

Agricultural  Land Trust

ARSN 096 588 046

Annual Report
30 June 2020

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Terms and abbreviations

This report uses terms and abbreviations relevant to the Agricultural Land Trust Group's activities and financial accounts. The terms "Agricultural Land Trust", "Trust" and "Group", unless indicated otherwise, refer to the consolidated entity comprising the parent entity (being the Agricultural Land Trust) and its subsidiaries. In some instances, the term "Agricultural Land Trust" refers to the parent entity and not the consolidated entity however, where applicable, this has been disclosed in the report.

The terms "One Managed Investment Funds Limited" and "Responsible Entity" are used in this report to refer to One Managed Investment Funds Limited.

The terms "the year", "financial year" and "2020" refer to the twelve months ended 30 June 2020 unless otherwise stated. Similarly, references to 2019 refer to the twelve months to 30 June of that year.

Corporate directory

Responsible Entity and registered address	One Managed Investment Funds Limited ABN 47 117 400 987 Level 16, Governor Macquarie Tower, 1 Farrer Place Sydney NSW 2000 Phone: (02) 8277 0000 Facsimile: (02) 8580 5700 Australian Financial Services Licence Number: 297042
Postal address	PO Box R1471 Royal Exchange NSW 1225
Registry	Computershare Investor Services Pty Limited Level 5, 115 Grenfell Street Adelaide SA 5000 Phone: 1300 727 620 Facsimile: 1300 534 987
Auditor	Crowe Sydney Level 15, 1 O'Connell Street Sydney NSW 2000
ASX code	AGJ
Website	www.agriculturallandtrust.com.au

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2020**

**Directors' report
For the year ended 30 June 2020**

The directors of One Managed Investment Funds Limited (ABN 47 117 400 987), the Responsible Entity of the Agricultural Land Trust ('the Trust'), present their report, for the Agricultural Land Trust and its controlled entities ('the Group') for the year ended 30 June 2020.

Directors

The names of the directors of One Managed Investment Funds Limited, in office during the financial year and until the date of this report are:

Name	Title
Frank Tearle	Executive Director and Company Secretary
Sarah Wiesener	Executive Director and Company Secretary
Justin Epstein	Non-executive Director (resigned 1 October 2019)
Michael Sutherland	Executive Director (appointed 1 October 2019)

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

Meetings of directors

The number of meetings of the Responsible Entity's directors held during the year ended 30 June 2020 in respect of the Trust, and the number of meetings attended by each director, are:

Number of Directors' meetings held in respect of the Trust:	3
Number of meetings attended:	
Frank Tearle	3
Sarah Wiesener	3
Michael Sutherland	2
Justin Epstein	0

Directors' unit holdings

No director as at the date of this report has any direct interest in units of the Trust, nor do they have any rights or options over interests in the Trust or contracts to which the director is a party or under which the director is entitled to a benefit and that confer a right to call for or deliver an interest in the Trust.

Principal activities

The principal activities of the Group are:

1. to earn income from the exploitation of its investment property, Linkletter's Place, located near Esperance, Western Australia, including from the sale of harvested timber; and
2. previously to earn a net interest margin from debentures which the Group has issued, which were subsequently on lent to another party at a higher interest rate.

Further details of the Group's operations are included in the below Review of operations.

Trust information

The Trust was registered as a Managed Investment Scheme on 7 May 2001.

One Managed Investment Funds Limited, the Responsible Entity, is incorporated and domiciled in Australia. At balance date, the Group had no employees.

The registered office of the Responsible Entity is Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney, New South Wales, 2000.

Directors' report For the year ended 30 June 2020

Review of operations

1. General overview

For the year ended 30 June 2020, the Group reported a net loss attributable to unit holders of \$127.23 million (2019: profit \$13.74 million). The major causes of this loss were the provisions for impairment that have been recorded against the principal and interest receivable on the loans the Group had advanced to iProsperity Underwriting Pty Limited (in liquidation) ('IPU').

At 30 June 2020, the Group had assets with a total value of \$39.89 million (2019: \$144.40 million) and liabilities of \$143.04 million (2019: \$120.33 million). The basis for valuation of the assets is disclosed in Note 2 to the financial report.

This loss resulted in the Group being in a net liability position of \$103.15 million at 30 June 2020. As described below the Group's debentures (excluding Series 5 and 8) were issued on a limited recourse basis, and as such the net liability position is not expected to impact on the Group's ongoing activities at Linkletter's Place or expected to impact upon its ability to continue as a going concern. It will however, mean that the margin income the Group was expecting to earn from the difference between the interest charged on the loans advanced to IPU and the interest payable on the debentures will not be earned going forward.

Excluding the loans and liabilities relating to the Series 3, 4, 6, 7 and 9 debentures, the Group had net assets of \$27.94 million at 30 June 2020.

Operating costs for the financial year ended 30 June 2020 were \$0.46 million which was broadly in line with 2019 (\$0.41 million).

For the purposes of this Review of operations, the Responsible Entity has separated the activities at Linkletter's Place, which remain the main focus of the Group's activities, from the debenture and loan arrangements.

2. Linkletter's Place & harvesting activities

During the year ended 30 June 2020 the Group earned \$1.49 million (2019: \$0.90 million) from the sale of timber and incurred costs of \$0.58 million (2019: \$0.23 million) associated with the harvesting of timber. These costs include land tax, roading and other maintenance costs.

Presented below is a summary of the key metrics from timber sales during the financial year ended 30 June 2020.

Item	30 June 2020	30 June 2019
Harvested area (hectares)	1,091	1,091
Harvest weight (kg) (GMTD)	67,116	62,414
Revenue earned (\$000)	1,494	903
Revenue (\$ per tonne)	22.26	14.47

In March 2020, due to the effects of COVID-19, SPF Resources Pty Ltd ('SPF') (the party engaged to harvest the timber) paused operations. The Group remains in regular contact with SPF, however as at the date of this directors' report SPF has not confirmed when it will recommence harvesting activities.

**Directors' report
For the year ended 30 June 2020**

Review of operations (continued)

3. Investment property – Linkletter's Place

The table below presents the carrying value of the Group's investment property, Linkletter's Place:

Item	30 June 2020 (\$000)	30 June 2019 (\$000)
Opening balance	35,400	21,880
Revaluation change	4,140	13,520
Closing balance	39,540	35,400

The investment property has been measured at fair value based on a directors' valuation, having regard to an independent valuation, conducted by Opteon in July 2020, of the Linkletter's Place property. This valuation is based on the market value applying an 'As If Complete' (remediated to an agricultural standard) valuation approach of \$39.54 million. This approach considers the highest and best use of the property, subsequent to harvesting the blue gum plantation, which is considered will be as a mixed grazing and cropping property.

The market value of the property 'As Is' (subject to existing occupancy arrangements) was assessed by Opteon to be \$30.38 million. The directors have determined the fair value of the Trust's investment property to be \$39.54 million.

The directors of the Responsible Entity considered both methods of valuation and determined to adopt the 'As If Complete' valuation as this valuation is consistent both with prior years' practice and with the stated strategy for the Group, which is to return Linkletter's Place to an agricultural asset.

For the year ended 30 June 2019 the directors of the Responsible Entity commissioned for the first time a valuation of the forest assets located on Linkletter's Place. This valuation assessed that the forest assets had a value of \$4.12 million.

Given the Group's current focus on cash flow management, it was decided not to appoint a valuer to conduct a valuation of the forest assets for the year ended 30 June 2020. Given the complexity involved in valuing the forestry assets, in the absence of an external valuation it is not possible for the Group to assess the value of the forestry assets at 30 June 2020.

