



15 March 2006

Ref: QPT11 HalfYearResultsAnnouncement 150306.doc

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Dear Scott,

RE: QUANTUM PROPERTY TRUST NO.11 HALF YEAR RESULTS

It is with great pleasure that we present our review of the half-year performance of Quantum Property Trust No.11 to 31 December 2005, and the half-year financial report.

Key achievements during the period include:

- Net profit increase by 2% from December 2005 to December 2004
- Total revenue increased by 2% on the corresponding period to \$261,125
- Earnings per unit increase of 2% to 7.98 cents per unit
- Net asset backing per unit of \$0.16 (\$1.16 per unit including equity classified as debt under AIFRS)

The trust's main asset is its 25% investment in Quantum Property Syndicate No.11, which owns a commercial property in Queen Street, Brisbane. This asset has performed extremely well for the half-year to 31 December 2005.

The Directors of the Responsible Entity have been pleased with the results of the trust for the half-year and believe the trust is well placed to deliver a strong full year result for 2005.

Yours Sincerely



James Maitland
Director

FORM: Half yearly/preliminary final report

Name of *issuer*

QUANTUM SYNDICATE MANAGEMENT LTD (RESPONSIBLE ENTITY)

QUANTUM PROPERTY TRUST NO.11

ACN or ARBN or ASRN	Half yearly (tick)	Preliminary final (tick)	Half year/financial year ended ('Current period')
108 475 476	X		31 DECEMBER 2005

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

Extracts from this statement for announcement to the market (see note 1).						\$A,000
Sales (or equivalent) operating revenue (item 1.1)	Up	2%	to	261		
Operating profit (loss) before abnormal items and tax (item 1.4	Up	2%	to	249		
Abnormal items before tax (item 1.5)		gain (loss) of	to	0		
Operating profit (loss) after tax but before outside equity interests (item 1.8)	Up	2%	to	249		
Extraordinary items after tax attributable to security holders (item 1.13)		gain (loss) of	to	0		
Operating profit (loss) and extraordinary items after tax attributable to security holders (item 1.16)	Up	2%	to	249		
Exploration and evaluation expenditure incurred (item 5.2)	up/down	%	to	n/a		
Exploration and evaluation expenditure written off (item 5.3)	up/down	%	to	n/a		
Income Distributions						
Current period	0¢	N/A	¢	N/A		
Previous corresponding period	0¢	¢	¢	¢		
Record date for determining entitlements to the dividend, (in the case of a trust distribution) (see item 15.2)						
Short details of any bonus or cash issue or other items(s) of importance not previously released to the market:						

NTA backing (see note 7)		Current period	Previous corresponding period
11.1	Net tangible asset backing per ordinary security	\$0.16	\$0.09

Income Distributions

15.1 Date the income distribution is payable

15.2 Record date to determine entitlements to the income distribution (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by “End of Day” if a proper SCH transfer

Amount per security

Franking rate applicable		39%	36%	33%
(Half yearly and preliminary final statements)				
15.6	Interim income distribution:			
	Current year	0¢	N/A	N/A
15.7	Previous year	0¢	¢	¢

The dividend or distribution plans shown below are in operation.

The last date(s) for receipt of election notices to the dividend or distribution plans

Any other disclosures in relation to dividends (distributions)

Issued and listed securities

Description includes rate of interest and any redemption or conversion rights together with prices and rates.

Category of securities		Number issued	Number listed	Par value (cents)	Paid-up value (cents)
18.1	Preference securities (description)	n/a	n/a	n/a	n/a
18.2	Issued during current period	n/a	n/a	n/a	n/a
18.3	Ordinary securities	3,120,000	3,120,000	100	100
18.4	Issued during current period	n/a	n/a	n/a	n/a
18.5	Convertible debt securities (description and conversion factor)	n/a	n/a	n/a	n/a
18.6	issued during current period				
18.7	Options (description and conversion factor)	n/a	n/a	Exercise price	Expiry date
18.8	Issued during current period	n/a	n/a	n/a	n/a
18.9	Exercised during current period	n/a	n/a	n/a	n/a
18.10	Expired during current period	n/a	n/a	n/a	n/a
18.11	Debentures (totals only)	n/a	n/a		
18.12	Unsecured Notes (totals only)	n/a	n/a		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to the Exchange (see note 13).

