managing Director

Peter Lowy was appointed managing director of Westfield Holdings Limited in 1997 and currently serves as group managing director of the Westfield Group. Mr Lowy holds a Bachelor of Commerce degree from the University of NSW. Prior to joining Westfield in 1983, Mr Lowy worked in investment banking both in London and New York. He serves on the Executive Committee and Board of Governors for the National Association of Real Estate Investment Trusts; is on the Rand Corporation's Center for Terrorism Risk Management Policy Advisory Board; is a member of the management board of the European Public Real Estate Association; and is Founding Chairman of the e-Fairness Coalition. He also serves on the Board of Directors of the Lowy Institute for International Policy in Australia; the Executive Committee of the Washington Institute for Near East Policy; and the board of the Homeland Security Advisory Council.

MR STEVEN M LOWY :: Group Managing Director

Steven Lowy was appointed managing director of Westfield Holdings Limited in 1997 and currently serves as group managing director of the Westfield Group. Mr Lowy holds a Bachelor of Commerce (Honours) degree from the University of NSW. Prior to joining Westfield in 1987, he worked in investment banking in the US. Mr Lowy is President of the Board of Trustees of the Art Gallery of New South Wales. He is a director of the Victor Chang Cardiac Research Institute; a director of the Lowy Institute for International Policy; and a member of the Prime Minister's Business-Government Advisory Group on National Security.

DR GARY H WEISS

Gary Weiss was appointed as a non-executive director of Westfield Holdings Limited in July 2004 following the merger of Westfield Holdings Limited with Westfield Trust and Westfield America Trust. Dr Weiss holds a masters degree in law, as well as a Doctor of Juridical Science (JSD) from Cornell University, New York. Dr Weiss is an executive director of Guinness Peat Group plc, chairman of Coats plc and Ariadne Australia Limited. He is also a director of Capral Aluminium Limited, Canberra Investment Corporation Limited, Tag Pacific Limited, Premier Investments Limited and Tower Australia Group Limited. He is a member of the Westfield Group Board Risk Management Committee.

MR DEAN R WILLS AO

Mr Wills was appointed as a non-executive director of Westfield Holdings Limited in 1994. He is a fellow of the Australian Institute of Company Directors (AICD) and the Australian Marketing Institute (AMI). Mr Wills is a member of the Westfield Group Nomination Committee. He is a former chairman of AXA Asia Pacific Holdings, Coca-Cola Amatil Limited, Transfield Services Limited and John Fairfax Holdings Limited.

MS CARLA M ZAMPATTI AM

Appointed as a non-executive director of Westfield Holdings Limited in 1997, Carla Zampatti is executive chairman of the Carla Zampatti Group. She is chairman of the Special Broadcasting Service (SBS); a trustee of the Sydney Theatre Company Foundation Trust; and a member of the Board of the Australian Multicultural Foundation. Ms Zampatti is a member of the Westfield Group Nomination Committee. She is a former Director of McDonald's Australia Limited.

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Income Statement and Statement of Distribution/Interest

FOR THE YEAR ENDED 30 JUNE 2007

	Note	30 Jun 07 \$'000	30 Jun 06 \$'000
Income Statement			
Revenue and other income			
Property revenue	3	30,401	28,069
Property revaluation		49,978	66,225
		80,379	94,294
Interest income		126	102
Mark to market of interest rate hedges that do not qualify for hedge accounting		890	788
Total revenue and other income		81,395	95,184
Expenses			
Property expenses and outgoings		(7,732)	(7,480)
Manager's service charge		(2,570)	(2,121)
Other costs		(182)	(194)
		(10,484)	(9,795)
Financing costs			
- Interest-bearing liabilities		(2,796)	(2,447)
Expenses (before members' interest)		(13,280)	(12,242)
Profit attributable to members (before members' interest)		68,115	82,942
Interest paid to members on trust units classified as members' loan		-	(7,639)
Profit attributable/paid to members of the Trust		68,115	75,303
Distribution paid/payable to members on trust units classified as equity		(17,437)	(8,420)
Net profit attributable to members of the Trust		50,678	66,883
		cents	cents
Basic earnings per unit (before members' interest)	4	97.31	118.49
Basic earnings per unit*	4	97.31	107.58
Diluted earnings per unit*	4	97.31	107.58

*Note: Comparative period includes interest expense of \$7,639,000 treated as a distribution.

	Note	30 Jun 07 \$'000	30 Jun 06 \$'000
Statement of Distribution/Interest			
Basic earnings (before members' interest)		68,115	82,942
Less: revaluation of investment properties		(49,978)	(66,225)
Add: tenant allowances amortised		190	130
Less: net unrealised gain on mark to market of derivatives that do not qualify for hedge accounting		(890)	(788)
Distribution/interest paid/payable to members		17,437	16,059
Interest paid to members on trust units classified as members' loan		-	(7,639)
Distribution paid to members on trust units classified as equity		(8,540)	-
Distribution payable to members		8,897	8,420
		cents	cents
Basic earnings per unit (before members' interest)		97.31	118.49
Less: revaluation of investment properties		(71.40)	(94.61)
Add: tenant allowances amortised		0.27	0.19
Less: net unrealised gain on mark to market of derivatives that do not qualify for hedge accounting		(1.27)	(1.13)
Distribution/interest paid/payable to members per unit		24.91	22.94
Interest paid to members on trust units classified as members' loan		-	(10.91)
Distribution paid to members on trust units classified as equity		(12.20)	-
Distribution payable to members per unit		12.71	12.03

Balance Sheet and Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2007

	Note	30 Jun 07 \$'000	30 Jun 06 \$'000
Balance Sheet			
Current assets			
Cash and cash equivalents	13(i)	1,778	1,978
Trade and other receivables	5	1,670	1,076
Derivative assets	6	161	38
Prepayments and deferred costs	7	115	123
Total current assets		3,724	3,215
Non current assets			
Investment properties	8	419,405	369,594
Derivative assets	6	1,624	744
Prepayments and deferred costs	7	525	340
Total non-current assets		421,554	370,678
Total assets		425,278	373,893
Current liabilities			
Trade and other payables	9	13,827	13,147
Total current liabilities		13,827	13,147
Non-current liabilities			
Interest-bearing liabilities	10	41,055	41,028
Total non-current liabilities		41,055	41,028
Total liabilities		54,882	54,175
Net assets		370,396	319,718
Equity attributable to members of the Trust			
Contributed equity	2(a)	187,934	187,934
Retained profits	12	182,462	131,784
Total equity attributable to members of the Trust		370,396	319,718

	Note	30 Jun 07 \$'000	30 Jun 06 \$'000
Statement of Changes in Equity			
Opening balance of equity attributable to members of the Trust		319,718	252,835
Retained profits			
Interest payable to members on units classified as members' loan		-	(7,639)
Distribution payable to members on trust units classified as equity		(17,437)	(8,420)
Net adjustment recognised directly in equity		302,281	236,776
Profit attributable to members of the Trust		68,115	82,942
Closing balance of equity attributable to members of the Trust		370,396	319,718

Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2007

	Note	30 Jun 07 \$'000	30 Jun 06 \$'000
Cash Flow Statement			
Cash flows from operating activities			
Receipts in the course of operations (including GST)		33,148	31,027
Payments in the course of operations (including GST)		(10,752)	(10,997)
Goods and services taxes paid to suppliers for investing activities		(95)	(497)
Goods and services taxes paid to government bodies		(1,951)	(1,431)
Net cash flows from operating activities	13(ii)	20,350	18,102
Cash flows from investing activities			
Payments of capital expenditure for property investments		(833)	(4,973)
Net cash flows used in investing activities		(833)	(4,973)
Cash flows from financing activities			
Interest received		126	95
Net (repayments of)/proceeds from interest-bearing liabilities		(445)	5,100
Financing costs		(2,438)	(2,551)
Distribution/interest paid to unitholders		(16,960)	(15,171)
Net cash flows used in financing activities		(19,717)	(12,527)
Net (decrease)/increase in cash and cash equivalents held		(200)	602
Add: opening cash and cash equivalents brought forward		1,978	1,376
Cash and cash equivalents at the end of the year	13(i)	1,778	1,978

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

NOTE 1 BASIS OF PREPARATION OF THE YEAR END FINANCIAL REPORT

(a) Corporate Information

This financial report of Carindale Property Trust ("the Trust") for the year ended 30 June 2007 was approved in accordance with a resolution of the Board of Directors of Westfield Management Limited, as responsible entity of the Trust ("Responsible Entity") on 20 September 2007.

The nature of the operations and principal activities of Carindale Property Trust are described in the Directors' Report.

(b) Statement of Compliance with Australian Equivalents to International Financial Reporting Standards ("AIFRS")

This financial report complies with Australian Accounting Standards, which include AIFRS. The financial report, comprising the financial statements and the notes thereto, also complies with International Financial Reporting Standards.