The Group will continue to work with SPF to maximise the value that it is able to achieve from the harvesting of the remaining forestry assets located on Linkletter's Place.

No rental income was earned from the property during the year ended 30 June 2020 (2019: \$nil).

4. Core debt – IPG Mortgage Fund loan and series 5 and 8 debentures

The Group considers the IPG Mortgage Fund loan and the series 5 and 8 debentures to be its 'core debt'. The table below summarises these facilities

Item	30 June 2020 (\$000)	30 June 2019 (\$000)	Description
Loan from IPG Mortgage Fund	10,000	10,000	Loan from IPG Mortgage Fund secured by Linkletter's Place. Current interest rates are 6% - 8% per annum. The maturity date of this facility was extended to 28 February 2022. Refer to Note 12 of the financial statements for further details.
Debentures Series 5 and 8	1,627	1,627	Unsecured loans used to fund the Group's working capital needs. Current interest rates are 10% - 12.5% per annum. The term of these debentures was extended during the financial year and they now have maturity dates in 2022. Refer to Note 12 of the financial statements for further details.
Total core debt	11,627	11,627	

At 30 June 2020 the interest payable on the IPG Mortgage Fund Loan and series 5 and 8 debentures was \$0.20 million and \$0.02 million respectively.

Directors' report For the year ended 30 June 2020

Review of operations (continued)

5. Loans and debentures (Series 3, 4, 6, 7 and 9)

The Group issued the Series 3, 4, 6, 7 and 9 debentures for the purpose of on-lending the proceeds raised to IPU. The Group was expecting to earn an interest spread (margin) on the interest rate differential between the interest rate on the debentures and the loans.

However, following the appointment of a receiver to IPU, and it ultimately being placed into liquidation, the Group does not expect to earn this margin income in the future.

These debentures were issued on a limited recourse basis, so to the extent that the Group does not recover any principal or receive any further interest on the loans to IPU, it has no obligation to pay interest on the debentures or to repay the debentures on their contractual maturity.

Distributions

The Responsible Entity has determined that no distribution will be paid for financial year ended 30 June 2020 (2019: nil).

Units on issue

During the year, no units (2019: nil units) were issued pursuant to the Distribution Reinvestment Plan. Units on issue at 30 June 2020 were 97,510,036 units (30 June 2019: 97,510,036 units). The Responsible Entity expects that this number may reduce by the 6,037,515 owned by Elders Finance Pty Limited as at the date of this directors' report.

Responsible entity and associates

The Responsible Entity fees for the year were \$185,858 (2019: \$108,168).

Details of fees paid or payable to the Responsible Entity out of scheme property are included in Note 21 of the financial report.

Significant changes in state of affairs

The Group continues to remediate Linkletter's Place with the expectation that once the remediation works are completed, opportunities for sale or leasing will be assessed. The Group continues to earn income from the harvesting of the forestry assets located on Linkletter's Place. SPF can harvest the plantation trees in one or more harvest periods and at any time during the harvest window of a five-year period beginning on the contract date of 13 February 2018. The amounts of this income has been affected by COVID-19 pandemic as the global demand for timber has decreased.

During the first quarter of the year ended 30 June 2020 the Group issued \$13.2 million of Series 9 debentures and a further \$4.5 million of Series 7 debentures; with the proceeds being ultimately on lent to IPU. As announced to the ASX on 6 March 2020 the Group issued IPU a notice of default for various failures to comply with its obligations under the loan agreements it had entered into with the Group (including for failure to pay interest). On 30 April 2020, these events of default had not been rectified and One Investment Administration Limited as trustee of the ALT Sub Trust No 4 and ALT Sub Trust No 5 appointed a receiver to IPU. As announced to the ASX on 17 July 2020, IPU was placed into voluntary administration, and on 19 August 2020 IPU was placed into liquidation. The Group does not expect to issue any further debentures.

Directors' report For the year ended 30 June 2020

Significant events after balance date

Subsequent to the end of the financial year, the Trust entered into a \$0.8 million two-year unsecured loan facility with a unitholder of the Group. The facility is on arms' length terms. At the date of these financial statements, the Trust had drawn down \$0.2 million of the loan facility. The non-default interest rate on the facility is 12% and the default interest rate is 20%. Interest on the facility is permitted to be capitalised until harvesting recommences at Linkletter's Place. The Group entered into the facility to assist it to pay Group expenses whilst the harvesting activities have been suspended.

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 period.

Likely developments and expected results

The Responsible Entity will continue to explore opportunities to stabilise the Group's capital structure. The Responsible Entity will continue to look at opportunities to maximise proceeds from the exploitation of the investment property including the sale of harvested timber as well as exploring opportunities to earn rental income from cleared areas of Linkletter's Place.

The Responsible Entity has determined that the highest and best use of Linkletter's Place is as an agricultural asset rather than as a silvicultural asset. The Group is exploring opportunities to lease the land at Linkletter's Place over the cleared areas and over the remaining areas of the property as they are cleared.

The Responsible Entity expects to convene a meeting of unitholders to approve certain amendments to the Trust's constitution which will permit it to cancel the remaining units owned by Elders Finance Pty Limited for nil consideration.

Further information on likely developments in the operations of the Group and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Group.

Environmental regulation and performance

To the best of the directors' knowledge, the operations of the consolidated entity have been undertaken in compliance with the applicable environmental regulations that apply to the Group's activities. There have been no known significant breaches of any other environmental requirements applicable to the Trust.

Corporate governance

In recognising the need for the highest standards of corporate behaviour and accountability, One Managed Investment Funds Limited complies with the majority of the ASX Principles of Good Corporate Governance and Best Practice Recommendations. The Responsible Entity's Corporate Governance Statement can be found at www.agriculturallandtrust.com.au.

Board committees

The Responsible Entity does not have an audit committee as the board fulfils this function. For full details, refer to the Corporate Governance Statement.

Insurance of directors and officers

During, or since the end of the financial year, the Responsible Entity has paid, or agreed to pay, a premium in respect of a contract insuring all the directors and officers against a liability incurred in their role as directors and officers of the entity, except where the liability arises from fraudulent or dishonest conduct. Premiums in respect of this policy are paid by the corporate group to which the Responsible Entity belongs and not from the assets of the Group.

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**Directors' report
For the year ended 30 June 2020**

Rounding

Amounts in the Directors' report and in the financial statements have been rounded to the nearest thousand dollars (\$'000, where rounding is applicable) in accordance with ASIC Class Order 2016/191, unless otherwise indicated.

Auditor's independence declaration

A copy of the auditor's independence declaration, from the Auditor Crowe Sydney, as required under section 307C of the *Corporations Act 2001* is set out on page 36.

Signed in accordance with a resolution of the directors of the Responsible Entity.