Identify other standards used

n/a

- 2 This statement, and the financial statements under the Corporations Act (if separate), use the same accounting policies.

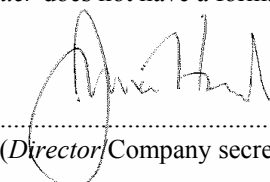
- 3 This statement does/does not* (*delete one*) give a true and fair view of the matters disclosed (see note 2).

- 4 This statement is based on financial statements to which one of the following applies:

- ☐ The financial statements have been audited. ☒ The financial statements have been subject to review by a registered auditor (or overseas equivalent).
- ☐ The financial statements are in the process of being audited or subject to review. ☐ The financial statements have *not* yet been audited or reviewed.

- 5 If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)

- 6 The *issuer* does not have a formally constituted audit committee.

Sign here: 
(*Director/Company secretary*)

Date:15 March 2006

Print name: James Maitland

Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show the amount of the change up or down.
2. **True and fair view** If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the *issuer* must attach a note providing additional information and explanations to give a true and fair view.
3. **Consolidated profit and loss account**
 - Item 1.1 The definition of "operating revenue" and an explanation of "sales revenue" (or its equivalent) and "other revenue" are set out in *AASB 1004: Disclosure of Operating Revenue*.
 - Item 1.2 "other revenue" includes abnormal items, but excludes extraordinary revenue items.
 - Item 1.4 "operating profit (loss) before abnormal items and tax" is calculated before dealing with outside equity interests and extraordinary items, but after deducting interest on borrowings, depreciation and amortisation.
 - Item 1.7 This item refers to the total tax attributable to the amount shown in item 1.6. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as operating expenses (eg. fringe benefits tax).
4. **Income tax** If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.
5. **Consolidated balance sheet**

Format The format of the consolidate balance sheet should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 1029*. Banking institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last annual report, the *issuer* must describe the basis of revaluation adopted. The description must meet the requirements of paragraphs 19-21 of *AASB 1010: Accounting for the Revaluation of Non-Current Assets*. If the *issuer* has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required. Trusts should also note paragraph 10 of *AASB 1029* and paragraph 11 of *AASB 1030*.
6. **Statement of cash flows** For definitions of "cash" and other terms used in this statement see *AASB 1026: Statement of Cash Flows*. *Issuers* should follow the form as closely as possible, but variations are permitted if the *directors* (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 1026*. Mining exploration *issuers* may use the form of cashflow statement in Appendix 5B.
7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (i.e. all liabilities, preference securities, outside equity interests, etc). Mining *issuers* are *not* required to state a net tangible asset backing per ordinary *security*.
8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the consolidated financial statements. Details must include the contribution for each gain or loss that

increased or decreased the *issuer's* consolidated operating profit (loss) and extraordinary items after tax by more than 5% compared to the previous corresponding period.

9. **Equity accounting** If an *issuer* adopts equity accounting, no comparative equity accounting figures are required in the first period following its adoption.
10. **Rounding of figures** This statement anticipates that the information required is given to the nearest \$1,000. However, an *issuer* may report exact figures, if the \$A'000 headings are amended. If an *issuer* qualifies under an *ASIC* Class Order dated 17 August 1994, it may report to the nearest million dollars, or to the nearest \$100,000, if the \$A'000 headings are amended.
11. **Comparative figures** Comparative figures are normally the unadjusted figures from the previous corresponding period. However, if the previously report figures are adjusted to achieve greater comparability, a note explaining the adjustment must be included with this statement. If no adjustment is made despite a lack of comparability, a note explaining the position should be attached.
12. **Additional information** An *issuer* may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement. The requirement under the list rules for an *issuer* to complete this statement does not prevent the *issuer* issuing reports more frequently. Additional material lodged with the *ASIC* under the Corporations Act must also be given to the Exchange. For example, a *directors'* report and statement, if lodged with the *ASIC*, must be given to the Exchange.
13. **Accounting Standards** the Exchange will accept, for example, the use of International Accounting Standards for *foreign issuers*. If the standards used do not address a topic, the Australian standard on that topic (if one) must be complied with.
14. **Borrowing corporations** As at 1/7/96, this statement may be able to be used by an *issuer* required to comply with the Corporations Act as part of its half yearly financial statements if prepared in accordance with Australian Accounting Standards. However, borrowing corporations must comply with Schedule 5 of the Corporations Regulations. See regulation 3.6.02(4).