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Trust for the annual reporting period ended 30 June 2007. The Directors have assessed the impact of these new or amended standards (to the extent relevant to the Trust) and interpretations as follows:

"AASB 7 Financial Instruments: Disclosures and AASB 2005-10 Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 and AASB 1038) - new disclosure requirements for financial instruments applicable for annual reporting periods beginning on or after 1 January 2007. The standard requires disclosure of:

- the significance of financial instruments for an entity's financial position and performance; and
- qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk."

"AASB 8 Operating Segments applicable for annual reporting periods beginning on or after 1 January 2009."

"AASB 2007-6 - Amendments to Australian Accounting Standards arising from AASB 123."

"AASB 2007-3 - Amendments to Australian Accounting Standards arising from AASB 8."

"AASB 2007-4 - Amendments to Australian Accounting Standards arising from ED 151 and other Amendments."

These standards will not impact the amounts recognised in the financial statements.

(c) Basis of Accounting

The financial report is a general purpose financial report, that has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other mandatory professional reporting requirements. The financial report has also been prepared on a historical cost basis, except for investment properties and derivative financial instruments that have been measured at fair value.

Investment property is held jointly as tenants-in-common. The proportionate share of the income and expenditure and of the assets and liabilities of property interests are held as tenants-in-common and have been included in their respective classifications in this financial report.

This financial report is presented in Australian dollars.

(d) Comparative Information

Where applicable, certain comparative figures are restated in order to comply with the current period's presentation of the financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Trust Units

Under Australian Generally Accepted Accounting Principles ("AGAAP"), units in fixed life property trusts are considered contributed equity of the Trust.

Under AIFRS, units on issue are classified as a financial liability rather than equity if the trust has a fixed life or the responsible entity does not have a discretion to determine distributable income. This results in distributions to members being classified as an interest expense rather than as a distribution.

It should be noted that the classification of units as a liability does not alter the underlying economic interest of members in the net assets and net profits attributable to members of the Trust.

On 30 June 2005, the Responsible Entity, pursuant to Australian Securities and Investments Commission Class Order 05/566 and section 601GC(1)(b) of the Corporations Act, executed a supplemental deed poll amending the Trust's Constitution to address the issue of the Trust having a fixed life.

At a meeting of members held on 2 May 2006, members approved a change to the Constitution of the Trust to provide the Responsible Entity with the discretion to determine distributable income. The amendment to clause 21.5 of the Constitution was not contemplated by the Class Order and, as the amendment arguably affected members' rights, a special resolution at a meeting of members was required to approve the amendment.

However, as the amendment to clause 21.5 was made subsequent to the payment on 28 February 2006 of the distribution for the 6 months to 31 December 2005, net profit attributable to members and members' funds for the period to 31 December 2005 has been treated as interest and debt for accounting purposes. For the 18 month period to 30 June 2007 and, as at 30 June 2007, net profit attributable to members and members' funds have been treated as distribution and equity for accounting purposes.

(b) Investment properties

The Trust's investment properties include freehold and leasehold land, buildings, leasehold improvements, construction and development projects.

Land and buildings are considered as having the function of an investment and therefore are regarded as a composite asset, the overall value of which is influenced by many factors, the most prominent being income yield, rather than by the diminution of value of the building content due to effluxion of time. Accordingly, the buildings and all components thereof, including integral plant and equipment, are not depreciated.

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition, the Trust's investment properties are stated at fair value. Gains and losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise. Any gains or losses on the sale of an investment property are recognised in the income statement in the year of sale.

Amounts capitalised to construction and development projects include the cost of sundry acquisitions and development costs in respect of qualifying assets and borrowing costs during the development.

At each reporting date, the carrying value of the property investment is assessed by the Directors and where the carrying value differs materially from the Directors' assessment of fair value, an adjustment to the carrying value is recorded as appropriate.

Investment properties are derecognised when they have been disposed of. Any gains or losses on the derecognition of an investment property are recognised in the income statement in the year of derecognition.

The Directors' assessment of fair value of the investment property is confirmed by annual independent valuations. In determining the fair value, the capitalisation of net income method and the discounting of future cash flows to their present value have been used.

The assessment of fair value and possible impairment in the fair value of the investment property are significant estimates that can change based on the Trust's continuous process of assessing the factors affecting the property.

(c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and can be reliably measured. Rental income from investment properties is accounted for on a straight line basis over the lease term. Contingent rental income is recognised as income in the period in which it is earned. If not received at balance date, revenue is reflected in the balance sheet as receivables is carried at fair value. Recoveries from tenants are recognised as income in the year the applicable costs are accrued.

Certain tenant allowances that are classified as lease incentives are recorded as a separate asset and amortised over the term of the lease. The amortisation is recorded against property income.

All other revenues are recognised on an accruals basis.

(d) Expenses

Expenses, including rates, taxes and other outgoings, are brought to account on an accruals basis and any related payables are carried at cost. All other expenses are brought to account on an accruals basis.

(e) Taxation

Under current Australian income tax legislation, the Trust is not liable for Australian income tax, including capital gains tax, provided that members are presently entitled to the income of the Trust as determined in accordance with the Trust's constitution.

(f) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred on purchase of goods and services is not recoverable from the tax authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated with the amounts of GST included.

The net amount of GST payable or receivable to government authorities is included as part of receivables or payables in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(g) Financing costs

Financing costs include interest, amortisation of discounts or premiums relating to borrowings and other costs incurred in connection with the arrangement of borrowings. Financing costs are expensed as incurred unless they relate to a qualifying asset. A qualifying asset is an asset which generally takes more than 12 months to get ready for its intended use or sale. In these circumstances, the financing costs are capitalised to the cost of the asset. Where funds are borrowed by the Trust for the acquisition or construction of a qualifying asset, the amount of financing costs capitalised are those incurred in relation to that borrowing.

Refer note 2(j) for other items included in financing costs.

(h) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Trust. Any transaction costs arising on the issue of ordinary units are recognised directly in equity as a reduction of the unit proceeds received.

(i) Cash and cash equivalents

Cash on hand, at bank and short-term deposits have a maturity of three months or less. For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and at bank, short-term money market deposits and bank accepted bills of exchange readily convertible to cash, net of bank overdrafts and short term loans. Bank overdrafts are carried at the principal amount. Interest is charged as an expense as it accrues.

(j) Derivative and other financial assets and liabilities

The Trust's activities expose it to changes in interest rates. There are policies and limits in respect of the use of derivative and other financial assets and liabilities to hedge cash flows subject to interest rate risks.

There is a hedging program implemented by the Trust that is used to manage interest rate risk. Derivatives are not entered into for speculative purposes and the hedging policies are approved and monitored by the Board of Directors of the Responsible Entity. Accounting standards, however, include onerous documentation, designation and effectiveness requirements before a derivative financial instrument can qualify for hedge accounting. The Trust's treasury transactions are undertaken to achieve economic outcomes in line with its treasury policy. As a result, all derivatives do not qualify for hedge accounting and are recorded at fair value through the income statement.

The fair value of interest rate swap contracts is calculated with reference to market rates for contracts of similar instruments and are significant estimates determined by the Trust. Applicable market rates, values, prices and terms in respect of derivative instruments are set out in the notes to these financial statements.

The accounting policies adopted in relation to material derivatives and other financial assets and liabilities are detailed as follows:

i) Financial assets

Receivables

Trade and sundry debtors are carried at original invoice amount, less provision for doubtful debts, and are due within 30 days. An estimate for doubtful debts is made when there is objective evidence that the Trust will not be able to collect the debts. Bad debts are written off when identified.

ii) Financial liabilities

Payables

Trade and sundry creditors are carried at amortised cost, and are generally payable within 60 days.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Derivative and other financial assets and liabilities (continued)

ii) Financial liabilities (continued)

Interest bearing liabilities

Interest bearing liabilities are carried at amortised cost or at their fair value at the time of acquisition in the case of assumed liabilities. Interest is charged as an expense on an accruals basis.

iii) Interest rate swaps

The Trust enters into interest rate swap agreements that are used to convert certain variable interest rate borrowings to fixed interest rates. The swaps are entered into with the objective of hedging the risk of interest rate fluctuations in respect of underlying borrowings.

Derivatives entered into to reduce exposures to fluctuations in floating interest rates may be accounted for as cash flow hedges provided the hedge designation, documentation and effectiveness tests can be met. If these tests are satisfied then the hedging derivative is measured at fair value and gains or losses are reflected directly in equity until the hedged transaction occurs, when they are released to the income statement. To the extent that the hedges do not qualify for hedge accounting then gains or losses arising from changes in fair value are immediately reflected in the income statement.

iv) Disclosure of fair values

Recognised financial assets and liabilities are recorded at balance date at their net fair values.

Applicable market rates, values, prices and terms in respect of derivative and other financial instruments are set out in the notes to these financial statements.

v) Derecognition of financial instruments

The derecognition of financial instruments takes place when the Trust no longer controls the contractual rights that comprise the financial instruments. This is normally the case when the instrument is sold or all cash flows attributable to the instrument have passed to an independent third party.

