



Guide to your Tax Statement

If you have an investment in any of our Trusts you can use this guide to help you complete your '*Individual tax return 2011*' (Tax Return).



About this guide

If you have an investment in any of our Trusts you can use this guide to help you complete your '*Individual tax return 2011*' (Tax Return).

The information in this guide is designed for:

- Australian resident individual taxpayers; and
- Investments that are held for long term investment purposes and are held on capital account for tax purposes.

This guide is not intended for use by those with investments held in the name of a Company, Trust, Superannuation Fund or Partnership.

Australian taxation laws are complex. The application of these laws depends upon an investor's individual circumstances. The taxation information in this guide is of a general nature only. If you have any doubt or require further information about the taxation position of your investment you should talk to your accountant or tax adviser.

The purpose of this guide

This guide will help you complete your '*Individual tax return 2011 (Supplementary section)*'. A 'CGT Discount Rates' section has been provided to help non-individual taxpayers complete their respective tax returns.

This guide contains general information only and is not a substitute for any Australian Taxation Office (ATO) instructions.

You should have received a Tax Statement for each Trust that you have received a distribution from for the financial year ended 30 June 2011. The Tax Statement is a record of your present entitlement to income from your investment during the financial year. You should refer to your Tax Statement when completing your Tax Return.

We have indicated on your Tax Statement the amounts that need to be included in your Tax Return. Each component of your distribution is explained in this guide.

Your Tax Return and your Tax Statement

In your Tax Return, you must declare income that you have become presently entitled to during the period 1 July 2010 to 30 June 2011. This may not coincide with the actual cash distribution you have received during the same period.

In addition, special rules apply in relation to franking credits attached to Australian franked dividends or foreign tax paid on foreign income.

Expenses that relate to earning your income may be tax deductible and, if so, claimed on your Tax Return.

The following information should help you in completing your Tax Return:

- All amounts are expressed in Australian currency.
- To begin completing your Tax Return, you will need to obtain copies of the *'TaxPack 2011'* and the *'TaxPack 2011 supplement'*. If you have capital gains amounts or have received franking credits as part of your distribution, you may need to obtain a copy of the publications entitled *'Guide to capital gains tax 2011'* and *'You and your shares 2011'* from the ATO.
- The label references in this guide relate to the *'TaxPack 2011 supplement'*.
- If you have received income from other investments, you will need to combine the information from those investments with the information we have provided.

Part A

Tax Return information

This section of your Tax Statement highlights the major components of your distribution. For investors with straightforward circumstances, this information should assist you in completing the supplementary section of your Tax Return. The Tax Return label references in Part A of your Tax Statement relate to the *Individual tax return 2011 (Supplementary section)*. The amounts shown in Part A of your Tax Statement should be included in your Tax Return against the corresponding Tax Return labels shown on your Tax Statement.

A breakdown of the distribution components is shown in Part B of your Tax Statement.

1. Label 13A – Credit for foreign resident amounts withheld

Amounts may be withheld from some payments to specific recipients due to the operation of the foreign resident withholding regime. Like other tax credits, the credit for foreign resident amounts withheld may be offset against your Australian tax liability on taxable income.

2. Label 13U – Non-primary production income

This item includes interest, franked and unfranked (including conduit foreign income (CFI)) dividends, franking credits and other income. It excludes net capital gains, attributed foreign income and other foreign source income which are shown separately on your Tax Statement.

3. Label 13Q – Franking credits

You show your share of franking credits (including cents) from franked dividends at this item.

Franking credits are Australian tax offsets that are attached to franked dividends and may be included in trust distributions that you have received. Your entitlement to claim franking credits as a tax offset against your Australian tax liability may be subject to you satisfying the 'holding period rule'. For further information on the holding period rule you should consult the *'TaxPack 2011 supplement'* and the ATO publication *'You and your shares 2011'*.

4. Label 13R – Credit for Tax File Number (TFN) amounts withheld

This amount is tax withheld from income received by the Trust and also tax withheld from distributions paid to you by the Trust if you did not supply your TFN.

5. Label 13Y – Other deductions relating to distributions

You may have incurred deductible expenses in relation to your distribution income. These should be disclosed at this label.

6. Label 18H – Total current year capital gains

This is the total amount of capital gains derived from all sources before any capital gains tax (CGT) discount has been applied. This amount will also include any foreign capital gains.

7. Label 18A – Net capital gain

The net capital gain distributed to you is the amount remaining after the trust has applied any capital losses and the CGT discount. The items making up this amount are detailed in Part B of your Tax Statement.