Frank Tearle
Director
One Managed Investment Funds Limited
Sydney
31 August 2020

**AGRICULTURAL LAND TRUST
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**Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2020**

	Notes	Consolidated 2020 \$'000	Consolidated 2019 \$'000
Continuing operations			
Other income		-	1
Timber income		1,494	903
Interest income		10,202	4,744
Net increment in fair value of investment property	6(b)	4,140	13,520
Total income		15,836	19,168
Finance costs	13	9,227	4,786
Responsible entity fees		186	108
Maintenance and roading costs		577	229
Impairment losses on financial assets	4, 5	132,801	-
Other expenses	19	272	302
Total expenses		143,063	5,425
Net income/(loss) attributable to unitholders		(127,227)	13,743
Other comprehensive income		-	-
Total comprehensive income/(loss)		(127,227)	13,743
Basic and diluted income/(loss) per unit (cents)	8	(130.48)	14.09

The accompanying notes form part of the consolidated financial statements

**AGRICULTURAL LAND TRUST
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**Consolidated statement of financial position
As at 30 June 2020**

	Notes	Consolidated 2020 \$'000	Consolidated 2019 \$'000
Current assets			
Cash and cash equivalents	3(a)	339	141
Trade and other receivables	4	9,659	3,410
Provision for impairment - interest receivable	4	(9,651)	-
Loan receivable	5	123,150	105,450
Provision for impairment - loan receivable	5	(123,150)	-
Total current assets		347	109,001
Non current assets			
Investment property	6	39,540	35,400
Total non current assets		39,540	35,400
Total assets		39,887	144,401
Current liabilities			
Trade and other payables	7	8,263	3,250
Interest bearing loans and borrowings	12	123,150	117,077
Total current liabilities		131,413	120,327
Non current liabilities			
Interest bearing loans and borrowings	12	11,627	-
Total non current liabilities		11,627	-
Total liabilities		143,040	120,327
Net assets attributable to unitholders		(103,153)	24,074
Represented By			
Units on issue	10	55,299	55,299
Retained losses		(158,452)	(31,225)
Total unitholders interests		(103,153)	24,074

The accompanying notes form part of the consolidated financial statements

**AGRICULTURAL LAND TRUST
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**Consolidated statement of changes in unitholders interests
For the year ended 30 June 2020**

	Retained losses \$'000	Units on issue \$'000	Net Assets Attributable to Unitholders \$'000
At 1 July 2018	(44,968)	55,299	10,331
Net income/(loss) attributable to unitholders before distributions to unitholders	13,743	-	13,743
Distributions paid and payable	-	-	-
At 30 June 2019	(31,225)	55,299	24,074
At 1 July 2019	(31,225)	55,299	24,074
Net income/ (loss) attributable to unitholders before distributions to unitholders	(127,227)	-	(127,227)
Distributions paid and payable	-	-	-
At 30 June 2020	(158,452)	55,299	(103,153)

The accompanying notes form part of the consolidated financial statements

**Consolidated statement of cash flows
For the year ended 30 June 2020**

	Notes	Consolidated 2020 \$'000	Consolidated 2019 \$'000
Cash flows from operating activities			
Interest received		3,411	2,500
Other receipts		2,035	421
Interest and borrowing costs paid		(4,085)	(2,205)
Other expenses paid		(1,163)	(528)
Net cash flows from operating activities	3(b)	198	188
Cash flows from investing activities			
Loan to iProsperity Underwriting Pty Ltd		(17,700)	(61,400)
Repayment from iProsperity Underwriting Pty Ltd		-	2,000
Net cash flows used in investing activities		(17,700)	(59,400)
Cash flows from financing activities			
Proceeds from issuing Debenture		17,700	61,400
Repayment of loan from IPG Mortgage Fund		-	(150)
Repayment of Debentures		-	(2,121)
Net cash flows from financing activities		17,700	59,129
Net increase (decrease) in cash and cash equivalents		198	(83)
Cash and cash equivalents at the beginning of year		141	224
Cash and cash equivalents at the end of the year	3(a)	339	141
Non-cash financing and investing activities	3(c)	-	271

The accompanying notes form part of the consolidated financial statements

Notes to the consolidated financial statements For the year ended 30 June 2020

1. Trust information

Agricultural Land Trust ('Trust') is an Australian registered managed investment scheme. One Managed Investment Funds Limited ('OMIFL'), the Responsible Entity of the Trust, is incorporated and domiciled in Australia. The financial report of Agricultural Land Trust comprises Agricultural Land Trust and its controlled entities ('Group').

The consolidated financial report of the Trust for the year ended 30 June 2020 was authorised for issue by the directors on 31 August 2020 and in accordance with a resolution of the directors of the Responsible Entity as at the date of signing the Directors' Declaration.

The registered office and principal place of business of the Responsible Entity is located at Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney, New South Wales 2000. The nature of the operations and principal activities of the Trust are described in the Directors' Report.

2. Summary of significant accounting policies

a) Basis of preparation

The consolidated financial report is a general purpose financial report, which has been prepared in accordance with the Constitution of the Agricultural Land Trust and the *Corporations Act 2001* in Australia, including applicable Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and other mandatory professional reporting requirements. For the purposes of preparing the Financial Statements, the Trust is a for-profit entity.

The consolidated financial report has been prepared on a historical cost convention except for the investment property, which is measured at fair value. Independent valuations are conducted in accordance with the Responsible Entity's valuation policy. Where an independent valuation is obtained, it will be considered by the directors of the Responsible Entity when determining fair values (refer to Note 6).

The consolidated financial report is presented in Australian dollars and all values have been rounded to the nearest thousand dollars (\$'000, where rounding is applicable) in accordance with ASIC Class Order 2016/191, unless otherwise indicated.

b) Going concern

Notwithstanding that total liabilities exceed total assets by \$103,153,000 at 30 June 2020, the financial statements have been prepared on a going concern basis. The Responsible Entity considers this basis to be appropriate as:

- The cause of this deficit are provisions that have been recognised against the Group's loans to iProsperity Underwriting Pty Limited (in Liquidation) ('IPU') and the interest receivable on those loans. These loans were funded by the issue of debentures and, other than the Series 5 and Series 8 debentures, the Group's liability to repay the debentures on maturity and any interest due is limited to the amount received on the loans that the Group has made to IPU. The Group will be able to reduce the amount it owes under the debentures once the final recovery from the loans is determined;
- The Group would have had \$27,939,000 of net assets at 30 June 2020 if it had been able to reduce the amount it owed under the debentures by the same amount it has provisioned against the IPU loans;
- When harvesting activities recommence at Linkletter's Place this is expected to provide the Group with cash flows to meet its operating cash flows including interest due under the Group's various loan facilities; and
- Subsequent to the end of the financial year, the Group entered into an unsecured loan facility to assist it to pay Group expenses whilst the harvesting activities have been suspended.

**Notes to the consolidated financial statements
For the year ended 30 June 2020**

2. Summary of significant accounting policies (continued)

c) Statement of compliance

The consolidated financial statements comply with Australian Accounting Standards and Interpretation issued by the Australian Accounting Standards Board and International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board ('IASB').

d) Adoption of new and revised accounting standards

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 16 Leases

The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

There is no significant impact on the Group on adoption of the above standard.

e) Basis of consolidation

The consolidated financial statements of the Group comprise the financial statements of the parent entity Agricultural Land Trust and its subsidiaries as at 30 June 2020.

The financial statements of subsidiaries are prepared for the same reporting period as parent entity Agricultural Land Trust using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Control of a subsidiary is determined by the parent entity's power over the subsidiary and its ability to direct activities that significantly affect returns. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which parent entity Agricultural Land Trust has control.

f) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenues and expenses. Management bases its judgements and estimates on historical experience and on the various factors that it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

**Notes to the consolidated financial statements
For the year ended 30 June 2020**

2. Summary of significant accounting policies (continued)

f) Significant accounting judgements, estimates and assumptions (continued)

Management has identified the following critical accounting policies from which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Investment Properties - Valuation

Investment Properties are valued in accordance with the Responsible Entity's valuation policy. This policy requires an independent valuation of the property to be conducted at intervals set out in that policy. The independent valuation usually forms the basis for determination of the fair value of the property by the directors of the Responsible Entity (refer to Note 6).

g) Provision for distribution

The Responsible Entity has determined that no distribution will be paid for the financial year ended 30 June 2020.

h) Non-current assets and disposal groups held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction. For an asset or disposal group to be classified as held for sale it must be available for sale in its present condition and its sale must be highly probable within one year. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction instead of use.