(k) Recoverable amount of assets

At each reporting date, the Responsible Entity assesses whether there is any indication that an asset may be impaired. Where an indicator of the impairment exists, the Responsible Entity makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

(l) Earnings per unit

Basic earnings per unit is calculated as net profit attributable to members divided by the weighted average number of ordinary units. Diluted earnings per unit is calculated as net profit attributable to members, divided by the weighted average number of ordinary units and dilutive potential ordinary units.

(m) Rounding

In accordance with ASIC Class Order 98/0100, the amounts shown in the financial report have, unless otherwise indicated, been rounded to the nearest thousand dollars. Amounts shown as 0.0 represent amounts less than \$500 that have been rounded down.

	30 Jun 07 \$'000	30 Jun 06 \$'000
NOTE 3 PROPERTY REVENUE		
Shopping centre base rent and other property income	30,591	28,199
Tenant allowances amortised	(190)	(130)
	30,401	28,069

	30 Jun 07 cents	30 Jun 06 cents
NOTE 4 EARNINGS PER UNIT		
Basic earnings per unit (before members' interest)	97.31	118.49
Basic earnings per unit	97.31	107.58
Diluted earnings per unit	97.31	107.58

Basic and diluted earnings per unit is calculated by dividing the earnings of \$68,115,000 (2006: 75,303,000) by the weighted average number of ordinary units on issue during the year. The weighted average number of units used in the calculation of basic and diluted earnings per unit is 70,000,000 (2006: 70,000,000).

	30 Jun 07 \$'000	30 Jun 06 \$'000
NOTE 5 TRADE AND OTHER RECEIVABLES		
Trade receivables	20	5
Provision for doubtful debts	(9)	(9)
	11	(4)
Other debtors	1,659	1,080
	1,670	1,076

	30 Jun 07 \$'000	30 Jun 06 \$'000
NOTE 6 DERIVATIVE ASSETS		
Current		
Receivables on interest rate hedges	161	38
	161	38
Non current		
Receivables on interest rate hedges	1,624	744
	1,624	744
NOTE 7 PREPAYMENTS AND DEFERRED COSTS		
Current		
Tenant allowances on lease renewals	115	120
Shopping centre prepayments	-	3
	115	123
Non current		
Tenant allowances on lease renewals	525	340
	525	340
NOTE 8 INVESTMENT PROPERTIES		
Shopping centre investments	419,360	369,540
Other	45	54
	419,405	369,594
Movement in investment properties		
Balance at the beginning of the year	369,594	297,675
Additions including redevelopment costs	23	5,824
Net revaluation increment	49,788	66,095
Balance at the end of the year	419,405	369,594
A reconciliation of investment properties at market value to the carrying value is shown below:		
Investment properties at market value	420,000	370,000
Less tenant allowances	(640)	(460)
Other	45	54
Carrying value of investment properties	419,405	369,594

Property investments are carried at the Directors' determination of fair value based on independent valuations where appropriate. This is determined by the investment's original acquisition costs together with capital expenditure since acquisition; or latest full independent valuation; or latest independent update. Total acquisition costs include incidental costs of acquisition such as property taxes on acquisition. Differences between the carrying value and the independent valuation are due to tenant allowances and deferred costs recorded separately on the balance sheet.

A full independent valuation of a shopping centre is conducted at least every year. Independent valuations are prepared using both the capitalisation of net income method and the discounting of future net cash flows to their present value method. Capital expenditure since valuation includes purchases of sundry properties (and associated expenses such as stamp duty, legal fees, etc.) and capital expenditure in respect of completed projects which have taken place since, or have not been included in, the latest valuation of the shopping centre.

The independent valuation was conducted by Colliers International Consultancy & Valuation Pty Limited on 30 June 2007 in accordance with the standards of the International Valuation Standards Committee.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

	30 Jun 07 \$'000	30 Jun 06 \$'000
NOTE 9 TRADE AND OTHER PAYABLES		
Current		
Trade creditors	2,619	816
Other creditors and accruals	2,311	3,911
Distribution payable	8,897	8,420
	13,827	13,147

NOTE 10 INTEREST BEARING LIABILITIES

Bills payable - secured ⁽ⁱ⁾	41,055	41,028
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(i) The Trust maintains a \$55 million interest-only three year floating rate facility that is renewable annually on each anniversary date. Drawings under this facility are secured by a registered mortgage over the Trust's interest in Westfield Carindale and a fixed and floating charge over all assets and undertakings of the Trust. The facility is subject to negative pledge arrangements.

The maturity profile in respect of the above borrowings:

Due between one and two years	-	41,028
Due after two years	41,055	-

	30 Jun 07 Units	30 Jun 06 Units
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NOTE 11 TRUST UNITS

Number of units on issue

Balance at the beginning and end of the period	70,000,000	70,000,000
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	30 Jun 07 \$'000	30 Jun 06 \$'000
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Value of units on issue

Balance at the beginning and end of the period	370,396	319,718
--	---------	---------

NOTE 12 RETAINED PROFITS

Balance at the beginning of the year	131,784	64,901
Net profit attributable to members	68,115	82,942
Interest paid to members on trust units classified as members' loan	-	(7,639)
Distribution paid/payable	(17,437)	(8,420)
Retained profits at the end of the year	182,462	131,784

NOTE 13 CASH AND CASH EQUIVALENTS

(i) Components of cash and cash equivalents

Cash	1,559	1,568
Funds on deposit	219	410
Total cash and cash equivalents	1,778	1,978

(ii) Reconciliation of cash flows from operating activities to net profit attributable to members

Net cash provided by operating activities	20,350	18,102
Property revaluation	49,978	66,225
Financing costs	(2,796)	(2,447)
Mark to market of interest rate hedges that do not qualify for hedge accounting	890	788
(Increase)/decrease in other net assets attributable to operating activities	(307)	274
Net profit attributable to members	68,115	82,942

	30 Jun 07 \$'000	30 Jun 06 \$'000
NOTE 13 CASH AND CASH EQUIVALENTS (CONTINUED)		
(iii) Financing facilities		
Committed financing facilities available to the Trust:		
Total financing facilities	55,000	55,000
Amount utilised	(41,500)	(41,500)
Available financing facilities	13,500	13,500
Cash	1,778	1,978
Total available financing facilities and available cash	15,278	15,478

NOTE 14 DISTRIBUTIONS PAID AND PAYABLE TO MEMBERS

(a) Current/prior period distribution payable/paid to members

Distribution payable to members		
- Ordinary units: 12.71 cents per unit, 24.3% estimated tax advantaged	8,897	-
Prior period distribution paid to members		
- Ordinary units: 12.03 cents per unit, 31.2% tax advantaged	-	8,420
	8,897	8,420

(b) Interest/distribution paid to members

Distribution in respect of the 6 months to 31 December 2006		
- Ordinary units: 12.20 cents per unit, 34.5% tax advantaged	8,540	-
Interest in respect of the 6 months to 31 December 2005		
- Ordinary units: 10.91 cents per unit, 35% tax advantaged	-	7,639
	8,540	7,639

NOTE 15 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Capital commitments contracted but not provided for:

Due within one year	-	76
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The Trust has a bank guarantee arising from obligations in respect of a lease commitment totalling \$75,000 (2006: \$75,000).

From time to time, the Trust is involved in several lawsuits and claims. The Responsible Entity believes that the ultimate outcome of such pending litigation and claims will not materially affect the results or the financial position of the Trust.

NOTE 16 SEGMENT INFORMATION

The Trust operates in one business segment, being the ownership of a shopping centre, and one geographic segment being Australia.

	Note	30 Jun 07 \$'000	30 Jun 06 \$'000
NOTE 17 DERIVATIVE FINANCIAL INSTRUMENTS			
(i) Summary of interest rate hedges			
Interest payable			
Principal amounts of all interest bearing liabilities:			
Interest bearing liabilities	10	41,055	41,028
		41,055	41,028
Principal amounts of fixed interest rate liabilities:			
Fixed rate derivatives			
- A\$		34,000	34,000
		34,000	34,000

In addition to the above fixed rate liabilities, the Trust also had floating rate liabilities of \$7.1 million (2006: \$7.0 million) outstanding at 30 June 2007 at an average interest rate, including margin, of 7.0% (2006: 6.7%).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

NOTE 17 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(ii) Interest rates

Notional principal or contract amounts of the Trust's fixed rate debt and interest rate derivatives:

	Interest rate derivatives		Fixed rate borrowings		Interest rate derivatives		Fixed rate borrowings	
	30-Jun-07 Principal amount \$'000	30-Jun-07 Average rate including margin	30-Jun-07 Principal amount \$'000	30-Jun-07 Average rate including margin	30-Jun-06 Principal amount \$'000	30-Jun-06 Average rate including margin	30-Jun-06 Principal amount \$'000	30-Jun-06 Average rate including margin
Fixed rate debt and derivatives contracted as at the reporting date and outstanding at								
A\$ payable								
30 June 2006	-	-	-	-	A\$(34,000)	6.00%	-	-
30 June 2007	A\$(34,000)	6.27%	-	-	A\$(34,000)	6.42%	-	-
30 June 2008	A\$(29,000)	6.28%	-	-	A\$(29,000)	6.43%	-	-
30 June 2009	A\$(29,000)	6.28%	-	-	A\$(29,000)	6.43%	-	-
30 June 2010	A\$(29,000)	6.28%	-	-	A\$(29,000)	6.43%	-	-
30 June 2011	A\$(29,000)	6.28%	-	-	A\$(29,000)	6.43%	-	-
30 June 2012	A\$(19,000)	6.53%	-	-	A\$(9,000)	6.48%	-	-
30 June 2013	A\$(19,000)	6.53%	-	-	A\$(9,000)	6.48%	-	-
30 June 2014	A\$(19,000)	6.53%	-	-	A\$(9,000)	6.48%	-	-
30 June 2015	A\$(10,000)	6.71%	-	-	-	-	-	-
30 June 2016	A\$(10,000)	6.71%	-	-	-	-	-	-

Credit risks

In accordance with the policies determined by the Board of the Responsible Entity of the Trust, credit risk is spread among a number of creditworthy counterparties within specified limits. The aggregate credit risk in respect of derivative financial instruments is \$1,670,817 (2006: \$792,954).