QUANTUM PROPERTY TRUST NO. 11

ARSN: 108 475 476

half-year financial report

FOR THE HALF YEAR ENDED 31 DECEMBER 2005

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Responsible Entity

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AFSL: 237301

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Custodian

Australian Executor Trustees Ltd

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Level 9

80 Alfred Street

MILSONS POINT NSW 2061

Auditor

Pascoe Whittle

Level 8

191 Clarence Street

SYDNEY NSW 2000

Share Registry

Newcastle Capital Markets

10 Murray Street

HAMILTON NSW 2303

DIRECTORS REPORT

The Directors of Quantum Syndicate Management Ltd, the Responsible Entity of Quantum Property Trust No.11 ("the Scheme") submit their report of the Scheme for the half-year ended 31 December 2005.

DIRECTORS

The names of the Directors of Quantum Syndicate Management Ltd in office during the half year and until the date of this report are:

Peter Gribble (Chairman)
Jonathan Martin (resigned 1 October 2005)
James Maitland
JoAnna Fisher (appointed 1 October 2005)

Directors were in office from the beginning of the half year until the date of this report, unless otherwise stated.

OPERATING RESULTS

The net operating income is presented in the Income Statement. The net profit attributable to the Members of the Scheme for the half-year ending 31 December 2005 amounted to a profit of \$248,842 (2004: \$244,583).

REVIEW OF OPERATIONS

The Scheme owns a twenty-five percent interest in Quantum Property Syndicate No.11 ARSN: 108 475 716 (QPS11) the following information is some of the relevant financial information on this investment relating to QPS11 as a whole:

	<i>FY06</i>	<i>FY05</i>	<i>Increase/ (Decrease)</i>
Total Assets	13,500,775	12,678,301	6%
Total Equity	902,010	(34,968)	2680%
Net Profit	260,760	164,023	59%
Earnings per Interest (cents)	2.09	1.31	59%
Net Asset Backing (cents)	7.23	(0.28)	2680%

DIRECTORS REPORT

AUDITOR'S INDEPENDENCE DECLARATION

The Directors received the following independence declaration from the auditor of the Scheme, Pascoe Whittle.



PASCOE WHITTLE

LEVEL 8, 191 CLARENCE STREET
SYDNEY NSW 2000
GPO BOX 5269
SYDNEY NSW 2001
TELEPHONE (02) 9299 2444
FACSIMILE (02) 9299 2423

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 370C OF THE CORPORATIONS ACT 2001

TO THE UNITHOLDERS OF QUANTUM PROPERTY TRUST NO. 12

We declare to the best of our knowledge and belief, during the period ended 31 December 2005 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

PASCOE WHITTLE

A handwritten signature in black ink, appearing to read 'John Pascoe', written over a horizontal line.

JOHN PASCOE
Partner

Sydney

9 March 2006

Signed in accordance with a resolution of the Directors

A handwritten signature in black ink, appearing to read 'Peter Gribble', written over a horizontal line.

Peter Gribble
Chairman
Quantum Syndicate Management Ltd

Sydney, 9 March 2005

BALANCE SHEET
AS AT 31 DECEMBER 2005

	Note	31 Dec 2005	30 June 2005
CURRENT ASSETS			
Cash		1,931	2,873
Receivables		175,650	0
Other		381	1
		177,962	2,874
NON CURRENT ASSETS			
Managed Investment Schemes		3,306,824	3,246,266
Other		428,683	409,657
		3,735,507	3,655,923
TOTAL ASSETS		3,913,469	3,658,797
CURRENT LIABILITIES			
Payables		5,830	0
Provisions		240,925	240,925
Other		0	0
		246,755	240,925
NON CURRENT LIABILITIES			
Units on Issue		3,120,000	3,120,000
		3,120,000	3,120,000
TOTAL LIABILITIES		3,366,755	3,360,925
NET ASSETS		546,714	297,871
MEMBERS FUNDS			
Reserves		194,846	194,846
Undistributed Income		351,868	103,026
TOTAL MEMBERS FUNDS		546,714	297,871