A discontinued operation is a component of the Group that has been discontinued, disposed of or is classified as held for sale and that represents a separate major line of business or is part of a single coordinated plan to dispose of such a line of business. The results of discontinued operations are presented separately on the face of the income statement.

i) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue brought to account but not received at balance date is recognised as a receivable. The following specific recognition criteria must also be met before revenue is recognised:

Timber income

Timber income is recognised as income when receivable under the terms of the SPF harvest agreement. The first instalment of timber harvest payments (70% of the estimated purchase price) is made monthly during the harvest period and the second instalment of 30% of timber harvest payments (retention amount) is made once harvested timber has been shipped.

Interest income

Revenue is recognised as the interest accrues using the effective interest method.

Property lease revenue

Property lease revenue represents income earned from the rental of Group properties and is recognised on a straight line basis over the lease term.

One Investment Administration Ltd ('OIAL') the trustee of ALT No.1 Trust is currently not receiving any rental income in respect of its lease of part of the investment property, Linkletter's Place.

**Notes to the consolidated financial statements
For the year ended 30 June 2020**

2. Summary of significant accounting policies (continued)

j) Expenses

All expenses are recognised in the Statement of Comprehensive Income on an accrual basis.

k) Investments and other financial assets

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets held at amortised cost

Loans and receivables are classified and measured at amortised cost. These financial assets are held in order to collect the contractual cash flows, and the contractual terms are solely payments of outstanding principal and interest on the principal amount outstanding.

l) Impairment

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

The loss allowance is recognised in profit or loss.

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For the year ended 30 June 2020**

2. Summary of significant accounting policies (continued)

m) Taxation

Under current Australian income tax legislation, the Trust is not liable for income tax provided that its taxable income (including taxable capital gains, if any) is fully distributed to unit holders each year.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation 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; and
- receivables and payables are stated inclusive of the GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of financial position.

Cash flows are included in the Statement of Cash Flows 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.

n) Terms and conditions on units

Units in the Trust are classified as equity instruments. Each unit issued confers upon the unit holder an equal interest in the Trust. A unit does not confer any interest in any particular asset or investment of the Trust. Unit holders have various rights under the Constitution and the *Corporations Act 2001*, including the right to:

- receive income distributions;
- attend and vote at meetings of unitholders;
- participate in the termination and winding up of the Trust; and
- all units have identical features and do not include any contractual obligations to deliver cash or another financial asset other than the unit holder's rights to a pro rata share of the Trust's net assets in the event of the Trust's liquidation.

The rights, obligations and restrictions attached to each unit are identical in all respects.

**Notes to the consolidated financial statements
For the year ended 30 June 2020**

3. Cash and cash equivalents

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank, and units held in One Cash Management Fund ('OCMF'). They are stated at their nominal values.

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above. Units held in the One Cash Management Fund, a fund managed by a related party of OMIFL, are redeemable on a daily basis.

	Consolidated 2020 \$'000	Consolidated 2019 \$'000
(a) Components of cash and cash equivalents		
Cash at bank	337	139
One Cash Management Fund	2	2
Total cash and cash equivalents	339	141
(b) Reconciliation of income/(loss) to net cash flows from operating activities		
Net income/(loss)	(127,227)	13,743
<i>Adjustments:</i>		
Net (increment)/decrement in fair value adjustment	(4,140)	(13,520)
Impairment loss	132,801	-
Capitalised interest	-	271
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables	(6,249)	(2,793)
Increase/(decrease) in payables	5,013	2,487
Net operating cash flow	198	188
(c) Non-cash financing and investing activities		
Capitalised interest on Series 3	-	121
Capitalised interest payable on loan-IPG Mortgage Fund	-	150
Total non-cash financing and investing activities	-	271

4. Trade and other receivables

	Consolidated 2020 \$'000	Consolidated 2019 \$'000
Other receivables	8	-
Accrued income – timber	-	550
Loan interest receivable	9,651	2,860
Gross trade and other receivables	9,659	3,410
Less Provision for impairment - interest receivable	(9,651)	-
Total trade and other receivables	8	3,410

The Other receivables above comprises distribution receivable from the One Cash Management Fund and eligible refunds on GST.

Further details of the Provision for impairment is disclosed in the Note 5.

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5. Loan receivable and Provision for impairment

	Consolidated 2020 \$'000	Consolidated 2019 \$'000
Loan receivable	123,150	105,450
Provision for impairment - loan receivable	(123,150)	-
Total loan receivable	-	105,450

The Responsible Entity has determined to recognise an impairment loss (provision) against the full amount of loans and interest receivable on the loans advanced to IPU. As announced to the ASX on 30 April 2020, due to ongoing events of default by IPU, the trustee of ALT Sub Trust No 4 and ALT Sub Trust No 5 appointed a receiver to IPU. As further announced to the ASX on 17 July 2020, a voluntary administrator was appointed to IPU and on 19 August 2020 IPU was placed into liquidation.

Since that time the Responsible Entity and the trustee of ALT Sub Trust No 4 and ALT Sub Trust No 5 have engaged with both the receiver and voluntary administrator (now liquidator) to understand the likely recovery of these amounts. However, neither party has been able to provide the Group with sufficient information to determine the amount which may be recoverable from IPU and on this basis the Group has determined to fully impair both the loan and interest receivable amounts.

The Group will continue to seek to maximise the amount which may be recovered from IPU.

6. Investment property

(a) Property investment

The Group holds one investment property, Linkletter's Place. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value based on directors' valuations. Independent valuations are conducted from time to time in accordance with the Responsible Entity's valuation policy and are considered by the directors of the Responsible Entity when determining fair values. Gains or losses arising from changes in fair values of investment properties are recognised in consolidated statement of profit or loss and other comprehensive income in the year in which they arise.

Where assets have been revalued, the potential effect of the capital gains tax ('CGT') on disposal has not been taken into account in determination of the revalued carrying amount. The Group does not expect to be ultimately liable for CGT in respect of the sale of assets as all realised gains would be distributed to unitholders.

	Consolidated 2020 \$'000	Consolidated 2019 \$'000
Rural property - Linkletter's Place at fair value	39,540	35,400
Total investment property	39,540	35,400

**Notes to the consolidated financial statements
For the year ended 30 June 2020**

6. Investment property (continued)

(b) Reconciliation of the carrying amount of level 3 investment property

	Opening Balance \$'000	Acquisition \$'000	Disposals \$'000	Fair value adjustments \$'000	Closing balance \$'000
2020					
Rural property	35,400	-	-	4,140	39,540
Total	35,400	-	-	4,140	39,540
2019					
Rural property	21,880	-	-	13,520	35,400
Total	21,880	-	-	13,520	35,400

Rental income from the investment property during the year was \$nil (2019: \$nil).

During the year ended 30 June 2020 the Group earned \$1.49 million (2019: \$0.90 million) from the sale of timber and incurred costs of \$0.58 million (2019: \$0.23 million) associated with the harvesting of that timber. These costs include land tax, roading and other maintenance costs.