	30 Jun 07 \$'000	30 Jun 06 \$'000
NOTE 18 LEASE RECEIVABLES		
Operating lease receivables		
The property owned by the Trust is leased to third-party retailers under operating leases at 30 June 2007.		
Lease terms vary between retailers and some leases include percentage rental payments based on sales revenue.		
Future minimum rental revenues under non-cancellable operating leases at 30 June 2007 are as follows:		
Due within one year	23,230	20,625
Due between one and five years	56,715	57,847
Due greater than five years	32,329	28,481
	112,274	106,953

These amounts do not include percentage rentals which may become receivable under certain leases on the basis of retailer sales in excess of stipulated minimums and do not include recovery of outgoings.

	30 Jun 07 \$	30 Jun 06 \$
NOTE 19 AUDITORS' REMUNERATION		
Amount paid or due and payable to the auditors of the Trust:		
Auditing the financial report of the Trust	47,000	41,000
Accounting and other services including compliance plan audit	5,000	9,000
Total auditors' remuneration reflected in Income Statement	52,000	50,000

NOTE 20 RELATED PARTY TRANSACTIONS

Westfield Management Limited, being the Responsible Entity of the Trust, is considered to be a related party of the Trust.

The Constitution of the Trust allows for an annual manager's service fee payable to the Responsible Entity up to a maximum of 2% of the total tangible assets of the Trust, which amounts to \$8,505,560 for the year to 30 June 2007, or such lesser amount as the Responsible Entity may determine. The manager's service fee paid, or payable to, the Responsible Entity for the year ended to 30 June 2007 was \$2,570,118 (2006: \$2,121,095), equivalent to 0.6% of the Trust's total tangible assets.

During the year, amounts paid (excluding GST) to associates of the Responsible Entity for capital costs amounted to \$306,170 (2006: \$4,455,347).

Real estate management fees expensed for the year ended 30 June 2007 due to associates of the Responsible Entity are based on normal commercial terms and were \$1,516,000 (2006: \$1,403,000). As at 30 June 2007, real estate management fees of \$125,553 (2006: \$128,384) were payable to associates of the Responsible Entity.

Reimbursement of expenses for the year ended 30 June 2007, paid and payable to associates of the Responsible Entity, are based on normal commercial terms and were \$582,000 (2006: \$817,000).

As at 30 June 2007, associates of the Responsible Entity held 35 million units in the Trust (2006: 35 million units).

Details of Key Management Personnel

(i) Directors

The Directors of Westfield Management Limited, the Responsible Entity of the Trust are considered to be key management personnel.

F P Lowy, AC	Chairman
D H Lowy, AM	Deputy Chairman
P S Lowy	Group Managing Director
S M Lowy	Group Managing Director
R L Furman	Non-executive Director
D M Gonski, AC	Non-executive Director
F G Hilmer, AO	Non-executive Director
S P Johns	Non-executive Director
J B Studdy, AM	Non-executive Director (resigned 2 May 2007)
F T Vincent	Non-executive Director (resigned 2 May 2007)
G H Weiss	Non-executive Director
D R Wills, AO	Non-executive Director
C M Zampatti, AM	Non-executive Director

Professor Frederick Hilmer AO stepped down as a Deputy Chairman of the Board in April 2007 but continues to serve as the lead independent director.

(ii) Other Key Management Personnel

In addition to the directors noted above, the following persons were key management personnel with the authority for the strategic direction and management of Carindale Property Trust.

P Allen	Group Chief Financial Officer
R Jordan	Managing Director, Australia and New Zealand

Other than the resignation of Mr John B Studdy AM and Mr Francis T Vincent, there were no other changes of the key management personnel after reporting date and before the date the financial report was authorised for issue.

Compensation of Key Management Personnel

The Directors of the Responsible Entity receive remuneration in their capacity as Directors of the Responsible Entity. These amounts are paid directly by Westfield Holdings Limited. Westfield Holdings Limited is the parent entity of the Westfield Group, of which the Responsible Entity, Westfield Management Limited is part of. Other key management personnel are paid by Westfield Limited, a wholly owned subsidiary of Westfield Holdings Limited. Management fees payable by the Trust to the Responsible Entity are calculated as a percentage of the Trust's total tangible assets and are not determined by reference to specific costs incurred by the Responsible Entity. Consequently, no compensation as defined in AASB 124 Related Parties is paid directly by the Trust, or indirectly by a related party of the Trust, to those key management personnel in respect of their services to the Trust.

NOTE 21 SUBSEQUENT EVENTS

There has not been any matter or circumstance occurring subsequent to the end of the financial year ending 30 June 2007 that has significantly affected, or may significantly affect, the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial years.

Directors' Declaration

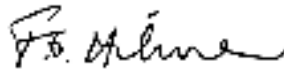
The Directors of Westfield Management Limited, the Responsible Entity of Carindale Property Trust ("Trust") declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable;
- (b) in the Directors' opinion, the Financial Statements and notes thereto are in accordance with the Corporations Act 2001, including sections 296 and 297; and
- (c) they have been provided with the declarations required by section 295A of the *Corporations Act 2001* (Cwlth).

Made on 20 September 2007 in accordance with a resolution of the Board of Directors.



FP Lowy, AC
Chairman



Professor FG Hilmer, AO
Director

Independent Audit Report to members of Carindale Property Trust



Independent auditor's report to the Unitholders of Carindale Property Trust

We have audited the accompanying financial report of Carindale Property Trust ("the Trust"), which comprises the balance sheet as at 30 June 2007, 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.

Directors' Responsibility for the Financial Report

The directors of Westfield Management Limited, the Responsible Entity of the Trust, 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, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 Westfield Management Limited a written Auditor's Independence Declaration, a copy of which is included in the Directors' report. In addition to our audit of the financial report, we were engaged to undertake the services as disclosed in note 19 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 Carindale Property Trust is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of Carindale Property Trust at 30 June 2007 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*.
2. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Ernst & Young

Liability limited by a scheme approved
under Professional Standards Legislation.

Chris Westworth
Partner

Sydney
20 September 2007

Directors' Report

The Directors of Westfield Management Limited, the Responsible Entity of Carindale Property Trust ("Trust"), submit the following Report for the year ended 30 June 2007 ("Financial Year").

1. Operations & Activities

- A review of the operations of the Trust during the Financial Year and the results of those operations is set out in the "Year in Review" at pages 2 to 3 of the Annual Report ("Review of Operations").
- There were no significant changes in the Trust's state of affairs during the Financial Year.
- The principal activity of the Trust during the Financial Year was the long term ownership of a 50% interest in the Westfield Carindale shopping centre. There were no significant changes in the nature of that activity during the Financial Year.
- No other matter of circumstance has arisen since the end of the Financial Year that has significantly affected, or may significantly affect, the Trust's operations, the results of those operations, or the Trust's state of affairs, in future financial years.
- The likely developments in the Trust's operations in future financial years and the expected results of those operations are described in the Review of Operations at pages 2 to 3 of the Annual Report.

2. Distributions

The following distributions were paid to Members during the Financial Year:

	\$'000
12.03 cents per unit for the 6 months ended 30 June 2006, paid 31 August 2006	\$8,420
12.20 cents per unit for the 6 months ended 31 December 2006, paid 28 February 2007	\$8,540

The following distribution was recommended or declared for payment to Members, but not paid, during the Financial Year:

	\$'000
12.71 cents per unit for the 6 months ended 30 June 2007, paid 31 August 2007	\$8,897

3. Directors

3.1 Board Membership & Qualifications

The directors of Westfield Management Limited, the Responsible Entity of the Trust ("Responsible Entity"), during the Financial Year, were as follows:

Mr Frank Lowy AC, Mr David Lowy AM, Mr Roy Furman, Mr David Gonski AC, Professor Frederick Hilmer AO, Mr Stephen Johns, Mr Peter Lowy, Mr Steven Lowy, Mr John Studdy AM, Mr Francis Vincent, Dr Gary Weiss, Mr Dean Wills AO and Ms Carla Zampatti AM.

