

Agricultural Land Trust

28 February 2019

Company Announcements Platform
Australian Securities Exchange

The directors of One Managed Investment Funds Limited, the responsible entity of the Agricultural Land Trust (the "Trust"), release the attached Appendix 4D together with the Half Year Report for the Trust for the period ended 31 December 2018.

The Appendix 4D and Half Year Report should be read in conjunction with the Trust's Annual Report for the financial year ended 30 June 2018 together with all public announcements made on behalf of the Trust during the period ended 31 December 2018 and up until the date of this release.

For further information please contact:

Frank Tearle
Director (02) 8277 0000

Agricultural Land Trust

ARSN 096 588 046

Half Year Report

Results for Announcement to the Market

Appendix 4D

31 December 2018

	% change	6 months ended 31 December 2018 \$'000	6 months ended 31 December 2017 \$'000
Results			
Revenue from ordinary activities	Up 117.5%	1,818	836
Profit (loss) from ordinary activities after tax attributable to members	Up 69.7%	(124)	(409)
Net profit (loss) attributable to unit holders	Up 69.7%	(124)	(409)
Commentary on Results			
Discussion and analysis of the Trust's results is contained in the Half Year Report.			
The Trust does not propose to pay an Interim distribution for the period			
Interim distribution payable (\$'000)		0	0
Interim distribution payable (cents per unit)		0	0
Basic and diluted earnings (cents per unit)		(0.13)	(0.42)
Distribution reinvestment plan price (cents per unit)		0	0

	31 December 2018	31 December 2017
Net tangible assets		
Total net tangible assets attributable to unit holders	\$10,207,417	\$9,344,522
Units on issue	97,510,036	97,510,036
Net tangible assets attributable to unit holders per unit	\$0.10	\$0.10

Agricultural  Land Trust

ARSN 096 588 046

**Half Year Report
31 December 2018**

AGRICULTURAL LAND TRUST

Directors' Report

The directors of One Managed Investment Funds Limited ("OMIFL"), the responsible entity of Agricultural Land Trust (the "Trust") present their report for the period ended 31 December 2018 as follows:

Directors

One Managed Investment Funds Limited

Justin Epstein	(appointed 1 September 2009)
Frank Tearle	(appointed 4 December 2008)
Elizabeth Reddy	(appointed 6 November 2009; ceased 26 October 2018)
Sarah Wiesener	(appointed 26 October 2018)

Review and results of operations

Financial results

The reported net loss of the Trust attributable to unit holders from continuing operations for the half year ended 31 December 2018 was a loss of \$124,000 (2017: Loss \$409,000). The loss includes nil asset revaluation adjustment this half year (2017: revaluation increase \$240,000).

Revenue and expenses

Revenue from operations totalled \$1,818,000 (2017: \$836,000) and comprises asset revaluation adjustment of nil (2017: revaluation \$240,000), interest income of \$1,624,000 (2017: \$593,000), distributions from One Cash Management Fund of \$1,000 (2017: \$3,000) and harvesting income of \$193,000 (2017: nil).

Expenses from operations, totalled \$1,942,000 (2017: \$1,245,000) and is comprised predominately of interest on debentures of \$1,688,000 (2017: \$1,012,000).

Expenses from operations also included responsible entity fees of \$34,000 (2017: \$26,000).

Balance sheet

The net assets of the Trust attributable to unit holders totalled \$10,207,000 as at 31 December 2018 (30 June 2018: \$10,331,000).

The fair value of the Trust's investment property, comprising solely of the Linkletters Place property, as at 31 December 2018 was \$21,880,000 (30 June 2018: \$21,880,000).

The property value stems from the independent assessment by Opteon Property Group, conducted in July 2018, of the Linkletters Place property and is based on the market value applying an 'As If Complete' valuation approach applying a 'recent transactions' methodology adjusted for the property's specific characteristics.