(c) Valuation techniques used to derive level 3 investment property

The investment property has been measured at fair value based on a directors' valuation, having regard to an independent valuation conducted by Opteon in July 2020, of the Linkletter's Place property. This is based on the market value applying an 'As If Complete' (remediated to an agricultural standard) valuation approach of \$39.54 million. This approach considers the highest and best use of the investment property which is considered will be as a mixed grazing and cropping business, after the timber is harvested and its forestry use ceases.

The market value of the property 'As Is' (subject to existing occupancy arrangements) was assessed by Opteon to be \$30.38 million. The directors have determined the fair value of the Group's investment property to be \$39.54 million.

The Opteon valuation considered the following inputs in determining the fair value:

- | | |
|-----------------|--|
| Level 2 inputs: | <ul style="list-style-type: none"> • Comparable land sales. |
| Level 3 inputs: | <ul style="list-style-type: none"> • 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 • Comparable evidence requiring adjustment; reliance was placed on transactions of other rural properties within the region to establish market parameters for land and structures. |

The land value was assessed by analysing land sales of similar size, location, topography and use to the subject property's land component, and then applying a rate per hectare to the cleared agricultural land and non-arable land area. 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. As Opteon has made significant adjustments 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.

**Notes to the consolidated financial statements
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6. Investment property (continued)

(c) Valuation techniques used to derive level 3 investment property (continued)

The directors of the Responsible Entity considered both methods of valuation and determined to adopt the 'As If Complete' valuation as this valuation is consistent both with prior years' practice and with the stated strategy for the Group, which is to return Linkletter's Place to an agricultural asset.

For the year ended 30 June 2019 the directors of the Responsible Entity commissioned for the first time a valuation of the forest assets located on Linkletter's Place. This valuation assessed that the forest assets had a value of \$4.12 million.

Given the Group's current focus on cash flow management, it was decided not to appoint a valuer to conduct a valuation of the forest assets for the year ended 30 June 2020. Given the complexity involved in valuing the forestry assets, in the absence of an external valuation it is not possible for the Group to assess the value of the forestry assets at 30 June 2020.

The Group will continue to work with SPF to maximise the value that it is able to achieve from the harvesting of the forestry assets located on Linkletter's Place.

Linkletter's Place measures 8,945 hectares in total and it is estimated comprises the following types of land use as at 30 June 2020:

Type	Estimated land size
Plantation land	5,488.6 hectares
Recently cleared land	1,867.3 hectares
Existing cleared land	560.0 hectares
Bush/Balance	1,029.4 hectares

There have been no transfers between the levels of the fair value hierarchy. The Trust has determined its policy to be to apply all transfers from the end of the reporting period.

Where assets have been revalued, the potential effect of the capital gains tax ('CGT') on disposal has not been taken into account in determination of the revalued carrying amount. The Group does not expect to be ultimately liable for CGT in respect of the sale of assets, as all realised gains would be distributed to unit holders.

The Linkletter's Place investment property is pledged as security to secure the Group's IPG Mortgage Fund borrowings (refer to Note 12).

7. Trade and other payable

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. They are non-interest bearing and generally on 30-day terms.

	Consolidated 2020 \$'000	Consolidated 2019 \$'000
Trade creditors	10	57
Other payables and accruals	93	174
Interest payable - IPGMF	202	603
Interest payable - other	7,958	2,416
Total trade and other payables	8,263	3,250

The Interest payable – other includes interest payable on debentures issued by the Group. The Series 3, 4, 6, 7 and 9 debentures were issued on a limited recourse basis. The liability of the Group to pay interest on those series of debentures is ultimately limited to the interest it receives on the loans it has advanced to IPU. As disclosed in Note 4, the Group has fully impaired the interest receivable on the loans advanced to IPU, so to the extent that it does not recover any of this interest it will not be obliged to pay the interest owing on those series of debentures.

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8. Earnings per unit (EPU)

Basic EPU is calculated as net income/(loss) attributable to unitholders of the Trust divided by the weighted average number of ordinary units. Diluted EPU is calculated as net income/(loss) attributable to unit holders of the Trust divided by the weighted average number of ordinary units adjusted for the effects of all dilutive potential ordinary units.

	Consolidated 2020	Consolidated 2019
Basic income/(loss) per unit (cents)	(130.48)	14.09
Diluted income/(loss) per unit (cents)	(130.48)	14.09

The weighted number of units in the calculation of earnings per unit is 97,510,036 (2019: 97,510,036).

9. Net asset/(liability) backing per unit

	Consolidated 2020	Consolidated 2019
Basic net asset/(liability) backing per unit (\$)	(1.06)	0.25

Basic net asset/(liability) backing per unit is calculated by dividing the total unitholder interests by the number of units on issue at the year-end.

10. Units on issue

	Consolidated 2020 Units (000)	Consolidated 2020 \$'000	Consolidated 2019 Units (000)	Consolidated 2019 \$'000
Opening balance	97,510	55,299	97,510	55,299
Units issued during the year	-	-	-	-
Closing balance	97,510	55,299	97,510	55,299

Rights and restrictions over Ordinary units:

- Each unit ranks equally with all other ordinary units for purpose of distributions and on termination of the Trust, and
- At a meeting of members of the Trust ordinary units entitle the holder (whether in person or by proxy) where voting is:
 - by way of a show of hands, to one vote; and
 - on a poll, each member of the scheme has 1 vote for each dollar of the value of the total interests they have in the scheme.

When managing capital, the Responsible Entity's objective is to ensure that the Group continues as a going concern and maintains optimal returns to unit holders and optimal benefits for other stakeholders. The Responsible Entity monitors its gearing ratio (debt/total assets) when assessing capital management requirements. The Trust is not subject to any externally imposed capital requirements.

The Trust has in place a Distribution Reinvestment Plan ('DRP') which assists the Responsible Entity with the management of its capital requirements. The DRP allows unit holders to elect to reinvest their distribution into new units of the Trust. The issue price of units under the DRP is the average trading price (weighted by volume) of the Trust's units traded on the Australian Securities Exchange 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. The value of distributions reinvested relating to the 2020 year were \$nil (2019: \$nil) which resulted in the issue of nil units (2019: nil units).

**Notes to the consolidated financial statements
For the year ended 30 June 2020**

11. Distributions to unitholders

The directors have determined that no distribution will be paid for the financial year ended 30 June 2020.

12. Interest bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being fair value of the consideration received net of issue costs associated with the borrowings.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method including any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in the income statement when the liabilities are derecognised and as well as through the amortisation process. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

The Series 3, 4, 6, 7 and 9 debentures were issued on a limited recourse basis. The Group's obligation to repay principal and/or interest on these debentures is limited to the amount it recovers on the loans made to IPU using the proceeds raised from the issue of these debentures.

	Consolidated 2020 \$'000	Consolidated 2019 \$'000
Current		
Loan from IPGMF	-	10,000
Debentures	123,150	107,077
Total current	123,150	117,077
Non-current		
Loan from IPGMF	10,000	-
Debentures	1,627	-
Total non-current	11,627	-
Financing facilities		
Total facilities used	134,777	117,077
Total facilities unused	45,350	13,050
Total facilities	180,127	130,127

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**Notes to the consolidated financial statements
For the year ended 30 June 2020**

12. Interest bearing loans and borrowings (continued)

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-22	10.00%
Debentures Series 3		1,500,000	16-Jun-17	15-Jun-22	10.00%
Debentures Series 4	10,000,000	5,000,000	14-Aug-17	13-Aug-22	8.50%
Debentures Series 4		4,000,000	7-Sep-17	13-Aug-22	8.50%
Debentures Series 4		1,000,000	22-Nov-17	13-Aug-22	8.50%
Debentures Series 5	1,000,000	1,000,000	7-Sep-17	7-Apr-22	12.50%
Debentures Series 6	5,000,000	2,000,000	13-Dec-17	13-Dec-21	10.00%
Debentures Series 7	98,000,000	3,000,000	24-Jan-18	24-Jan-22	8.00%
Debentures Series 7		3,000,000	24-Jan-18	24-Jan-22	8.00%
Debentures Series 7		3,000,000	15-Feb-18	24-Jan-22	8.00%
Debentures Series 7		10,000,000	28-Feb-18	24-Jan-22	8.00%
Debentures Series 7		1,200,000	3-May-18	24-Jan-22	8.00%
Debentures Series 7		5,000,000	1-Jun-18	24-Jan-22	8.00%
Debentures Series 7		2,400,000	13-Jun-18	24-Jan-22	8.00%
Debentures Series 7		950,000	15-Jun-18	24-Jan-22	8.00%
Debentures Series 7		3,000,000	24-Jul-18	24-Jan-22	8.00%
Debentures Series 7		4,000,000	13-Sep-18	24-Jan-22	8.00%
Debentures Series 7		4,000,000	26-Oct-18	24-Jan-22	8.00%
Debentures Series 7		12,000,000	8-Nov-18	24-Jan-22	8.00%
Debentures Series 7		8,000,000	8-Nov-18	24-Jan-22	8.00%
Debentures Series 7		5,000,000	19-Dec-18	24-Jan-22	8.00%
Debentures Series 7		6,000,000	28-Dec-18	24-Jan-22	8.00%
Debentures Series 7		5,000,000	12-Feb-19	24-Jan-22	8.00%
Debentures Series 7		3,000,000	4-Mar-19	24-Jan-22	8.00%
Debentures Series 7		300,000	23-Apr-19	24-Jan-22	8.00%
Debentures Series 7		3,000,000	10-May-19	24-Jan-22	8.00%
Debentures Series 7		1,100,000	24-May-19	24-Jan-22	8.00%
Debentures Series 7		5,000,000	28-May-19	24-Jan-22	8.00%
Debentures Series 7		4,500,000	27-Aug-19	24-Jan-22	8.00%
Debentures Series 8	627,081	627,081	28-Feb-18	7-Apr-22	10.00%
Debentures Series 9	50,000,000	11,500,000	29-Aug-19	27-Aug-23	8.00%
Debentures Series 9		1,700,000	10-Sep-19	27-Aug-23	8.00%
IPG Mortgage Fund	10,000,000	10,000,000	28-Feb-18	28-Feb-22	6.00%
Total		180,127,081	134,777,081		

As at 30 June 2020, the aggregate debenture balance of series 3 to series 9 was \$124,777,081 (2019: \$107,077,081). The fair value approximates the current value of \$124,777,081. The loan from IPG Mortgage Fund was \$10,000,000 as at 30 June 2020 (2019: \$10,000,000). While amounts remain undrawn, as an event of default has been declared in respect of all debenture series the Responsible Entity is not able to issue further debentures from these series. As a result of these defaults the debentures may be repayable on demand but only to the extent the Group recovers an amount from IPU.

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13. Finance costs

	Consolidated 2020 \$'000	Consolidated 2019 \$'000
Interest expense	9,227	4,786
Other finance costs	-	-
Total Finance costs	9,227	4,786

14. Capital commitments

The Trust did not have any contractual capital commitments as at 30 June 2020 (2019: \$nil).

15. Financial risk management objectives and policies

The Group's principal financial instruments are a series of debentures and the IPG Mortgage Fund loan. The IPG Mortgage Fund loan of \$10 million (refinanced Series 1 and 2 Debentures) has security over the Linkletter's Place investment property.

The Series 3, 4, 6, 7 and 9 are secured over the amounts the Group recovers under the corresponding loans made to IPU. The main purpose of Series 3, 4, 6, 7 and 9 Debentures was to provide the Group with additional income. The Group has various other financial instruments such as cash and cash equivalents, trade debtors and trade creditors, which arise directly from its operations. It is, and has been throughout the year, the Group's policy that it will not trade in financial instruments. The main risks from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The Board's policies for managing each of these risks are summarised below.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to any long-term debt obligations. As at 30 June 2020, the Group has no debt subject to variable rates of interest and all debentures issued by the Group accrue interest at a fixed rate. There are two risks to the Group:

- the risk that interest rates reduce further making these fixed interest payments more expensive than could be achieved under a new loan; and
- the risk that interest rates increase considerably such that when the Group comes to refinance the Core Debt on their maturity, debt at a similar rate of interest cannot be found.

The Group reviews its debt requirements on a regular basis to ensure an appropriate mix of fixed and variable interest rate debt. As the Group's income is limited at present, having fixed costs may be beneficial. The mix of financial assets and liabilities is summarised in Notes 3, 4, 5, 7 and 12. Given that the Group has not entered into any hedging arrangements, changes in interest rates are not likely to have an effect on the carrying values of financial assets. Accordingly, the impact on net equity and profit resulting from changes in interest rates is likely to be nil.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's harvesting activities and from the loans advanced to IPU. The Group is not receiving any rental income in respect of the lease of Linkletter's Place.

The Group has on-lent \$123,150,000 from the proceeds raised from the issue the Series 3, 4, 6, 7 and 9 Debentures to IPU. The Group will likely suffer a loss in respect of all or a significant portion of the interest margin it was expecting to earn in respect of the loans the Group has advanced to IPU. The loss of this interest margin is fully provisioned for in these financial statements.

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15. Financial risk management objectives and policies (continued)

Liquidity risk

The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Group updates and reviews its cash flow forecasts to assist in managing its liquidity. The remaining contractual maturities of the Group's financial assets and liabilities are summarised in the tables below.

At 30 June 2020	< 12 months 2020 \$'000	1 – 5 years 2020 \$'000	> 5 years 2020 \$'000	Total 2020 \$'000
Consolidated financial assets				
Cash and cash equivalents	339	-	-	339
Other receivables	9,659	-	-	9,659
Impairment – interest receivable	(9,651)	-	-	(9,651)
Loan receivable	123,150	-	-	123,150
Impairment - loan receivable	(123,150)	-	-	(123,150)
Total financial assets	347	-	-	347
Consolidated financial liabilities				
Trade and other payables	8,263	-	-	8,263
Interest bearing loans and borrowings	123,150	11,627	-	134,777
Total financial liabilities	131,413	11,627	-	143,040
Net maturity	(131,066)	(11,627)	-	(142,693)

At 30 June 2019	< 12 months 2019 \$'000	1 – 5 years 2019 \$'000	> 5 years 2019 \$'000	Total 2019 \$'000
Consolidated financial assets				
Cash and cash equivalents	141	-	-	141
Other receivables	3,410	-	-	3,410
Loan receivable	105,450	-	-	105,450
Total financial assets	109,001	-	-	109,001
Consolidated financial liabilities				
Trade and other payables	3,250	-	-	3,250
Interest bearing loans and borrowings	117,077	-	-	117,077
Total financial liabilities	120,327	-	-	120,327
Net maturity	(11,326)	-	-	(11,326)

The Series 3, 4, 6, 7 and 9 debentures were issued on a limited recourse basis. The proceeds raised from the issue of these debentures were ultimately on-lent to IPU. Consequently, to the extent that principal and/or interest is not received by the Group on the loans advanced to IPU it will not be obliged to pay interest or repay principal on these debentures.

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16. Subsequent events

Subsequent to the end of the financial year the Trust entered into a \$0.8 million two year unsecured loan facility with a unitholder of the Trust. The facility is on arms' length terms. At the date of these financial statements the Trust had drawn down \$0.2 million of the loan facility. The non-default interest rate on the facility is 12% and the default interest rate is 20%. Interest on the facility is permitted to be capitalised until harvesting recommences at Linkletter's Place. The Group entered into the facility to assist it to meet Group expenses whilst the harvesting activities have been suspended

The coronavirus, COVID-19, was first identified as a new, highly contagious virus in December 2019. The World Health Organisation declared a global pandemic in March 2020 and as at 30 June 2020, COVID-19 remains prevalent throughout the world, including Australia. COVID-19 has caused unprecedented disruption to populations, businesses and general economic activity. As the situation evolves, it continues to have significant impacts on investment funds and their trustees and managers, both directly and indirectly.

As this situation is rapidly developing, the Responsible Entity has been monitoring both the valuation of the Trust's assets and the Trust's liquidity. In these circumstances, there is uncertainty around valuations (refer Note 6). The Responsible Entity will continue to closely monitor market situations to ensure that valuations remain appropriate and update the ASX where necessary to provide informed guidance for unitholders during this rapidly changing environment.

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.

17. Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity). The entity's chief operating decision maker regularly reviews its operating results, in order to make decisions about resource allocations and assess its performance, for which discrete financial information is available. This includes start-up operations, which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team. Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

The Group operates wholly within Australia and aims to become a crop and grazing producing business after completion of remediation works on its sole investment property Linkletter's Place in Esperance, Western Australia. Opportunities for sale or leasing are assessed on an on-going basis. The Group also issued debentures on-lending the proceeds of these debentures to earn an interest income margin to fund the main activities, however as the sole borrower, IPU, is now in liquidation and recoveries are minimal it does not expect this will continue.

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18. Parent entity information

The financial information in relation to the Group's parent entity, Agricultural Land Trust, is summarised in the table below.

	Parent 2020 \$'000	Parent 2019 \$'000
Current assets	17,349	9,130
Total assets	46,850	151,260
Current liabilities	8,230	120,191
Total Liabilities	150,003	127,186
Net assets attributable to unitholders	(103,153)	24,074
Represented by:		
Issued capital	55,299	55,299
Retained losses	(158,452)	(31,225)
Total unitholders interests	(103,153)	24,074
Net income/(loss) of the parent entity	(127,225)	13,743
Total comprehensive income	(127,225)	13,743
Details of any guarantees entered by the parent entity in relation to the debts of its subsidiaries	None	None
Details of any contingent liabilities of the parent entity	None	None
Details on any contractual commitments by the parent entity for the acquisition of property, plant or equipment	None	None

19. Other expenses

	Consolidated 2020 \$'000	Consolidated 2019 \$'000
Audit fees	47	51
Consulting fees	-	1
Council rates	98	94
Legal fees	67	55
Listing fees	34	34
Tax consulting fees	13	15
Other expenses	13	52
Total other expenses	272	302

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**Notes to the consolidated financial statements
For the year ended 30 June 2020**

20. Auditor's remuneration

	Consolidated 2020	Consolidated 2019
Amounts received or due and receivable by the auditor for:	\$	\$
Crowe Sydney - an audit or review of the financial report	38,649	36,485
Ernst & Young - compliance plan audit	3,817	4,765

As stated in the Corporate Directory, Crowe Sydney is the auditor of the Group. The Trust's compliance plan audit is conducted by Ernst & Young.

21. Related party disclosures

(a) Responsible Entity

The Responsible Entity of Agricultural Land Trust as at 30 June 2020 is One Managed Investment Funds Limited ('OMIFL') whose parent entity at 30 June 2020 is One Investment Group Pty Limited ('OIG'). The ultimate parent entity is OIG Holdings Pty Limited ('OIGH').

The Responsible Entity fees for the year were \$185,858 (2019: \$108,168).

The Responsible Entity's entitlement to fees is contained in the constitutions of the Group's trusts. The Responsible Entity is entitled to be paid annual fees calculated on the following basis:

(i) 0.25% of the gross value of assets of the Group calculated at the end of each month and paid quarterly in arrears.

(ii) 3.5% of the Net Income of the Group calculated after adding back the following items:

- Depreciation, building allowances and other non-cash expenses;
- Interest, finance and other borrowing expenses;
- Leasing, legal and professional fees;
- Administration expenses, including auditing, accounting, Custodians' fees, outgoings and expenses and management fees;
- Costs of issuing any Disclosure Documents;
- Marketing and promotional expenses.
- The fee is paid quarterly in arrears.

(iii) 3.5% of the increase in the market value of each asset owned by the Group calculated from the start of a financial year, or the date of acquisition, to the end of the Financial Year. This fee will be payable annually. No fees were charged during the year in relation to this item.

The Responsible Entity is also entitled to be paid a fee of up to 5% of the purchase price of any authorised investment acquired for the Trust. This fee is payable on the day of the acquisition of the relevant investment and is in consideration for the co-ordination of the acquisition. The Responsible Entity is also entitled to a fee of up to 5% of the application money raised under a Disclosure Document where the purpose for raising the application money is not to acquire an authorised investment. This fee is payable within 7 days of the issue of Units for which the application money is received. This fee is for the co-ordination of the relevant capital raising. No fees were charged during the year in relation to these items.

At 30 June 2020, \$43,466 was payable to the Responsible Entity (2019: \$54,013).

**Notes to the consolidated financial statements
For the year ended 30 June 2020**

21. Related party disclosures (continued)

(a) Responsible Entity (continued)

The constitution of ALT permits the Responsible Entity to charge fees based on the Net Income of ALT, which includes the net interest margin ALT was expecting to earn from the debentures it had issued and the loans it had advanced to IPU. Following the appointment of liquidators to IPU it is now highly unlikely that ALT will earn this net interest margin. As such, subsequent to the end of the financial year the Responsible Entity has reimbursed ALT for the fees it had received from the net interest margin accrued by the Group. The amount reimbursed to ALT was \$39,488.

(b) Related party transactions

The consolidated financial statements include the financial statements of parent entity Agricultural Land Trust and the subsidiaries listed in the following table:

Name	Equity interest held by parent entity	
	2020 %	2019 %
Kalgoorlie Apartment Hotel Syndicate	100.00	100.00
Murray Street Mall Property Trust	100.00	100.00
ALT No 1 Trust	100.00	100.00
ALT Sub Trust No 4	100.00	100.00
ALT Sub Trust No 5	100.00	100.00

The above subsidiaries are domiciled in Australia and have balance dates of 30 June, consistent with the Trust. All related party transactions are conducted on normal commercial terms and conditions. Related party receivables and payables, unless otherwise stated, are unsecured, receivable or payable within 30 days and do not bear interest.

Investments in unlisted funds managed by OMIFL

The Trust has an investment in the One Cash Management Fund ('OCMF') valued at \$2,422 as at 30 June 2020 (2019: \$2,384). The trustee of OCMF is One Investment Management Pty Ltd ('OIMPL'), an authorised representative of OMIFL. OIMPL and OMIFL are subsidiaries of One Investment Group Pty Limited. This investment has enabled the Trust to improve its return on cash held. The investment has been included in cash and cash equivalents as it is redeemable daily. OCMF charges a management fee to its unitholders at a rate of 0.50% per annum on its net assets. Management fees paid by the Trust to OCMF for the year ended 30 June 2020 were \$318 (2019: \$318).

Debenture holder

The debenture holders in respect of Series 1 - Series 9 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.

Loan holder

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

**Notes to the consolidated financial statements
For the year ended 30 June 2020**

21. Related party disclosures (continued)

(c) Details of key management personnel

Directors

The names of the directors of the Responsible Entity in office during the financial year are:

One Managed Investment Funds Limited

Frank Tearle	Executive Director and Company Secretary
Sarah Wiesener	Executive Director and Company Secretary
Justin Epstein	Non-executive Director (resigned 1 October 2019)
Michael Sutherland	Executive Director (appointed 1 October 2019)

(d) 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. Each of One Managed Investment Funds Limited and Agricultural Land Management Limited, as Responsible Entity of the Trust during the period, is deemed for disclosure purposes to be a key management personnel of the Trust. Compensation is payable to the Trust's Responsible Entity in the form of fees disclosed in Note 21(a).

(e) Units in the Trust held by key management personnel

Key management personnel do not directly hold any units in the Trust as at the financial year end, nor have they held any units in the Trust during the reporting period.

22. Commitments, contingent assets and contingent liabilities

The Group has no commitments as at 30 June 2020 (2019: \$nil). The Group has no contingent assets or contingent liabilities at the end of the financial year (2019: \$nil).

Responsible Entity's declaration

In accordance with a resolution of the directors of One Managed Investment Funds Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2020 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*;

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2; and

(c) with reference to Note 2 there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2020.

On behalf of the Board of One Managed Investment Funds Limited.



Frank Tearle
Director
One Managed Investment Funds Limited
Sydney
31 August 2020

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

Opinion

We have audited the financial report of Agricultural Land Trust and the entities it controls (the "Trust"), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in unitholders interests and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Trust is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Trust's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Trust in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Trust has a net liability position of \$103,153,000 as at 30 June 2020. As stated in Note 2, the directors have prepared the financial report on a going concern basis and are taking actions to address its financial position. Should the events or actions set forth in Note 2 not eventuate, it may result in material uncertainty that may cast significant doubt on the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How we addressed the Key Audit Matter
Valuation of Investment Property – Note 6	
<p>The investment property has been revalued based on the directors' valuation to \$39,540,000. The fair value was determined by the directors taking into consideration an independent assessment conducted in July 2020. The net change in fair value of \$4,140,000 was reflected in the Consolidated statement of profit or loss and other comprehensive Income.</p> <p>The assessment of the investment property value was identified as a key audit matter due to:</p> <ul style="list-style-type: none"> the significance of the investment property balance to the Trust's total assets, the significance of the net change in fair value to the Trust's total income for the year, and the valuation of the investment property requiring significant judgement and estimation. 	<p>We performed the following procedures;</p> <ul style="list-style-type: none"> Evaluated the Directors' process regarding the valuation of the investment property and reviewing the independent assessment supporting their valuation. Our review considered the assumptions of the independent valuer in the assessment of their valuation, including ensuring the valuation report considered the impact of COVID-19; Reviewed the qualifications and capabilities of the valuer; Assessed the reasonableness of the values per hectare used in the valuation of the property; and Considered the impact of the forest assets on the overall valuation of the investment property.
Debentures – Note 12	
<p>The Trust issued \$17,700,000 of debentures in the current financial year. These funds were utilised to fund loans to an external party. The total debentures on issue at 30 June 2020 is \$124,777,081.</p> <p>Because of its significance in the financial report, we have identified the measurement and presentation of this liability to be a key audit matter.</p>	<p>We performed the following procedures;</p> <ul style="list-style-type: none"> Reviewed the debenture loan documents and assessed the terms against the relevant presentation requirements in AASB 101 <i>Presentation of Financial Statements</i>; Obtained confirmation from the debenture holders for the balance owing; and Reviewed and confirmed the interest payable balances that were booked relating to the debentures.

Other Information

The directors of the Responsible Entity, One Managed Investment Funds Limited, are responsible for the other information. The other information comprises the information included in the Trust's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Crowe Sydney



John Haydon
Senior Partner

31 August 2020
Sydney

31 August 2020

The Directors
One Managed Investment Funds Limited
As Responsible Entity of Agricultural Land Trust
Level 16, Governor Macquarie Tower,
1 Farrer Place
SYDNEY NSW 2000

Dear Board Members


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 financial year ended 30 June 2020, 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 audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



Crowe Sydney



John Haydon
Senior Partner

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

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ASX additional information

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 31 July 2020.

(a) Substantial unit holders

Substantial unit holders who have notified the Trust in accordance with section 671B of the *Corporations Act 2001* are:

	<u>Units</u>	<u>%</u>
Westralia Property Holdings Pty Ltd	62,314,850	63.91
Elders Finance Pty Ltd	6,037,515	6.19
Emerald Securities Pty Ltd	5,603,364	5.75

(b) Distribution of unit holders

The numbers of unit holders by size of holding are:

<u>Range of Holdings</u>	<u>Holders</u>	<u>Units</u>	<u>%</u>
1 - 1,000	28	9,008	0.01
1,001 - 5,000	44	128,177	0.13
5,001 - 10,000	59	452,586	0.46
10,001 - 100,000	162	4,833,714	4.96
100,001 - Over	50	92,086,551	94.44
Rounding		-	-
Total	343	97,510,036	100.00
Unit holders holding less than a marketable parcel	191	1,349,616	

(c) Voting rights as at 28 August 2020

All units issued are fully paid. The voting rights attaching to each fully paid unit (being the only class of units AGJ has on issue) are:

- On a show of hands, each unit holder has one vote; and
- On a poll, each unit holder has one vote for each dollar of the value of the total interests they have in AGJ.

(d) Top 20 registered unit holders as at 31 July 2020

<u>Name</u>	<u>Units</u>	<u>% of units</u>
DGATO PTY LTD	30,443,405	31.22
RIGHTIDE INVESTMENTS PTY LTD	26,117,973	26.78
ELDERS FINANCE PTY LTD	6,037,515	6.19
EMERALD SECURITIES PTY LTD	5,603,364	5.75
WESTRALIA PROPERTY HOLDINGS PTY LTD	2,406,042	2.47
DR STEVEN G RODWELL	2,376,290	2.44
MR SIMON ROBERT EVANS + MRS KATHRYN MARGARET EVANS	2,253,709	2.31
MRS LILIANA TEOFILOVA	1,972,000	2.02
WESTRALIA PROPERTY HOLDINGS PTY LTD	1,760,382	1.81
MR IANAKI SEMERDZIEV	1,444,000	1.48
INDIAN OCEAN CAPITAL (WA) PTY LTD	1,360,437	1.40
WILSON FAMILY SUPER PTY LTD	745,000	0.76
MR ROBERT STEPHEN ACKERMAN + MRS SHEILA JUNE ACKERMAN	555,238	0.57
CITICORP NOMINEES PTY LIMITED	503,527	0.52
OMERT PTY LTD	500,000	0.51
ANNE JUELLA THOMPSON + JOHN HARLEY THOMPSON	482,202	0.49
MR PHILLIP JOHN HARVEY + MS GERALDINE LUCY HARVEY	472,045	0.48
MARK OWEN KIMBERLEY	466,987	0.48
JOJAMAN PTY LTD	431,550	0.44
MR ANDRE JUMABHOY	387,908	0.40
Total unit held by top 20	86,319,574	88.52
Total remaining holder balance	11,190,462	11.48