The composition of the Board changed during the Financial Year with the resignations of Mr John B Studdy AM and Mr Francis T Vincent on 2 May 2007. Professor Frederick Hilmer AO stepped down as a Deputy Chairman of the Board in April 2007 but continues to serve as the lead independent director. The rest of the Board remain unchanged. No changes have taken place since the end of the Financial Year.

Details of the qualifications, experience and special responsibilities of each of the directors of the Responsible Entity as at the date of this Report are set out on pages 6 to 7 of the Annual Report.

3.2 Directors' Relevant Interests

The names of the directors of the Responsible Entity and the relevant interests of each director in the units of the Trust as at the date of this Report are shown below:

Director	Number of Units
FP Lowy AC	Nil
DH Lowy AM	Nil
RL Furman	Nil
DM Gonski AC	Nil
FG Hilmer AO	Nil
SP Johns	Nil
PS Lowy	Nil
SM Lowy	Nil
GH Weiss	Nil
DR Wills AO	Nil
CM Zampatti AM	Nil

4. Options

- No options were granted over unissued interests in the Trust during or since the end of the Financial Year to any of the directors or officers of the Responsible Entity.
- There are no unissued interests in the Trust under option.
- No interests in the Trust were issued during, or since, the end of the Financial Year as a result of the exercise of an option over unissued interests in the Trust.

5. Indemnities and Insurance Premiums

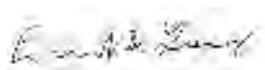
No insurance premiums were paid during, or since, the end of the Financial Year out of the assets of the Trust in regards to insurance cover provided to either officers of the Responsible Entity or the auditors of the Trust. So long as the Responsible Entity acts in accordance with the constitution of the Trust and the Corporations Act 2001, it remains fully indemnified out of the assets of the Trust against any losses incurred while acting as responsible entity of the Trust. The auditors of the Trust are not indemnified out of the assets of the Trust.

6. Information for Registered Schemes

- \$4,086,118 in fees were paid, or are payable, to the Responsible Entity and its associates out of the assets of the Trust during the Financial Year.
- No units in the Trust were held by the Responsible Entity as at the end of the Financial Year. Associates of the Responsible Entity held 35,000,000 units in the Trust as at the end of the Financial Year.
- No units were issued in the Trust during the Financial Year.
- No withdrawals were made from the Trust during the Financial Year.
- Details of the value of the Trust's assets, as at the end of the Financial Year and the basis for the valuation, are set out in Notes 2b and 8 on pages 12 and 15 of the Annual Report.
- Details of the number of units in the Trust as at the end of the Financial Year are set out in Note 11 on page 16 of the Annual Report.
- At the date of this Report, the Responsible Entity of the Trust had an Audit and Compliance Committee.

7. Auditor's Independence Declaration

In relation to our audit of the financial report of Carindale Property Trust for the year ended 30 June 2007, 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

Sydney

20 September 2007



Chris Westworth
Partner

8. ASIC Disclosures

8.1 Rounding

Pursuant to ASIC Class Order 98/0100, the amounts shown in the Financial Statements have been rounded to the nearest thousand dollars.

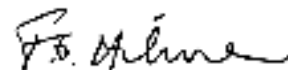
8.2 Synchronisation of Financial Year

The Trust is a consolidated entity of Westfield Holdings Limited. By an order dated 27 June 2005 made by the Australian Securities and Investments Commission, the directors of Westfield Holdings Limited have been relieved from compliance with the requirement to ensure that the Financial Year of the Trust coincides with the financial year of Westfield Holdings Limited.

This Report is made in accordance with a resolution of the Board of Directors on 20 September 2007.



FP Lowy, AC
Chairman



Professor FG Hilmer, AO
Director

Corporate Governance Statement

The Responsible Entity, through its Board and the executives of its ultimate parent company, Westfield Holdings Limited (WHL), recognises the need to establish and maintain corporate governance policies and practices which reflect the requirements of the market regulators and participants and the expectations of members and others who deal with the Trust and the broader Westfield Group ("the Group"). Those policies and practices will remain under constant review as both regulation and good practice evolve.

The corporate governance practices of the Responsible Entity should be reviewed having regard to the following circumstances:

- the Trust is a single centre property trust which owns a 50% interest in Westfield Carindale in suburban Brisbane;
- the Trust is managed by Westfield Management Limited. Neither the Trust itself nor the Responsible Entity employ executive staff to conduct the Trust's business. The operations of the Trust are performed by Westfield Group executives and staff (see 9.1). The management of the centre is also conducted by subsidiaries of WHL; and
- the Responsible Entity of the Trust during the year to 30 June 2007 was Westfield Management Limited, a wholly owned subsidiary of WHL. As a member of the Westfield Group, the Responsible Entity has adopted, and is bound by, the terms of the various charters and policies implemented by the Group.

Corporate governance documentation, including charters and relevant corporate policies and codes, can be found on the westfield.com website.

Principle 1: Lay solid foundations for management and oversight

1.1 Functions of Board and Management

The Board of the Responsible Entity ("Board") has adopted the Westfield Group's document setting out matters reserved to the Board. Specifically, the Board reserved its authority over the following matters except where such matters are expressly delegated to a committee of the Board:

- strategy and direction;
- financial controls, compliance and risk management;
- capital structure;
- appointment of directors, managing director, group chief financial officer, company secretary and the external auditor;
- the manner and limits of delegation of authority;
- significant policies affecting the Trust; and
- corporate governance matters.

The listing of matters reserved for the Board, which is available on the westfield.com website, formally sets out what has been the practice of the Group over a number of years.

At the same time, the Board also adopted the Westfield Group's Board Charter which sets out the objectives, responsibilities and framework for the operation of the Board.

As part of the induction process, directors joining a Westfield Group Board sign a letter of appointment which sets out the key terms and conditions under which each director is appointed. This letter sets out a procedure by which Directors are able to take independent professional advice, if necessary, at the Group's expense. Directors are encouraged to direct any enquiries or requests for additional information to the Company Secretary, who will facilitate a response to the query and/or provide the Director with the requested information.

Principle 2: Structure the Board to add value

2.1 Independent directors

During the Financial Year, the composition of the Board of the Responsible Entity changed with Mr John B Studdy AM and Mr Francis T Vincent resigning on 2 May 2007. Professor Frederick Hilmer AO stepped down as a Deputy Chairman of the Board in April 2007 but continues to serve as the lead independent director. The rest of the Board remain unchanged. Of these Directors, six are considered by the Board to be independent Directors.

The composition of the Board is set out in the table below:

Name	Position Held	Independent (Y/N)	Year appointed to Responsible Entity*
Frank P Lowy AC	Executive Chairman	N	1979
David H Lowy AM	Non-Executive Deputy Chairman	N	2004
Roy L Furman	Non-Executive Director	Y	2004
David M Gonski AC	Non-Executive Director	Y	2004
Frederick G Hilmer AO	Non-Executive Director	Y	2004
Stephen P Johns	Non-Executive Director	N	1985
Peter S Lowy	Managing Director / Executive Director	N	1987
Steven M Lowy	Managing Director / Executive Director	N	1989
Gary H Weiss	Non-Executive Director	Y	2002
Dean R Wills AO	Non-Executive Director	Y	2004
Carla M Zampatti AM	Non-Executive Director	Y	2004

* Westfield Management Limited became the Responsible Entity of the Trust in 2000

Biographies of the directors are included in the section on the Board of Directors in this Annual Report.

The Board Charter requires that the Board regularly assess the independence of each Director in light of the terms of the Board Charter, the interests they have disclosed and such other factors as the Board determines are appropriate to take into account. In making this determination, the Board is seeking to assess whether Directors are:

- independent of management; and
- free of any business or other relationship that could materially interfere, or be perceived to materially interfere, with their unfettered and independent judgement; and
- generally capable of making decisions without bias and which are in the best interests of all shareholders.

A non-executive Director will not be regarded as an independent Director unless that director:

- (a) is not a substantial securityholder in the Group or an officer of, or otherwise associated directly with, a substantial securityholder in the Group;
- (b) within the last three years has not been employed in an executive capacity by any member of the Group, or been a director after ceasing to hold any such employment;
- (c) within the last three years has not been a partner or a senior management executive with audit responsibilities of a firm which has acted in the capacity of statutory auditor of any member of the Group;
- (d) within the last three years has not been a principal, employee or consultant of a material professional adviser to any member of the Group – for this purpose, a material professional adviser is an adviser whose billings to the Group exceed 1% of the adviser's total revenues;
- (e) is not a principal, employee or associate of a material supplier to, or material customer of, any member of the Group – for this purpose, a material supplier to the Group means a supplier whose revenues from the Group exceed 5% of the supplier's total revenues. A material customer is a customer whose payments to the Group exceed 1% of the customer's operating costs;
- (f) has no material contractual relationship with any member of the Group other than as a director of the Responsible Entity; and
- (g) is free from any interest and any business or other relationship which could materially interfere with the director's ability to act in the best interests of the Group and independently of management.