**INCOME STATEMENT &
STATEMENT OF DISTRIBUTION**
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Note	31 Dec 2005	31 Dec 2004
INCOME STATEMENT			
REVENUE AND EXPENSES FROM ORDINARY ACTIVITIES			
Investment Income		240,690	254,601
Interest Income		20,435	449
Net Income Before Other Expenses	2	261,125	255,050
Custodian Fee		0	0
Audit Fees		(3,800)	(2,200)
Managers Service Fee		0	0
Other Expenses		(8,482)	(8,267)
Total Other Expenses	2	(12,282)	(10,467)
NET PROFIT		248,842	244,583
TOTAL CHANGE IN EQUITY EXCLUDING DISTRIBUTIONS AND INTEREST ISSUES			
		248,842	244,583
Basic Earnings per Unit (cents per unit)		7.98	7.84
Diluted Earnings per Unit (cents per unit)		7.98	7.84
STATEMENT OF DISTRIBUTION			
Net Profit Attributable to the Members of the Scheme		248,842	244,583
Net Transfers (to)/from Reserves		0	0
Undistributed Income		(248,842)	(244,583)
DISTRIBUTION PAID AND PAYABLE	3	0	0

CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

Note	31 Dec 2005	31 Dec 2004
CASH FLOWS FROM OPERATING ACTIVITIES		
Investment Income Received	4,631	0
Interest Received	40	449
Fees and Other Expenses Paid	(6,982)	(10,984)
Net Cash Flows from Operating Activities	(2,311)	(10,535)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Investments	0	(65,000)
Repayment of Loans	1,369	0
Provision of Loans	0	0
Net Cash Flows from Investing Activities	1,369	(65,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Equity Raising	0	0
Proceeds from Debt Raising	0	0
Distributions Paid to Unit Holders	0	0
Net Cash Flows from Financing Activities	0	0
NET (DECREASE)/INCREASE IN CASH	(942)	(75,535)
Opening Cash	2,873	84,595
CLOSING CASH	1,931	9,060

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Share Capital		Undistributed Income		Asset Revaluation Reserve		Minority Interest		Total	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
Opening Balance	-	-	103,026	(4,039)	194,846	(11,653)	-	-	297,871	(15,691)
Revaluation increment	-	-	-	-	-	(49,345)	-	-	-	(49,345)
Profit for the period	-	-	248,842	244,583	-	-	-	-	248,842	244,583
Total Income/(expense) for the period	-	-	248,842	244,583	-	(49,345)	-	-	248,842	195,238
Issue of share capital	-	-	-	-	-	-	-	-	-	-
Equity Distributions	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	351,868	240,544	194,846	(60,998)	-	-	546,714	179,546

1 BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Scheme as the full financial report.

The half-year financial report should be read in conjunction with the Annual Financial Report of Quantum Property Trust No.11 as at 30 June 2005, which was prepared based on Australian Accounting Standards applicable before 1 January 2005.

It is also recommended that the half-year financial report be considered together with any public announcements made by Quantum Property Trust No.11 during the half-year ended 31 December 2005 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) BASIS OF ACCOUNTING

The half-year financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements.

The half-year financial report has been prepared on a historical cost basis, except for investment properties, land and buildings, derivative financial instruments and available for sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged with fair value hedges are adjusted to record changes in the fair values attributable to the risks that are being hedged.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(b) STATEMENT OF COMPLIANCE

The half year financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the half year financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

This is the first half year financial report prepared based on AIFRS and comparatives for the half-year ended 31 December 2004 and full year ended 30 June 2005 have been restated accordingly. A summary of the significant accounting policies of the Scheme under AIFRS are disclosed in Note 1(c) below.

Reconciliations of:

- AIFRS equity as at 1 July 2004, 31 December 2004 and 30 June 2005; and
 - AIFRS profit for the half-year 31 December 2004 and full year 30 June 2005,
- to the balances reported in the 31 December 2004 half-year report and 30 June 2005 full-year financial report prepared under AGAAP are detailed in Note 1(e) below.

(c) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) INVESTMENTS

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

After initial recognition, investments, which are classified as held for trading and available-for-sale, are measured at fair value. Gains or losses on investments held for trading are recognised in the income statement.

Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Scheme has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification.

Other long-term investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity.

For investments carried at amortised cost, gains and losses are recognised in income when the investments are derecognised or impaired, as well as through the amortisation process.

For investments that are actively traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the balance sheet date.

For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment.

Purchases and sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place are recognised on the trade date i.e. the date that the Scheme commits to purchase the asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

(ii) REVENUE AND RECEIVABLES

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

Receivables are recognised and carried at original amount, less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of an amount is no longer probable. Bad debts are written off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due. Interest and distributions are taken up as income on an accrual basis.