Capital gains or losses derived from other sources will also need to be taken into account when completing this label. If capital losses are to be applied to a discount capital gain, you must offset these losses against the gross capital gain first before applying the CGT discount.

Please refer to the ATO publication entitled *'Guide to capital gains tax 2011'*.

8. Label 19K – Foreign entities – CFC income

The controlled foreign company (CFC) measures apply to income and gains of foreign companies in which you had a direct or indirect controlling interest. For more information on CFC measures please refer to the ATO Publication entitled *'Foreign income return form guide'*.

9. Label 20E – Assessable foreign source income

As an Australian resident taxpayer you may be liable to Australian income tax on any assessable income derived from overseas investments. This amount includes foreign dividends, foreign interest and all other assessable foreign income. It excludes foreign net capital gains (which are to be included at Label 18).

If you have foreign income or losses from other sources, you will need to take these into account when completing this label.

For further information, you should refer to the instructions in the *'TaxPack 2011 supplement'*.

10. Label 20M – Other net foreign source income

You may also be entitled to tax deductions in relation to expenses incurred in earning assessable income from overseas investments. If you have no foreign income deductions then the amount at 20M will be the same as 20E.

For further information, you should refer to the instructions in the *'TaxPack 2011 supplement'*.

11. Label 200 – Foreign income tax offsets

Investors show their entitlement to foreign income tax offsets (FITO) at this item (including cents).

If your FITO from all sources for the year does not exceed \$1,000, then you can claim the FITO in full. Otherwise you will need to refer to the ATO publication *'Guide to foreign income tax offset rules'* to work out your entitlement.

12. Label 20F – Australian franking credits from a New Zealand company

Franking credits arising from tax paid in Australia by a New Zealand company must be disclosed at label 20F. These dividends, net of the Australian franking credits from New Zealand companies are included as part of your foreign source income (see above).

To check your eligibility to claim these Australian franking credits please refer to the ATO publication entitled *'You and your shares 2011'*.

13. Label 24Y – Other income

You may have been entitled to receive management fee rebates which were not included as part of your distribution income for the financial year. Management fee rebates received during the financial year form part of your assessable income and must be disclosed at label 24Y.

Part B

Distribution components and capital gain/loss on the sale of holdings

This section of your Tax Statement gives you a detailed breakdown of your distribution components and capital gain/loss on sale of your holdings. This additional information in Part B of your tax statement may be required to complete your Tax Return.

14. Australian income

Australian income shows the distribution of non-primary production income that has been paid or credited to your account from your investment in Australian unit trusts. Non-primary production income comprises franked and unfranked (including CFI) dividends, interest income and other income. The dividend information split is required if you are entitled to claim a refund of franking credits. Distributions from property trusts are shown as other income.

15. Capital gains

Discounted capital gains

These are capital gains that are eligible for the CGT discount. The entire amount of the gain has been distributed to you. The taxable portion is shown under the taxable amount column and the non-taxable portion is shown as CGT concession amount under the heading non-assessable amounts.

Other capital gains

These gains have either been calculated using the indexation method or relate to assets held for less than 12 months. The entire amount of the gain is taxable.

For Australian resident investors, the split of capital gains between Taxable Australian Real Property (TARP) and non-TARP can be disregarded for the purposes of completing your Tax Return.

16. Foreign income

For Australian resident investors, income you receive from an overseas source must be included in your Tax Return.

Foreign capital gains are not included at this item. These amounts have been included in the amounts disclosed at Label 18.

17. Non-assessable amounts

This is made up of tax free, tax deferred, return of capital, tax exempt and CGT concession amounts that have been distributed to you. These amounts may not need to be included in your Tax Return. However, the tax free, tax deferred and return of capital components will affect either the cost base or reduced cost base of your investment and in some cases may be required to be included in your Tax Return.

For further information regarding the treatment of these amounts you should refer to the ATO publication entitled 'Guide to capital gains tax 2011'.

18. Capital gains/losses details on the sale of holdings

Part B of your Tax Statement also provides details of the capital gains or losses realised from the redemption of all or part of your investment during the financial year. These amounts should be included, along with any distributed capital gains, in determining your CGT position. You will also need to take into consideration any capital gains or losses derived from any of your other investments.

Information for Investors

CGT Discount Rates

The table below lists the discount rates used to calculate your discounted capital gains according to the entity type listed on your Tax Statement.

ENTITY	DISCOUNT RATE
Company	0.00%
Individual	50.00%
Partnership	50.00%
Superannuation Fund	33.33%
Trust	50.00%

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