AGRICULTURAL LAND TRUST

Directors' Report

Review and results of operations (continued)

A further series of Series 7 debentures were issued since 1 July 2018 with an aggregate face value of \$42,000,000 with further details in Note 6. Each series is repayable within two years of their relevant issue date and more details are set out in note 12 of the Trust's 30 June 2018 Annual Report.

As at 31 December 2018, the Trust's gearing ratio (debt to total assets) was 89.8% (30 June 2018: 83.9%).

Cash flow

The overall decrease in cash and cash equivalents for the Trust was \$84,000 for the half year ended 31 December 2018 (2017: increase \$366,000).

Operating cash outflow for the period was \$84,000 (2017: cash outflow \$634,000). This improvement is attributable predominantly to the increase in interest received from iProsperity loans as well as income from wood chipping, compared to the prior corresponding period.

Investing activity cash outflow for the period was \$42,000,000 (2017: \$12,000,000). This was in relation to the loans to iProsperity Underwriting Pty Ltd.

Financing activity cash inflow for the period was \$42,000,000 (2017: cash inflow \$13,000,000) being the additional debentures issued.

Distributions to unit holders

There is \$nil distribution for the financial half year ended 31 December 2018 (2017: \$nil).

Second half outlook

As was communicated to the market in the Annual Report for the financial year ended 30 June 2018, the Trust continues to prepare Linkletters Place for remediation with the absence of rental income. Once the remediation works are completed, opportunities for sale or leasing will be assessed. The Trust has a Timber Purchase Agreement with SPF Resources Pty Ltd (SPF) for the wood chip harvesting of the plantation trees located on Linkletters Place. SPF can harvest the plantation trees in one or more harvest period and at any time during the harvest window of a five year period beginning on the contract date of 13 February 2018.

The Trust also continues to implement strategies to ensure its financial viability and has successfully issued further debentures since the release of the 30 June 2018 financial report and will continue to on-lend the proceeds of such issues which will result in additional income to the Trust.

Rounding of amounts

The entity is of the kind specified in the Australian Securities & Investments Commission class order 2016/191. In accordance with that class order, amounts in the consolidated financial statements and the Directors' Report have been rounded to the nearest thousand dollars unless specifically stated otherwise.

AGRICULTURAL LAND TRUST

Directors' Report

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6 and forms part of the Directors' Report for the half year ended 31 December 2018.

This report has been made in accordance with a resolution of the Directors.



Frank Tearle
Director

Sydney
28 February 2019

28 February 2019

The Directors
One Managed Investment Funds Limited
as Responsible Entity of Agricultural Land Trust
Level 11, 20 Hunter Street
Sydney NSW 2000

Dear Directors,

Agricultural Land Trust

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of One Managed Investment Funds Limited.

As lead audit partner for the audit of the financial report of Agricultural Land Trust for the half-year ended 31 December 2018, I declare that to the best of my knowledge and belief, that there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



Crowe Horwath Sydney



John Haydon
Senior Partner

AGRICULTURAL LAND TRUST

Statement of Profit or Loss and Other Comprehensive Income

Half year ended 31 December 2018

	Consolidated	
	Note	31 December 2017
	31 December 2018	31 December 2017
	\$'000	\$'000
Income		
Other income	194	3
Interest income	1,624	593
Net increment in fair value of investment properties	-	240
Total income	1,818	836
Expenses		
Finance costs	(1,688)	(1,012)
Responsible entity fees	7 (34)	(26)
Auditor's remuneration	(30)	(16)
Other expenses	(190)	(191)
Total expenses	(1,942)	(1,245)
Net (loss) / profit	(124)	(409)
Net (loss) / profit attributable to unit holders of the Trust	(124)	(409)
Other comprehensive income	-	-
Total comprehensive (loss)/profit	(124)	(409)
Basic and diluted earnings per unit	(0.13)	(0.42)