(iii) EXPENDITURE AND TRADE CREDITORS

Expenditure including interest and other expenses is taken up as an expense on an accrual basis.

Liabilities for creditors are carried at cost, which is fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Scheme.

Payables to related parties are carried at the principle amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

(iv) GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The net amount of GST which is recoverable or payable to the taxation authority is included in the Statement of Financial Position as an other asset or liability.

The GST component of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the taxation authority are classified as operating cashflows.

(v) INCOME TAX

Under current tax legislation, the Scheme is not liable to pay income tax provided its taxable income and taxable realised capital gains are fully distributed to Members.

(vi) CASH AND CASH EQUIVALENTS

Cash on hand and in banks and short-term deposits are stated at nominal values.

For the purpose of the Statement of Cash Flows, cash includes cash at bank, deposits at call and short term money market securities which are readily convertible to cash on hand.

(vii) LOANS PROVIDED

Unsecured Loans

Unsecured loans are measured at the principal amount, allowing for any repayments or drawdowns. Interest is charged on the balance at a fixed rate as simple interest as it accrues.

Interest brought to account but not received during the year is recognised as a receivable, and any amount not received at balance date is then added to the loan balance as a drawdown on each balance date.

(viii) INVESTMENT IN ASSOCIATE

The Scheme's investment in its associate is accounted for under the equity method of accounting in the consolidated financial statements. This is an entity in which the Scheme has significant influence and which is neither a subsidiary nor a joint venture.

The financial statements of the associate are used by the Scheme to apply the equity method. The reporting dates of the associate and the Scheme are identical and both use consistent accounting policies.

The investment in the associate is carried in the consolidated balance sheet at cost plus post-acquisition changes in the Scheme's share of net assets of the associate, less any impairment in value. The consolidated income statement reflects the Scheme's share of the results of operations of the associate.

Where there has been a change recognised directly in the associate's equity, the Scheme recognises its share of any changes and discloses this, when applicable in the consolidated statement of changes in equity.

(ix) RECOVERABLE AMOUNT OF ASSETS

At each reporting date, the Scheme assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Scheme makes a formal 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.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(x) PROVISIONS

Provisions are recognised when the Scheme has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Scheme expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(xi) DERECOGNITION OF FINANCIAL INSTRUMENTS

The derecognition of a financial instrument takes place when the Scheme no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

(d) AASB 1 TRANSITIONAL EXEMPTIONS

The Scheme has made its election in relation to the transitional exemptions allowed by AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' as follows:

Exemption from the requirement to restate comparative information for AASB 132 and AASB 139

The Scheme has not elected to adopt this exemption and has applied AASB 132 'Financial Instruments: Presentation and Disclosure' and AASB 139 'Financial Instruments: Recognition and Measurement' to its comparative information.

(e) IMPACT OF ADOPTION OF AIFRS

The impacts of adopting AIFRS on the total equity and profit as reported under Australian Accounting Standards applicable before 1 January 2005 ('AGAAP') are illustrated below.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

**(i) RECONCILIATION OF TOTAL EQUITY AS PRESENTED UNDER
AGAAP TO THAT UNDER AIFRS**

	30 June 2005	31 Dec 2004	1 July 2004
Total equity under AGAAP	3,412,955	3,258,541	3,104,309
<i>Adjustment to undistributed income</i>			
-straight line rental adjustment (A)	4,917	41,006	-
	4,917	41,006	-
<i>Adjustment to reserves</i>			
	-	-	-
<i>Adjustment to interests on issue</i>			
-reclassification of equity as debt (B)	(3,120,000)	(3,120,000)	(3,120,000)
	(3,120,000)	(3,120,000)	(3,120,000)
Total equity under AIFRS	297,871	179,546	(15,691)

- (A) Under AASB 117 *Leases*: revenue from leases must be recognised on a straight line basis over the term of the lease. These changes affected the net profit of the Schemes investment in QPS11, which impacted the revenue recorded for the period.
- (B) Under AASB 132 *Financial Instruments: Disclosure and Presentation* the issued interests of the Scheme would no longer meet the definition of equity, given the fixed life of the Scheme. This requires the issued interests of the Scheme to be reclassified as debt rather than equity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