All non-executive Directors have signed a letter of appointment which, amongst other things, places an onus on each independent Director to disclose immediately to the Board any matter or circumstance which the Director believes may impact the Director's status as an independent Director. Where the Board concludes that a Director has lost the status as an independent Director, that conclusion will be notified to the market.

2.2 Chairperson and independence

The Responsible Entity notes the ASX Corporate Governance Council recommendations that listed companies have an independent director as chairman and that the roles of chairman and chief executive officer are not held by the same person. Notwithstanding this recommendation, and for the reasons set out below, the Board believes that Mr Frank Lowy, AC is the most appropriate person to act as chairman of the Board of the Responsible Entity notwithstanding that he is the chief executive officer of the Westfield Group, and is not an independent Director.

Mr Lowy is the co-founder of Westfield, and has overseen the success of the Group since 1960. With over 45 years direct experience in the design, construction and management of shopping centres and associated fund and asset management, Mr Lowy's experience and reputation is unparalleled in the industry.

Mr Lowy's knowledge of the Group, its history, its growth and of the broader industry, both locally and internationally, place him in a unique position to lead the Board and the Westfield Group. For this reason, the Board takes the view that it is in the best interests of members that Mr Lowy, with his background and experience, be the Chairman of the Responsible Entity and chief executive officer of the Westfield Group.

2.3 Nomination Committee

As the Responsible Entity is a wholly-owned subsidiary of WHL, recommendations relating to the composition of the Board of the Responsible Entity are made by the Nomination Committee of WHL. The Responsible Entity does not have its own Nomination Committee.

The Nomination Committee is responsible for advising the Westfield Group Boards on the appointment of suitably qualified directors who are able to meet the needs of the Westfield Group; and the ongoing evaluation and review of the performance of the Board.

The functions undertaken by the Committee in discharging that responsibility include:

- assessing the skills of current Westfield Group Board members against the collective skill set required by the Westfield Group Boards;
- making recommendations to the Westfield Group Boards regarding their composition and reviewing the effectiveness of the Boards;
- identifying suitable candidates to fill Group Board vacancies; and
- ensuring the existence of proper succession planning processes and plans for the Westfield Group Boards and other senior executive positions.

A Charter for the Nomination Committee has been approved by the Group Boards and appears in the Corporate Governance section of the **westfield.com** website.

Recommendations made by the Nominations Committee will be considered by the Board of WHL which will make a recommendation to the Board of the Responsible Entity on the appointment of a director to fill a casual vacancy.

Corporate Governance Statement

Principle 3: Promote ethical and responsible decision making

3.1 Code of Conduct

In June 2004, the Board approved and adopted a Directors' Code of Conduct which formalised long standing and well understood ethical principles practised by Westfield Group Directors.

The Code of Conduct covers personal conduct, situations of conflict of interest, confidentiality and director independence. A copy of the Code of Conduct appears in the Corporate Governance section of the **westfield.com** website.

The conduct of all Westfield employees is governed by a set of core principles which incorporate the fundamental principles to which employees are expected to adhere when dealing with other staff members, customers and retailers, shareholders and the community. These values include requirements that Westfield staff, at all times:

- act with honesty and integrity and welcome a diversity of people;
- create a healthy and safe work environment;
- meet our commitments;
- examine ways to improve processes in a manner which adds value;
- provide shareholders with sustainable, superior returns;
- constantly seek new opportunities for growth;
- conduct our activities in an environmentally responsible manner; and
- contribute our expertise and resources to promote positive change in the community.

Westfield's core principles are supplemented by the staff Code of Conduct which is issued to all employees at the time of joining the Group and deals in broad terms with issues such as:

- the high standards of personal conduct and ethical behaviour expected of all employees;
- the duty of employees to avoid conflicts of interest which may arise if the employee, or any person or entity associated with that employee, has a business arrangement or relationship with a Group company outside their normal employment relationship;
- the duty of employees to maintain confidentiality with respect to the Group's information and information provided by our retailers and customers;
- the duty of employees to avoid discrimination against any person; and
- our policy prohibiting harassment in any form.

3.2 Security Trading Policy

All Directors and employees are subject to the Corporations Act restrictions on buying, selling or subscribing for securities in the Trust or the Westfield Group if they are in possession of price sensitive information (ie. information which a reasonable person would expect to have a material impact on the price or value of the relevant security) which has not been published.

In addition, certain employees are required to obtain a clearance notice prior to trading in a Westfield Group security, including units in the Trust, and are prohibited from doing so in certain defined black-out periods which include the period of preparation of half-year and full-year results.

The Group Boards adopted a Security Trading Policy, applicable to all Westfield Group entities, including the Trust, in 2004. A summary of that policy appears in the Corporate Governance section of the **westfield.com** website.

Principle 4: Safeguard integrity in financial reporting

4.1 Attestation of true and fair view

For the Financial Year, the Responsible Entity followed a process whereby the Group Managing Directors and Group Chief Financial Officer have stated in writing to the Board that the Trust's financial statements present and true a fair view, in all material respects, of the Trust's financial condition and operational results; and have been prepared in accordance with the relevant accounting standards.

4.2 Audit and Compliance Committee

Composition

The Responsible Entity has an Audit and Compliance Committee.

The composition of the Audit and Compliance Committee changed during the Financial Year with the resignation of Mr John B Studdy AM on 2 May 2007. The composition of the Audit and Compliance Committee is as set out in the table below:

Name	Position Held	Status
Frederick G Hilmer AO	Chairman	Independent Director
David M Gonski AC	Member	Independent Director
Stephen P Johns	Member	Non-Executive Director

The Committee met 5 times in the Financial Year. All members of the Committee (at the relevant times) attended those meetings.

The primary function of the Audit and Compliance Committee is to ensure that an effective internal control framework exists for the Trust, through the establishment and maintenance of adequate internal controls to safeguard the assets of the business and to ensure the integrity and reliability of financial and management reporting systems.

A compliance officer has been appointed for the operations of the Trust. This officer is responsible for reviewing and monitoring the efficacy of compliance systems within the Group on an ongoing basis to ensure appropriate measures are in place to educate staff as to their compliance responsibilities, and to report to the Audit and Compliance Committee on those matters.

A Charter for the Audit and Compliance Committee was approved by the Westfield Group Boards in 2004. The Trust has adopted that Charter. Amongst other things, the Charter sets out the objectives and responsibilities of the Audit and Compliance Committee which are listed below.

The Audit and Compliance Committee:

- reviews and reports to the Board on the half year and annual reports and financial statements of the Trust;
- is responsible for making recommendations regarding the appointment, evaluation and removal of the Trust's external auditor and reviewing and reporting to the Board on the adequacy, scope and quality of the annual statutory audit and half year audit review and generally on the integrity and reliability of the financial statements;
- reviews the effectiveness of the Trust's internal control environment, including the effectiveness of internal control procedures;
- monitors and reviews the reliability of financial reporting;
- monitors and reviews the compliance of the Trust with applicable laws and regulations;
- monitors the scope of the internal audit function to ensure that its resources are adequate and used effectively, including the co-ordination of the internal and external audit functions;
- monitors the adequacy and effectiveness of compliance systems in relation to the legal exposures of the Trust.

The Audit and Compliance Committee meets with external auditors at least twice each year (and more frequently if required) to review the adequacy of existing external audit arrangements and the scope of the audit. The internal and external auditors have a direct line of communication at any time to either the Chairman of the Audit and Compliance Committee or the Chairman of the Board.

Under the terms of the Charter the senior audit engagement partner must rotate every 5 years. The Committee requires that a succession plan be presented to it by the external auditor at least 1 year prior to the rotation.

The Audit and Compliance Committee reports to the full Board after each Committee meeting.

The internal and external auditors, the Group Chief Financial Officer and the Group Compliance Officer are invited to attend Audit and Compliance Committee meetings at the discretion of the Committee. At least annually, the Audit and Compliance Committee meets with the internal auditor and external auditors without management being present.

Annexed to the Audit and Compliance Committee Charter is the Charter of Audit Independence which is intended to ensure that the Trust's external auditor carries out its functions in a manner which is demonstrably independent of the Westfield Group. The Audit Independence Charter sets out some key requirements in the relationship between the external auditor and the Trust (including issues such as partner rotation) and defines the scope and value of the non-audit services which may be provided by the external auditor to the Trust without impacting the actual or perceived independence of the external auditor. The Charter also requires an annual confirmation by the external auditor regarding compliance with the terms of the Charter and a variety of other issues which impact the actual and perceived independence of the external auditor.

The Audit and Compliance Committee Charter (incorporating the Audit Independence Charter) appears in the Corporate Governance section of the **westfield.com** website.

Principle 5: Make timely and balanced disclosure

5.1 Continuous Disclosure

In 2004, the Westfield Group Boards approved a Continuous Disclosure Policy which formalised existing practices and procedures in relation to the fulfilment of, and compliance with, continuous disclosure obligations imposed by the ASX Listing Rules and Corporations Act. This Policy extends to the Trust.

The Policy underlines the Group's commitment to ensuring that the Group's and the Trust's members and the market are provided with high quality, relevant and accurate information regarding its activities in a timely manner and that investors generally are able to trade in Westfield Group and/or Trust securities in a market which is efficient, competitive and informed as well as ensuring that market participants have an equal opportunity to review and assess information disclosed by the Group.

The Policy includes a vetting and authorisation process so that all disclosures are factual, do not omit material matters and are expressed in a clear and objective manner.

The Continuous Disclosure Policy appears in the Corporate Governance section of the **westfield.com** website.

Principle 6: Respect the rights of shareholders

6.1 Communications with Shareholders

To date, because of its relatively small member base of just over 2,300, and as it is a single centre property trust, the Trust has limited the use of the internet as a means of communication with members.

However, recently legislation has been affected to enable the Trust to make its Annual Report available online in absence of a member electing to receive a printed copy. The Trust has encouraged members to access the Annual Report online as this assists with the Trust's commitment to the environment, as well as having the benefit of reducing costs. Consequently, a printed copy of the Annual Report will only be sent to those members who have elected to receive it. Otherwise, members will be notified when the Annual Report is available to be accessed online at the Trust's website **carindalepropertytrust.com.au** once it is released. Members have also been encouraged to consider providing the Trust with email addresses so that the Trust can notify members when the Annual Report is available and to keep them updated on all other member communication.

Corporate Governance Statement

Principle 6: Respect the rights of shareholders (continued)

6.1 Communications with Shareholders (continued)

Notwithstanding the above recent development, the investor relations area is still available to address enquiries of members, potential investors and the broader investment community concerning Trust-related matters. Furthermore, in addition to the mandatory annual financial report sent to members, the Trust sends interim reviews to members so that they are kept up to date every six months with the performance of their investment.

The Trust has placed current and past financial reports and distribution payment history on the carindalepropertytrust.com.au website so that these are more immediately available for review.

As the usage and acceptance of electronic communication in the community increases, the Trust will work closely with its share registrar to investigate the increased use of electronic means of communicating with investors.

6.2 Attendance at Annual General Meeting by Auditor

The Trust is not required to convene an Annual General Meeting.

Principle 7: Recognise and manage risk

7.1 Risk oversight and management

In June 2004, the Board of WHL established the Board Risk Management Committee. Aspects of the work of this Committee had previously been undertaken by the Audit and Compliance Committee. However, with the increased focus on risk management issues and compliance and control generally, the Board of WHL took the view that a dedicated Board Risk Management Committee would best serve the needs of the Group. This Committee also oversees the risk management issues of the Trust.

The responsibilities of the Committee are detailed in the Board Risk Management Committee Charter.

The objective of the Committee is to assist the Westfield Group Boards in fulfilling their corporate governance responsibilities by monitoring and reviewing the corporate policies for identifying and managing relevant risks associated with the business of the Group and the adequacy of the Group's practices and procedures in implementing those policies. This includes monitoring and reviewing:

- (a) the Group policies established by management regarding risk oversight and risk management which should be incorporated in a Risk Management and Oversight Policy;
- (b) the appropriateness of the Risk Management and Oversight Policy and internal control systems adopted by the Group;
- (c) the Group's continuing processes for:
 - (i) the identification of material, financial, legal and operational risks associated with the conduct of the business of the Group;
 - (ii) the maintenance of appropriate internal control systems designed to manage key risk areas;
 - (iii) assessing the above matters in conjunction with management and the internal and external auditors; and
 - (iv) monitoring and reporting against compliance with the Risk Management and Oversight Policy.

The Charter of the Board Risk Management Committee appears in the Corporate Governance section of the westfield.com website.

7.2 Statement on the integrity of the financial statements

The Group Managing Directors and the Group Chief Financial Officer confirm in writing to the Board, that, at the time the financial statements are being considered for approval by the Board, the financial statements present a true and fair view, and that this assertion is founded on a sound system of financial risk management; and internal compliance and control which implements the policies adopted by the Board; and that the Trust's financial risk management and internal compliance and control systems are operating efficiently and effectively in all material respects.

The Board receives regular reports from management, the Audit and Compliance Committee and the Board Risk Management Committee, on areas where there is considered to be significant business risk, and on the management of those risks. The internal audit function also monitors these risks and reports to the Audit and Compliance and Board Risk Management Committees.

Principle 8: Encourage enhanced performance

8.1 Process for performance evaluation of the Board, its committees and individual directors, and key executives

The Board and its Committees

The Nomination Committee of WHL has been charged with responsibility for examining Board and Director performance on an ongoing basis, particularly when determining which Directors are to resubmit themselves for election at the time when their term concludes. The role of the Nomination Committee is more fully discussed in 2.3 above. The Committee met once during the Financial Year and the agenda of that meeting included an evaluation of Board and Director performance.

As the composition of the Board of the Responsible Entity is, for the moment, identical to that of WHL, the Board is of the view that it is appropriate that this assessment be undertaken by the Nomination Committee of WHL.

The Nomination Committee did carry out a performance evaluation of the Westfield Group Boards during the reporting period

An induction process exists for new members joining the Board of the Responsible Entity. New Board members are provided with the opportunity to experience first hand the operations of the Group, and to meet and discuss all aspects of the Group's operations with key members of executive management. As part of the induction process, the Company Secretary provides access to information in areas such as operations, finance, treasury and risk management to assist the new Board member as required.

On an ongoing basis, Directors are provided with periodic updates on legal and corporate issues, particularly those pertaining to changes to the Corporations Act, Board issues and corporate governance, tax and accounting developments and other matters of interest.

Management makes regular presentations to the Board and Board Committees on operational, financial, treasury, legal and tax issues of relevance to the Board.

The Company Secretary is appointed and removed by the Board. The Company Secretary works with the Chairman and the Board on all governance-related issues. All Directors have access to the Company Secretary for the purpose of obtaining information or advice.

Principle 9: Remunerate fairly and responsibly

9.1 Remuneration Policies

The Responsible Entity does not employ any staff. The operations of the Trust are performed for it by Westfield Group executives and staff. Information regarding the compensation of key management personnel can be found in Note 20 of the 2007 financial statements in this Annual Report. Reference should also be made to the 2006 Annual Report of the Westfield Group for details of remuneration policies of the Group.

Consequently, as noted in Section 9.2 below, recommendations on remuneration issues affecting the Trust or the Responsible Entity are made by the Remuneration Committee of WHL.

9.2 Structure of non-executive directors' remuneration

As the Boards of the Responsible Entity and WHL are identical, no additional fees are paid to the non-executive Directors of the Responsible Entity by the Responsible Entity in respect of their work in relation to the Trust. Rather, Directors' fees are paid by WHL, and the Remuneration Committee of that Board takes into account the levels of effort required by the Directors in fulfilling their duties on the Board of the Responsible Entity when the level of those fees are being set. As the Responsible Entity is also the responsible entity of Westfield Trust and a number of other unlisted registered schemes, this is also taken into account in determining any fees to be paid to non-executive Directors of the Board.

Non-executive Directors receive their fees in cash. The non-executive Directors do not participate in schemes designed for the remuneration of executives, nor do they receive options or other equity based entitlements or bonus payments. Directors are not entitled to any payment on retirement or resignation.

Reference should be made to the 2006 Annual Report of the Westfield Group for full disclosure of Directors' fees paid by WHL.

Principle 10: Recognise the legitimate interests of stakeholders

10.1 Code of conduct to guide compliance with legal and other obligations to legitimate stakeholders

The Westfield Group has developed a Compliance Manual which provides detailed guidance to employees of the Group on the laws applicable in the jurisdiction in which they work, the standards of conduct and the procedures to be adopted to comply with those laws. The Australian Compliance Manual deals with issues such as:

- occupational health and safety;
- trade practices;
- retail tenancy legislation;
- the environment;
- Corporations Act and ASX requirements; and
- complaints handling procedures.

The staff Code of Conduct, which is provided to, and acknowledged by, all employees who join the Group, and the Compliance Manual, are reviewed on a regular basis to ensure they remain current. Compliance seminars to update staff on changes to legal requirements and procedures are conducted on a regular basis and all staff in the relevant divisions are required to attend.

It is the responsibility of each staff member to understand the Code of Conduct and other policies applicable to them and to bring to the attention of senior management any conduct or activities which may be in breach of those policies so that a proper investigation can be conducted.

Directors have a separate Code of Conduct, which is provided to, and acknowledged by, each Director as part of the induction process when joining a Westfield Group Board (see 3.1 and 8.1).

Serious breaches of Group policies (including matters such as suspicions of fraud or financial impropriety, auditing issues, improper or unethical behaviour or criminal activities) must be reported immediately to a Compliance Officer in the relevant country, or to the Group Compliance Officer for investigation in accordance with the Company's policies. Where appropriate, the police or other regulatory authority will be informed.

Complaints will be treated in a confidential manner. No action of any kind will be taken against a Westfield staff member, advisor or contractor who, in good faith, makes an allegation against the Group, any member of staff, any advisor or contractor, whether or not that complaint is confirmed by subsequent investigation.

Complaints in relation to alleged breaches of the Group's policies may be reported directly to the St. James Ethics Centre for further follow up.

Investor Relations

Please visit our website at www.carindalepropertytrust.com.au to find out more about Carindale Property Trust and our services and take the time to register your email address to receive news, announcements and annual reports electronically.

Carindale Property Trust Distribution Details

The final distribution of 12.71 cents per unit was paid to members on 31 August 2007. An interim distribution of 12.20 cents per unit was paid on 28 February 2007. The full year distribution of 24.91 cents is approximately 24% tax advantaged.

Carindale Property Trust Website

- Unit price & graph
- News and announcements
- Unitholding details
- Annual reports
- Current and historical tax information
- Downloadable unitholder forms
- Calendar

The 2007 Annual Report

As part of the Group's focus on environmental factors affecting its business, the printing of this Annual Report has used Novatech paper. This paper is environmentally responsible and manufactured using Elemental Chlorine Free (ECF) pulp sourced from sustainable, well managed forests. Produced by Nordland Papier, a company certified under ISO14001 environmental management systems and registered under the EU Eco-management and Audit Scheme EMAS (Reg No D-162-00007).



Secure Access to Your Unitholding Details 24 Hours a Day

Online - You can go to www.carindalepropertytrust.com.au to access your unitholding information including the latest press releases, results announcements, presentations and more.

To view your unitholding, you will need your SRN/HIN and you will be asked to verify your postcode (inside Australia) or your country of residence (outside Australia).

Phone - You can confirm your holding balance, request forms and access dividend and trading information by phoning 1300 132 211, then by pressing 2. You may be asked to enter your SRN/HIN.

Distribution

The distribution was paid at the end of August and at the end of February.

To ensure timely receipt of your distribution, please consider the following:

Direct Credit

You can receive your distribution payment efficiently and safely by having it direct credited to your bank account. If you wish to register for direct credit, please complete the form and return it to the registry. A form can be downloaded from www.carindalepropertytrust.com.au or by phoning our registry on 1300 132 211 (Please have your SRN/HIN available for you to quote).

Tax File Number (TFN)

You are not required by law to provide your Tax File Number, Australian Business Number or Exemption. However, if you do not provide your TFN, ABN or Exemption, withholding tax at the highest marginal rate, currently 46.5% for Australian resident members may be deducted from distributions paid to you and 10% for non-resident members.

If you have not supplied this information and wish to do so, please advise the registry or your sponsoring broker.

Annual Tax Statement

The Annual Tax Statement is dispatched to unitholders every year in August.



Please Contact Us

Share Registry

All changes of name, tax file number, address, payment instructions and document requests should be passed to the Registry.

Computershare Investor Services Pty Limited
GPO Box 523
Brisbane QLD 4001
Telephone: 1300 132 211
International: +61 3 9415 4070
Facsimile: +61 3 9473 2500
E-mail: westfield@computershare.com.au
Website: www.computershare.com

All other queries can be directed to Investor Relations.

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100 William Street
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Telephone: +61 2 9358 7877
Facsimile: +61 2 9358 7881
E-mail: investor@au.westfield.com
Website: www.carindalepropertytrust.com.au

Carindale Property Trust - Calendar

Date	Event
21 December 2007	Units trade ex-distribution
31 December 2007	Record date for Carindale Property Trust, 6 months to 31 December 2007
February 2008	Half yearly results released, 6 months to 31 December 2007
29 February 2008	Payment date for Carindale Property Trust distribution, 6 months to 31 December 2007
April 2008	Half year review (report) released, 6 months to 31 December 2007
24 June 2008	Units trade ex-distribution
30 June 2008	Record date for Carindale Property Trust, 6 months to 30 June 2008
30 August 2008	Payment date for Carindale Property Trust distribution, 6 months to 30 June 2008. Full year results released, 6 months to 30 June 2008. Annual Taxation Statement issued
September 2008	Annual Report released

Listing

Australian Stock Exchange - CDP



Stock Exchange Information

Twenty largest ordinary members as at 31 August 2007

	No. of ordinary units	% of issued ordinary units
1 Westfield Management Limited	35,000,000	50.00%
2 Citicorp Nominees Pty Limited	5,908,654	8.44%
3 National Nominees Limited	4,904,189	7.01%
4 JP Morgan Nominees Australia Limited	4,656,380	6.65%
5 M F Custodians Limited	1,007,846	1.44%
6 Australian Reward Investment Alliance	711,518	1.02%
7 ANZ Nominees Limited <Cash Income A/C>	627,120	0.90%
8 Mellett Super Pty Limited <Mellett A Fund A/C>	261,000	0.37%
9 Mr Gordon Joseph Payne	250,000	0.36%
10 RBC Dexia Investor Services Australia Nominees Pty Limited <BKCUST A/C>	249,322	0.36%
11 Avanteos Investments Limited <Symetry Retire SVS 1006 A/C>	180,232	0.26%
12 Worldwide Finances Holdings Pty Limited	155,540	0.22%
13 Mr Ian Somers and Mrs Jan Somers <Somerset Fin Servs S/F A/C>	153,205	0.22%
14 Barland Investments Pty Limited	150,000	0.21%
15 The Clem Jones Home for the aged and disabled	125,000	0.18%
16 Perpetual Trustees Consolidated Limited <Clime Asset Management A/C>	113,407	0.16%
17 Cogent Nominees Pty Limited	100,327	0.14%
18 John Lamble Superannuation Pty Ltd <John Lamble Super Fund A/C>	100,000	0.14%
19 HSBC Custody Nominees (Australia) Limited	96,264	0.14%
20 Grekimenny Pty Limited	86,020	0.12%
	54,836,024	78.34%

Spread of ordinary members as at 31 August 2007

Holding	No. of Members	No. of Units
1 - 1,000	242	158,775
1,001 - 5,000	1,123	3,497,072
5,001 - 10,000	464	3,806,678
10,001 - 100,000	360	7,983,735
100,001 and over	17	54,553,740
Total	2,206	70,000,000

Voting rights for each class

At a meeting of members, on a show of hands, every member who is present in person or by proxy (and who is not otherwise disentitled from voting) has one vote. On a poll, every such member has one vote for each dollar of the value of their total holding in the trust.

Unmarketable parcel

As at 31 August 2007, there were 7 members with less than a marketable parcel of quoted securities.

Substantial holders

The names of the Trust's substantial holders and the number of ordinary units in which each has a relevant interest, as disclosed in the substantial holders notices given to the Trust, are as follows:

Name of substantial holder	No. of units
Westfield Group	35,000,000
UBS Nominees Pty Ltd	4,646,930
Challenger Financial Services Group	3,563,436

Corporate Directory

CARINDALE PROPERTY TRUST

ABN 29 192 934 520

ARSN 093 261 744

RESPONSIBLE ENTITY

Westfield Management Limited

ABN 41 001 670 579

AFS Licence 230329

REGISTERED OFFICE

Level 24, Westfield Towers

100 William Street

Sydney NSW 2011

Telephone: +61 2 9358 7000

Facsimile: +61 2 9358 7077

DIRECTORS OF WESTFIELD MANAGEMENT LIMITED

Frank P Lowy, AC (Chairman)

David H Lowy, AM

Frederick G Hilmer, AO

Roy L Furman

David M Gonski, AC

Stephen P Johns

Peter S Lowy

Steven M Lowy

Gary H Weiss

Dean R Wills, AO

Carla M Zampatti, AM

AUDIT AND COMPLIANCE COMMITTEE

Frederick G Hilmer, AO (Chairman)

David M Gonski, AC

Stephen P Johns

SECRETARIES

Simon J Tuxen

Maureen T McGrath

AUDITORS

Ernst & Young

The Ernst & Young Centre

680 George Street

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100 William Street

Sydney NSW 2011

Telephone: +61 2 9358 7877

Free Call: 1800 116 661

Facsimile: +61 2 9358 7881

E-mail: investor@au.westfield.com

Website: www.carindalepropertytrust.com.au

UNIT REGISTRY

Computershare Investor Services Pty Limited

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Brisbane QLD 4000

GPO Box 523

Brisbane QLD 4001

Telephone: +61 3 9415 4070

Toll Free: 1300 132 211

Facsimile: +61 3 9473 2500

E-mail: westfield@computershare.com.au

Website: www.computershare.com

LISTINGS

Australian Stock Exchange - CDP