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

AGRICULTURAL LAND TRUST

Statement of Financial Position

As at 31 December 2018

		Consolidated	
	Note	31 December 2018 \$'000	30 June 2018 \$'000
Current assets			
Cash and cash equivalents	5	140	224
Trade and other receivables		1,005	617
Loan receivable		27,500	15,500
Total current assets		28,645	16,341
Non-current assets			
Loan receivable		60,550	30,550
Investment property	8	21,880	21,880
Total non-current assets		82,430	52,430
Total assets		111,075	68,771
Current liabilities			
Trade and other payables		1,070	763
Interest bearing loans and borrowings	6	29,248	17,127
Total current liabilities		30,318	17,890
Non-current liability			
Interest bearing loans and borrowings	6	70,550	40,550
Total non-current liabilities		70,550	40,550
Total liabilities		100,868	58,440
Net assets attributable to unit holders		10,207	10,331
Represented by:			
Units on issue		55,299	55,299
Retained losses		(45,092)	(44,968)
Total unit holders interests		10,207	10,331

The Statement of Financial Position should be read in conjunction with the accompanying notes.

AGRICULTURAL LAND TRUST

Statement of Changes in Equity

Half year ended 31 December 2018

	Consolidated		
	Retained Losses	Units on Issue	Unit Holders' Equity
	\$'000	\$'000	\$'000
At 1 July 2017	(45,545)	55,299	9,754
Net loss attributable to unit holders	(409)	-	(409)
At 31 December 2017	<u>(45,954)</u>	<u>55,299</u>	<u>9,345</u>
At 1 July 2018	(44,968)	55,299	10,331
Net loss attributable to unit holders	(124)	-	(124)
At 31 December 2018	<u>(45,092)</u>	<u>55,299</u>	<u>10,207</u>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

AGRICULTURAL LAND TRUST

Statement of Cash Flows

Half year ended 31 December 2018

	Consolidated	
Note	31 December 2018 \$'000	31 December 2017 \$'000
Cash flows from operating activities		
Interest received	1,293	407
Other income received	143	3
Interest and borrowing costs paid	(1,296)	(709)
Other expenses paid	(224)	(335)
Net cash outflow from operating activities	(84)	(634)
Cash flows from investing activities		
Loan to iProsperity Underwriting Pty Ltd	(42,000)	(12,000)
Net cash outflow from investing activities	(42,000)	(12,000)
Cash flows from financing activities		
Proceed from issuing debenture	6 42,000	13,000
Net cash inflow from financing activities	42,000	13,000
Net (decrease) increase in cash and cash equivalents	(84)	366
Add opening cash and cash equivalents at beginning of period	5 224	25
Closing cash and cash equivalents at end of period	5 140	391

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

AGRICULTURAL LAND TRUST

Notes to and forming part of the financial statements

Half year ended 31 December 2018

1. Summary of significant accounting policies

a) Basis of preparation

The half year financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Constitution of the Agricultural Land Trust, 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 the investment property, which has been measured at fair value based upon Directors' valuations. Independent valuations are conducted at intervals of not more than one year and are considered by the Directors of the responsible entity when determining fair values.

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 Trust as the full financial report.

The half year financial report should be read in conjunction with the Annual Financial Report of the Trust for the year ended 30 June 2018 together with all public announcements made on behalf of the Trust and its controlled entities during the half year ended 31 December 2018, and those up to the date of this financial report, in accordance with the continuous disclosure obligations arising under the Australian Securities Exchange Listing Rules and the Corporations Act 2001.

The half year financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2018 except for the impact of the changes in accounting policy described below.

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

Going concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of the normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Trust continues to implement strategies to ensure its financial viability and has successfully issued further debentures since the release of the 30 June 2018 financial report and in turn, continues to on-lend the proceeds of such issues which will result in additional income to the Trust. The Trust has an agreement for the harvesting of the plantation trees located on Linkletters Place and is currently earning monthly income. Upon completion of harvesting, the land will be leased and it is expected to result in additional income to the Trust.

The Directors have determined that there are reasonable grounds to believe the Trust will be able to pay its debts as and when they become due and payable; as such, the Directors believe the basis of preparation of the financial statements on a going concern basis is appropriate.

AGRICULTURAL LAND TRUST

Notes to and forming part of the financial statements

Half year ended 31 December 2018

1. Summary of significant accounting policies (continued)

b) Changes in accounting policy

New Standards and Interpretations

Except as disclosed below, the accounting policies applied in these half year financial statements are the same as those applied to the Trust's financial statements for the year ended 30 June 2018.

The Trust has changed some of its accounting policies as a result of new and revised accounting standards which became effective for the first time in the current reporting period. The affected policies are:

- AASB 9 *Financial Instruments (and applicable amendments)*

AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting and impairment. The adoption of the amendment does not have a significant impact on the recognition, classification and measurement of the Trust's financial instruments as they are carried at amortised cost. The derecognition rules have not changed from the previous requirements, and the Trust does not apply hedge accounting. AASB 9 introduces a new impairment model. The change in impairment rules does not have a material impact on the Trust.

- AASB 15 *Revenue from Contracts with Customers*

AASB 15 replaces AASB 118 *Revenue* which covers contracts for goods and services and AASB 111 *Construction Contracts* which covers construction contracts. AASB 15 is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

The Trust's main sources of income is interest which is outside the scope of the new revenue standard. As a consequence, the adoption of AASB 15 does not have a significant impact on the Trust's accounting policies or the amounts in the financial statements.

The Trust has not elected to early adopt any other new or amended Standards or Interpretations that are issued but not yet effective.

2. Contingent liability

There is no legal claim or warranties noted as at 31 December 2018 (30 June 2018: nil).

3. Segment reporting

The Trust operates wholly within Australia and aims to derive rental income or sale proceeds from rural property investments following the remediation of land for grazing and cropping.

AGRICULTURAL LAND TRUST

Notes to and forming part of the financial statements

Half year ended 31 December 2018

4. Non-cash financing activities

The Trust has a distribution reinvestment plan ("DRP") which allows unit holders to elect to reinvest their distribution into new units of the Trust. The issue price under the DRP is the average trading price (weighted by volume) of the Trust's units traded on the ASX during the 10 trading days from, and including the date on which the Trust's units trade ex-distribution, less a discount of up to 10% as determined by the Directors at their absolute discretion.

For the period ended 31 December 2018, there were \$nil distributions (2017: \$nil).

Non-cash financing activities:	\$'000
Capitalised interest on Series 3	121
Capitalised interest on loan from IPG Mortgage Fund	<u>150</u>
	<u>271</u>

5. Reconciliation of cash and cash equivalents

	Consolidated	
	31 December 2018 \$'000	30 June 2018 \$'000
Cash at Bank	138	45
Units in One Cash Management Fund	2	179
	140	224

Units held in the One Cash Management Fund, a fund managed by a related party of One Managed Investment Funds Limited ("OMIFL"), are redeemable on a daily basis. They are stated at their nominal values.

6. Interest bearing loans and borrowings

	Consolidated	
	31 December 2018 \$'000	30 June 2018 \$'000
Current		
Debenture*	19,127	7,127
Capitalised interest	121	-
Loan*	10,000	10,000
	29,248	17,127
Non-current		
Debenture*	70,550	40,550
	70,550	40,550

AGRICULTURAL LAND TRUST

Financing facilities

Total facilities used	99,677	57,677
Total facilities unused	32,450	24,450
Total facilities	132,127	82,127

* Debenture Series 1 and 2 were repaid on 28 February 2018 and refinanced with a \$10,000,000 loan from IPG Mortgage Fund. The loan interest rate is at 6%, interest payment is on a 6 monthly cycle.

The debentures on issue and loans are as follows:

Debenture/Loan	Facility Limit	Amount	Drawdown Date	Maturity	Interest Rate
Debentures Series 3	5,500,000	4,000,000	23-May-17	22-May-19	6.00%
Debentures Series 3		1,500,000	16-Jun-17	15-Jun-19	6.00%
Debentures Series 4	10,000,000	5,000,000	14-Aug-17	13-Aug-19	4.50%
Debentures Series 4		4,000,000	07-Sep-17	13-Aug-19	4.50%
Debentures Series 4		1,000,000	22-Nov-17	13-Aug-19	4.50%
Debentures Series 5	1,000,000	1,000,000	07-Sep-17	07-Oct-19	12.50%
Debentures Series 6	5,000,000	2,000,000	13-Dec-17	12-Dec-19	6.00%
Debentures Series 7	100,000,000	3,000,000	24-Jan-18	24-Jan-20	4.00%
Debentures Series 7		3,000,000	24-Jan-18	24-Jan-20	4.00%
Debentures Series 7		3,000,000	15-Feb-18	24-Jan-20	4.00%
Debentures Series 7		10,000,000	28-Feb-18	24-Jan-20	4.00%
Debentures Series 7		1,200,000	03-May-18	24-Jan-20	4.00%
Debentures Series 7		5,000,000	01-Jun-18	24-Jan-20	4.00%
Debentures Series 7		2,400,000	13-Jun-18	24-Jan-20	4.00%
Debentures Series 7		950,000	15-Jun-18	24-Jan-20	4.00%
Debentures Series 7		3,000,000	24-Jul-18	24-Jan-20	4.00%
Debentures Series 7		4,000,000	13-Sep-18	24-Jan-20	4.00%
Debentures Series 7		4,000,000	26-Oct-18	24-Jan-20	4.00%
Debentures Series 7		12,000,000	08-Nov-18	24-Jan-20	4.00%
Debentures Series 7		8,000,000	08-Nov-18	24-Jan-20	4.00%
Debentures Series 7		5,000,000	19-Dec-18	24-Jan-20	4.00%
Debentures Series 7		6,000,000	28-Dec-18	24-Jan-20	4.00%
Debentures Series 8	627,081	627,081	28-Feb-18	07-Oct-19	10.00%
IPG Mortgage Fund	10,000,000	10,000,000	28-Feb-18	28-Feb-19	6.00%
	<u>132,127,081</u>	<u>99,677,081</u>			

As at 31 December 2018, the aggregate debenture balance of series 3 to series 8 was \$89,677,081 (2018: \$47,677,081). The fair value approximates to the current value of \$89,677,081. The loan from IPG Mortgage Fund was \$10,000,000.

Series 3, 4, 6 and 7 debentures have security limited to the amounts recovered in respect of the loan made by the Trust to iProsperity Underwriting Pty Limited.

AGRICULTURAL LAND TRUST

Notes to and forming part of the financial statements

Half year ended 31 December 2018

7. Related party disclosures

The Responsible Entity of Agricultural Land Trust as at 31 December 2018 is One Managed Investment Funds Limited ("OMIFL") whose parent entity at 31 December 2018 is One Investment Group Pty Limited ("OIG"). The ultimate parent entity is One Investment Group Holdings Pty Limited ("OIGH").

The debenture holders are One Funds Management Limited as trustee for Cornerstone New SIV Bond Fund and One Funds Management Limited as trustee for Cornerstone Bond Fund ("Cornerstone"). The Trustee of Cornerstone, One Funds Management Limited ("OFML") is owned by OIG. Interest is payable in accordance with the terms of the debentures.

The lender in respect of the \$10m loan is One Funds Management Limited as trustee for the IPG Mortgage Fund. The Trustee of IPG Mortgage Fund, OFML is owned by OIG. Interest is payable in accordance with the terms of the loan agreement.

Units held in the One Cash Management Fund, a fund managed by a related party of One Managed Investment Funds Limited ("OMIFL"), are redeemable on a daily basis. See note 5 for details.

Responsible entity fees

The responsible entity fees for the half year were \$34,322 (2017: \$25,775).

Compensation of key management personnel

No amounts are paid by the Trust directly to directors and key management personnel of the Trust. Directors of the responsible entity receive remuneration in their capacity as directors of the responsible entity. Consequently, no compensation as defined in AASB 124: Related Party Disclosures is paid by the Trust to its key management personnel.

Units in the trust held by key management personnel

Key management personnel do not directly hold any units in the Trust at the period end. As at 31 December 2018, current director Justin Epstein has an indirect interest in 223,891 units in the Trust.

8. Investment properties

The fair value of the Trust's investment property as at 31 December 2018 was \$21,880,000 (30 June 2018: \$21,880,000) comprising Linkletters Place.

The investment property has been measured at fair value based on Directors' valuations, having regard to an independent assessment, conducted in July 2018, of the Linkletters Place property and is based on the market value applying an 'As If Complete' valuation approach applying a 'recent transactions' methodology adjusted for the property's specific characteristics.

AGRICULTURAL LAND TRUST

Notes to and forming part of the financial statements

Half year ended 31 December 2018

8. Investment properties (Cont.)

The valuer, Opteon Property Group, considered the following inputs in determining the fair value:

Level 2 inputs:

- Comparable land sales.

Level 3 inputs:

- Comparable evidence requiring adjustment; reliance was placed on transactions of other rural properties within the region to establish market parameters for land and structures; and
- Discount rates and depreciated replacement cost estimates used to calculate impairment arising from lease in place.

The most significant input is the rate per hectare of land based mostly on comparable land sales for plantation land and cleared and pastured land. Due to significant adjustments made to the rate per hectare based on the property's specific characteristics, the fair value measurement is categorised as Level 3 in the fair value hierarchy. These adjustments relate to differences in location, quality of structural improvements, soil types and productivity levels. Any change in the rate per hectare for comparable land sales would result in a movement in the fair value of the investment property.

In the period under review no properties were sold or held for sale (2017: \$nil).

The property is pledged as security to secure certain series of debentures issued by the Trust and the loan (see note 6).

9. Significant events after balance date

A current loan receivable from iProsperity Underwriting Pty Ltd is currently being extended to 24 January 2020.

No other matter or circumstance has arisen since the end of the financial period which is not otherwise dealt with in this report, 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 subsequent financial periods.

10. Units on issue

	31 December 2018	31 December 2017
	Number	Number
Ordinary units on issue at beginning of the period	97,510,036	97,510,036
Ordinary units issued during the period		
- Distribution reinvestment plan – Note 4	-	-
Ordinary units on issue at the end of the period	97,510,036	97,510,036

There is no movement in the issue of ordinary units.

AGRICULTURAL LAND TRUST

Directors' Declaration

In accordance with a resolution of the Directors of One Managed Investment Funds Limited:

In the opinion of the Directors:

- (a) the financial statements and notes of the Trust are in accordance with the Corporations Act 2001, including:
 - i Giving a true and fair view of the financial position as at 31 December 2018 and the performance for the half year ended on that date; and
 - ii Complying with Accounting Standards.
- (b) There are reasonable grounds to believe the Trust will be able to pay its debts as and when they become due and payable.

On behalf of the Board.



Frank Tearle
Director

Sydney
28 February 2019

Independent Auditor's Review Report to the Unitholders of Agricultural Land Trust

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Agricultural Land Trust and the entities it controls (the "Trust"), which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the half-year ended on that date, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Responsible Entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards, the Constitution of the Trust and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Trust's financial position as at 31 December 2018 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*. As the auditor of the Trust, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Agricultural Land Trust is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Trust's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Crowe Horwath Sydney



John Haydon
Senior Partner

Dated this 28th of February 2019