(ii) RECONCILIATION OF PROFIT AFTER TAX UNDER AGAAP TO THAT UNDER AIFRS

	30 June 2005	31 Dec 2004
Net profit as reported under AGAAP	409,421	203,577
-reclassification of distributions as borrowing costs (A)	(307,273)	-
-adjustment to equity accounted investments (B)	4,917	41,006
Net profit under AIFRS	107,065	244,583

(A) Under AASB 132 *Financial Instruments: Disclosure and Presentation* the issued interests of the Scheme would no longer meet the definition of equity, given the fixed life of the Scheme. This requires the issued interests of the Scheme to be reclassified as debt rather than equity, and hence distributions to be reclassified as a borrowing cost in the income statement.

(B) Under AASB 117 *Leases*: revenue from leases must be recognised on a straight line basis over the term of the lease. These changes affected the net profit of the Schemes investment in QPS11, which impacted the revenue recorded for the period.

(iii) EXPLANATION OF MATERIAL ADJUSTMENTS TO THE CASH FLOW STATEMENTS

There are no material differences between the cash flow statements presented under AIFRS and those presented under AGAAP.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

2 PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities includes the following revenues and expenses whose disclosure is relevant in explaining the financial performance of the Scheme:

	31 Dec 2005	31 Dec 2004
Revenues from ordinary activities		
-Share of associates income	65,190	79,101
-Guarantee fees	175,500	175,500
-Interest	20,435	449
	261,125	255,050
Expenses		
-Administration fees	132	401
-Audit fees	3,800	2,200
-Registry and listing fees	8,350	7,865
	12,282	10,467

3 DISTRIBUTIONS PAID OR PROVIDED

Distributions proposed and recognised as a liability		
-Gross distributions	240,925	11,653
Distributions paid during the half-year		
-Gross distributions	-	-
	240,925	11,653
Distributions proposed and not recognised as a liability		
-Gross distributions	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

4 ISSUED CAPITAL

	31 Dec 2005	31 Dec 2004
Ordinary units		
-Issued and fully paid	3,120,000	3,120,000
	3,120,000	3,120,000

5 CHANGE IN COMPOSITION OF ENTITY

There has been no change in the composition of the Scheme during the half-year ended 31 December 2005.

6 CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change of any contingent liabilities or contingent assets.

7 EVENTS AFTER THE BALANCE SHEET DATE

a) 2005

There have been no material events post balance sheet date.

b) 2004

There have been no material events post balance sheet date.

DIRECTORS DECLARATION

DIRECTORS DECLARATION

In the opinion of the directors of Quantum Syndicate Management Ltd, the Responsible Entity of Quantum Property Trust No.11:

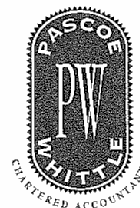
- (a) the financial statements and notes of the Scheme:
 - (i) give a true and fair view of the financial position as at 31 December 2005 and the performance for the half-year ended on that date of the Scheme; and
 - (ii) comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors of the Responsible Entity



Peter Gribble
Chairman
Quantum Syndicate Management Ltd

Sydney, 9 March 2006



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**INDEPENDENT REVIEW REPORT TO THE UNITHOLDERS OF
QUANTUM PROPERTY TRUST NO. 11**

Scope

We have reviewed the financial report of Quantum Property Trust No 11, a Managed Investment Scheme for the half-year ended 31 December 2005, consisting of the balance sheet, income statement, cash flow statement, statement of changes in equity, accompanying notes and the responsible entity's declaration set out in this report. The responsible entity, Quantum Syndicate Management Ltd is responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 134: Interim Financial Reporting and other mandatory professional reporting requirements and statutory requirements, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission/Australian Stock Exchange Limited

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Quantum Property Trust No 11 is not in accordance with:

- (a) The Corporations Act 2001, including:
 - (i) Giving a true and fair view of the Scheme's financial position as at 31 December 2005 and of its performance for the half-year ended on that date; and
 - (ii) Complying with Accounting Standards AASB 134: Interim Financial Reporting and the Corporations Regulation 2001; and
- (b) Other mandatory professional reporting requirements; and
- (c) With the provisions of the Constitution dated 2 April 2004 (as amended).

PASCOE WHITTLE

A handwritten signature in black ink, appearing to read 'John Pascoe', is written over a horizontal line.

JOHN PASCOE
Partner

Sydney

9 March 2006

Liability limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW)