

Agricultural  Land Trust

ARSN 096 588 046

**Half year report
31 December 2023**

Agricultural Land Trust

Half year report

| Contents | Page |
|---|-------------|
| Directors' report | 1 |
| Consolidated statement of profit or loss and other comprehensive income | 3 |
| Consolidated statement of financial position | 4 |
| Consolidated statement of changes in unitholders interests | 5 |
| Consolidated statement of cash flows | 6 |
| Notes to the consolidated financial statements | 7 |
| Directors' declaration | 17 |
| Independent auditor's report | 18 |
| Auditor's independence declaration | 20 |

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 half year" refer to the six months ended 31 December 2023 unless otherwise stated.

Agricultural Land Trust

Half year report

Directors' report

For the half year ended 31 December 2023

The Directors of One Managed Investment Funds Limited ("OMIFL"), the Responsible Entity of Agricultural Land Trust (the "Trust") present their report for the Agricultural Land Trust and its controlled entities (the "Group") for the half year ended 31 December 2023.

Directors

One Managed Investment Funds Limited

| Name | Title |
|--------------------|--|
| Frank Tearle | Executive Director and Company Secretary |
| Sarah Wiesener | Executive Director and Company Secretary |
| Michael Sutherland | Executive Director |

Review of operations

For the half year ended 31 December 2023, the Group reported a net loss attributable to unit holders of \$0.77 million (31 December 2022: loss \$0.43 million).

At 31 December 2023, the Group had assets with a total value of \$63.36 million (30 June 2023: \$63.46 million) and liabilities of \$16.77 million (30 June 2023: \$16.10 million). The basis for valuation of the assets is disclosed in Note 1 to the financial report.

In August 2023, the timber contractor has advised ALT that it has suspended harvesting activities until further notice.

The fair value of the Group's investment property, comprising solely of the Linkletter's Place property, as at 31 December 2023 was \$62.95 million (30 June 2023: \$62.95 million).

The investment property has been measured at fair value based on an independent valuation, conducted by Acumentis in June 2023, of the Linkletter's Place property. This valuation is based on the market value applying an "As Is" (subject to existing occupancy arrangements) valuation approach of \$62.95 million. This approach considers the current mixed usage of the property as both an agricultural and plantation asset. Further details are set out in Note 6 of the Group's 30 June 2023 Annual Report.

Distributions

The Responsible Entity has determined that no distribution will be paid for the half year ended 31 December 2023 (31 December 2022: \$nil).

Significant events after balance date

From 16 January 2024, the interest rate on the RMBL facility increased from 7.00% to 9.25% per annum. Collection charges increased as a result of this increase. The new total cost of RMBL facility is 11.56% per annum.

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.

**Agricultural Land Trust
Half year report**

**Directors' report (continued)
For the half year ended 31 December 2023**

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 Corporations (Rounding in Financial/Directors' Reports) Instrument 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 20.

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



Frank Tearle
Director
One Managed Investment Funds Limited
Sydney
Dated at Sydney this 8th day of March 2024

Agricultural Land Trust
Half year report

Consolidated statement of profit or loss and other comprehensive income
For the half year ended 31 December 2023

| | 31 December 2023 | 31 December 2022 |
|---|---------------------|---------------------|
| Note | \$'000 | \$'000 |
| Income | | |
| Timber income | 84 | 271 |
| Interest income | 13 | 10 |
| Rental and outgoings income | 587 | 234 |
| Total income | 684 | 515 |
| Expenses | | |
| Unrealised fair value loss on investment property | 6 | 374 |
| Finance costs | 840 | 681 |
| Responsible entity fees | 9 | 87 |
| Audit fees | 32 | 30 |
| Maintenance and roading costs | 43 | 43 |
| Other expenses | 76 | 83 |
| Total expenses | 1,452 | 943 |
| Net (loss) attributable to unitholders | (768) | (428) |
| Other comprehensive income/(loss) | - | - |
| Total comprehensive (loss) attributable to unitholders | (768) | (428) |

The above Consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Agricultural Land Trust
Half year report

Consolidated statement of financial position
As at 31 December 2023

| | 31 December 2023 | 30 June 2023 |
|---|---------------------|-----------------|
| Note | \$'000 | \$'000 |
| Current assets | | |
| Cash and cash equivalents | 4(a) 13 | 91 |
| Trade and other receivables | 5 63 | 142 |
| Other current assets | 31 | 2 |
| Total current assets | 107 | 235 |
| Non-current assets | | |
| RMBL deposits | 302 | 272 |
| Investment property | 6 62,950 | 62,950 |
| Total non-current assets | 63,252 | 63,222 |
| Total assets | 63,359 | 63,457 |
| Current liabilities | | |
| Trade and other payables | 202 | 303 |
| Interest payable | 7 94 | 81 |
| Interest bearing loans and borrowings | 8 3,565 | - |
| Total current liabilities | 3,861 | 384 |
| Non-current liabilities | | |
| Interest bearing loans and borrowings | 8 12,909 | 15,716 |
| Total non-current liabilities | 12,909 | 15,716 |
| Total liabilities | 16,770 | 16,100 |
| Net assets attributable to unitholders | 46,589 | 47,357 |
| Represented by | | |
| Units on issue | 11 55,299 | 55,299 |
| Retained losses | (8,710) | (7,942) |
| Total unitholders interests | 46,589 | 47,357 |

The above Consolidated statement of financial position should be read in conjunction with the accompanying notes.

**Agricultural Land Trust
Half year report**

**Consolidated statement of changes in unitholders interests
For the half year ended 31 December 2023**

| | Retained losses \$'000 | Units on issue \$'000 | Net assets/ (liabilities) attributable to unitholders \$'000 |
|--|---------------------------------------|--------------------------------------|---|
| At 1 July 2022 | (31,316) | 55,299 | 23,983 |
| Net (loss) attributable to unitholders before distributions to unitholders | (428) | - | (428) |
| At 31 December 2022 | <u>(31,744)</u> | <u>55,299</u> | <u>23,555</u> |

| | Retained losses \$'000 | Units on issue \$'000 | Net assets/ (liabilities) attributable to unitholders \$'000 |
|--|---------------------------------------|--------------------------------------|---|
| At 1 July 2023 | (7,942) | 55,299 | 47,357 |
| Net (loss) attributable to unitholders before distributions to unitholders | (768) | - | (768) |
| At 31 December 2023 | <u>(8,710)</u> | <u>55,299</u> | <u>46,589</u> |

The above Consolidated statement of changes in unitholders interests should be read in conjunction with the accompanying notes.

**Agricultural Land Trust
Half year report**

**Consolidated statement of cash flows
For the half year ended 31 December 2023**

| | 31 December 2023 | 31 December 2022 |
|--|-----------------------------|---------------------|
| Note | \$'000 | \$'000 |
| Cash flows from operating activities | | |
| Interest received | 11 | 10 |
| Rental and outgoings received | 248 | 339 |
| Timber income received | 180 | 125 |
| Finance costs paid | (571) | (501) |
| Other expenses paid | (404) | (271) |
| Net cash flows used in operating activities | 4(b) (536) | (298) |
| Cash flows from investing activities | | |
| Capital expenditures on investment property | (14) | (54) |
| (Reinvestment in)/proceeds from RMBL reinvestment account | (30) | 119 |
| Net cash flows (used in)/provided by investing activities | (44) | 65 |
| Cash flows from financing activities | | |
| Proceeds from unitholder loan | 531 | 300 |
| Borrowing costs paid | (29) | - |
| Net cash flows provided by financing activities | 502 | 300 |
| Net (decrease)/increase in cash and cash equivalents | (78) | 67 |
| Cash and cash equivalents at the beginning of the half year | 91 | 134 |
| Cash and cash equivalents at the end of the half year | 4(a) 13 | 201 |
| Non-cash financing and investing activities | - | - |

The above Consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Agricultural Land Trust

Half year report

Notes to the consolidated financial statements For the half year ended 31 December 2023

1 Summary of material accounting policies

The following material accounting policies have been adopted in the preparation and presentation of the financial statements.

(a) Basis of preparation

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

The half year financial report has been prepared on a historical cost basis, except for the investment property, which has been measured at fair value. 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.

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

The half year financial report should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2023 together with all public announcements made on behalf of the Trust and its controlled entities during the half year ended 31 December 2023, and those up to the date of this financial report, in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The half year financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2023 except for the impact of the changes in accounting policy described below.

The half year 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.

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

(b) Going concern

Despite the Group having a net current asset deficiency at the balance date, the financial statements have been prepared on a going concern basis. The Responsible Entity considers this basis to be appropriate as:

- The directors believe the Group will have access to the on-going support provided through the unitholder loan and other potential reserves to meet the Group's debts as and when they fall due. Balmain confirms its intention to continue to support ALT and undertakes to provide financial accommodation to ALT in the event it requires access to additional working capital between the date of signing this report and 31 March 2025.

Agricultural Land Trust

Half year report

Notes to the consolidated financial statements (continued)

For the half year ended 31 December 2023

1 Summary of material accounting policies (continued)

(b) Going concern (continued)

- In addition to the potential to earn income from the harvested timber, the Group has entered into a long term lease agreement over the cleared parts of Linkletter's Place from which it will generate rental income. This rental income will increase at a rate of 2.5% per annum and the area subject to lease will grow each year as further plantation areas are cleared, noting that those areas will be subject to a rent free period of four years, in recognition of the tenant being obligated under the terms of the lease to fully remediate those cleared areas.
- The Group is exploring other ways to generate regular income from Linkletter's Place, including using a portion of the property to generate Australian Carbon Credit Units which will help it meet its liabilities as and when they fall due and payable.
- The directors acknowledge that the ability of the Group to continue as a going concern is dependent on obtaining future funding and generating future revenue, the outcome of which is uncertain. As a result, there is material uncertainty that may cast doubt upon the Group's ability to continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amount and classification of liabilities that may be necessary should the Group continue as a going concern.

(c) Changes in accounting policy

New standards and interpretations

The accounting policies applied in these half year financial statements are the same as those applied to the Group's financial statements for the year ended 30 June 2023.

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

2 Segment reporting

The Group operates in a single segment, being the Australian agricultural sector. It earns various income streams from the use of the Group's investment property, known as Linkletter's Place.

3 Non-cash financing and investing activities

For the half year ended 31 December 2023, there were \$nil distributions (31 December 2022: \$nil).

Agricultural Land Trust
Half year report

Notes to the consolidated financial statements (continued)
For the half year ended 31 December 2023

4 Cash and cash equivalents

(a) Components of cash and cash equivalents

| | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|--|--|---------------------------|
| Cash at bank | <u>13</u> | 91 |
| Total cash and cash equivalents | <u>13</u> | 91 |

(b) Reconciliation of net (loss)/income to cash flows used in operating activities

| | 31 December 2023 \$'000 | 31 December 2022 \$'000 |
|--|--|-------------------------------|
| Net (loss) | (768) | (428) |
| <i>Adjustments:</i> | | |
| Non-cash interest income and expense | 233 | 154 |
| Capitalised borrowing costs | 33 | 29 |
| Straight lining adjustments | (360) | (20) |
| Net decrement in fair value adjustment | 374 | 73 |
| <i>Changes in assets and liabilities:</i> | | |
| Decrease/(increase) in trade and other receivables | 79 | (143) |
| (Increase) in other assets | (29) | (16) |
| (Decrease)/increase in trade and other payables | (98) | 53 |
| Net cash flows used in operating activities | <u>(536)</u> | <u>(298)</u> |

5 Trade and other receivables

| | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|--|--|---------------------------|
| GST receivables | 15 | 11 |
| Accrued income – timber | 48 | 131 |
| Total trade and other receivables | <u>63</u> | <u>142</u> |

Agricultural Land Trust Half year report

Notes to the consolidated financial statements (continued) For the half year ended 31 December 2023

6 Investment property

(a) Investment property

The Group holds one investment property, known as 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 independent valuations, which are conducted from time to time in accordance with the Responsible Entity's valuation policy. 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.

| | 31 December 2023 | 30 June 2023 |
|---|-----------------------------|-----------------|
| | \$'000 | \$'000 |
| Rural property - Linkletter's Place at fair value | 62,950 | 62,950 |
| Total investment property | 62,950 | 62,950 |

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

| | 31 December 2023 | 30 June 2023 |
|--|-----------------------------|-----------------|
| | \$'000 | \$'000 |
| Opening balance | 62,950 | 38,540 |
| Capitalised roading costs | 14 | 110 |
| Fair value (loss)/gain adjustments | (374) | 24,265 |
| Accumulated straight-lining of rental income | 360 | 35 |
| Closing balance | 62,950 | 62,950 |

Rental income from the investment property during the half year ended 31 December 2023 was \$0.59 million (31 December 2022: \$0.23 million).

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

The investment property has been measured at fair value based on an independent valuation, conducted by Acumentis in June 2023, of the Linkletter's Place property. This valuation is based on the market value applying an "As Is" (subject to existing occupancy arrangements) valuation approach of \$62.95 million. This approach considers the current mixed usage of the property as both an agricultural and plantation asset. The "As is" valuation of the property at 30 June 2023 was \$62.95 million.

Agricultural Land Trust Half year report

Notes to the consolidated financial statements (continued) For the half year ended 31 December 2023

6 Investment property (continued)

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

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

Level 2 inputs: Comparable land sales.

Level 3 inputs: Comparable evidence requiring adjustment; reliance was placed on transactions of other rural properties within the region to establish market parameters for land and structures. As Acumentis 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.

The table below presents the summary of Level 3 inputs.

| Land component | Area (Hect) | Rate (\$) | Source | Basis of valuation | Valuation level |
|----------------------------|-------------|-----------|-----------|------------------------------|-----------------|
| Arable | 2,699.5 | 10,000 | Acumentis | Comparable sales | 2 |
| Arable being rehabilitated | 903.4 | 6,000 | Acumentis | Discount to arable land (1) | 3 |
| Plantation (non viable) | 1,044.1 | 3,000 | Acumentis | Discount to arable land (2) | 3 |
| Plantation | 3,268.6 | 8,000 | Acumentis | Discount to arable land (3) | 3 |
| Non-arable | 1,029.3 | 200 | Acumentis | Discount to arable land | 3 |
| Property improvements | | 1,050,000 | Acumentis | Discount on replacement cost | 3 |

Further details are set out in Note 6 of the Group's 30 June 2023 Annual Report.

- (1) Arable being rehabilitated: rate per hectare is based on the rate for arable land and reduced by the valuer's reasonable estimate to reflect the costs of bring the land to an arable standard.
- (2) Plantation non-viable: rate per hectare is an estimate reflecting the land will likely not generate any income from the standing timber and that there is a cost to clear these trees and then to remediate the land to an arable state.
- (3) Plantation: based on an estimate of arable land rate per hectare discounted to reflect that the viable plantation land freestanding prior to harvesting is a growing crop attached to the land which is continuing to produce added value until fully harvested with stumps and debris being left behind. The Owner of the land always has the underlying land value and is receiving a share of income derived by the harvesting company. When the trees are removed by the harvesting enterprise on a normal staged process, then the land is subsequently "handed" over to the farm Lessee who has to begin the process of rehabilitation.

Agricultural Land Trust Half year report

Notes to the consolidated financial statements (continued) For the half year ended 31 December 2023

7 Interest payable

| | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|------------------------------------|--|---------------------------|
| Interest payable - Unitholder loan | 44 | 34 |
| Interest payable - Loan from RMBL | 50 | 47 |
| Total interest payable | 94 | 81 |

Further details of the interest payable is disclosed in the Note 8.

8 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.

| | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
|---|--|---------------------------|
| Current | | |
| Unitholder loan | 2,758 | - |
| Capitalised interest on unitholder loan | 812 | - |
| Capitalised borrowing costs | (5) | - |
| Total current | 3,565 | - |
| Non-current | | |
| Unitholder loan | - | 2,227 |
| Capitalised interest on unitholder loan | - | 589 |
| Capitalised borrowing costs | (91) | (100) |
| Loan from RMBL | 13,000 | 13,000 |
| Total non-current | 12,909 | 15,716 |

Agricultural Land Trust Half year report

Notes to the consolidated financial statements (continued) For the half year ended 31 December 2023

8 Interest bearing loans and borrowings (continued)

Financing facilities

| | | |
|-------------------------|---------------|--------|
| Total facilities used* | 15,758 | 15,227 |
| Total facilities unused | 2,242 | 773 |
| Total facilities | 18,000 | 16,000 |

* Excludes capitalised interest.

The unitholder loan is from Balmain Investment Trust. The non default interest rate on the loan is 15% per annum. The interest rate where an event of default is subsisting is 20%. As of the date of these financial statements the loan is in compliance with the terms and conditions included in the loan agreement. Interest under this facility capitalises until the earlier of the repayment date and other date as agreed.

The RMBL loan was from RMBL Investments Limited. The non default interest rate on the loan is 6% per annum plus 1.5% collection charges and the interest rate where an event of default is subsisting is 10%. As of the date of these financial statements the loan is in compliance with the terms and conditions included in the loan agreement. From 16 December 2022, the interest rate increased to 7% and collection charges to 1.75% per annum. As of the date of these financial statements the loan is in compliance with the terms and conditions included in the loan agreement.

The loans are as follows:

| Loan | Facility Limit (\$) | Amount (\$) | Drawdown Date | Maturity | Interest Rate |
|-----------------|---------------------|-------------------|---------------|-----------|---------------|
| Unitholder loan | 5,000,000 | 2,757,606 | 26-Aug-20 | 26-Aug-24 | 15.00% |
| RMBL loan | 13,000,000 | 13,000,000 | 28-Jan-22 | 28-Jan-25 | 7.00% |
| Total | 18,000,000 | 15,757,606 | | | |

As at 31 December 2023, the unitholder loan balance was \$3,569,576, including capitalised interest of \$811,970.

9 Related party disclosures

(a) Responsible entity

The Responsible Entity of Agricultural Land Trust as at 31 December 2023 is One Managed Investment Funds Limited ("OMIFL") whose parent entity as at 31 December 2023 is One Investment Group Pty Limited ("OIG"). The ultimate parent entity is OIG Holdings Pty Limited ("OIGH").

The Responsible Entity and its related trustees were paid fees of \$86,773 for the half year ended 31 December 2023 (31 December 2022: \$33,407).

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

Agricultural Land Trust Half year report

Notes to the consolidated financial statements (continued) For the half year ended 31 December 2023

9 Related party disclosures (continued)

(a) Responsible entity (continued)

- (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.

As at 31 December 2023, \$42,167 was payable to the Responsible Entity (30 June 2023: \$35,192).

(b) Transactions with Responsible Entity and its associated entities

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 | |
|--------------------------------------|---------------------------------------|-----------------|
| | 31 December 2023 | 30 June 2023 |
| | % | % |
| 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 |

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.

Agricultural Land Trust Half year report

Notes to the consolidated financial statements (continued) For the half year ended 31 December 2023

9 Related party disclosures (continued)

(c) Details of key management personnel

Directors

The names of the directors of the Responsible Entity in office during the half year and to the date of these financial statements are:

One Managed Investment Funds Limited

| Name | Title |
|--------------------|--|
| Frank Tearle | Executive Director and Company Secretary |
| Sarah Wiesener | Executive Director and Company Secretary |
| Michael Sutherland | Executive Director |

(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.

(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.

10 Subsequent events after balance date

From 16 January 2024, the interest rate on the RMBL facility increased from 7.00% to 9.25% per annum. Collection charges increased as a result of this increase.

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.

11 Units on issue

| | 31 December 2023 | 31 December 2023 | 30 June 2023 | 30 June 2023 |
|---|-----------------------------|-----------------------------|-----------------|-----------------|
| | No. of Units | \$'000 | No. of Units | \$'000 |
| Units on issue at the beginning of the year | 91,472,521 | 55,299 | 91,472,521 | 55,299 |
| Closing balance | 91,472,521 | 55,299 | 91,472,521 | 55,299 |

Agricultural Land Trust Half year report

Notes to the consolidated financial statements (continued) For the half year ended 31 December 2023

12 Commitments, contingent assets and contingent liabilities

The investment property is leased under a ten year operating lease from 1 April 2021. The future minimum lease receipts under the non-cancellable operating lease not recognised in the consolidated financial statements as receivable are as follows:

| | 31 December 2023 | 30 June 2023 |
|--|-----------------------------|-----------------|
| | \$'000 | \$'000 |
| Less than 1 year | 428 | 423 |
| 1 to 5 years | 2,252 | 1,800 |
| Over 5 years | 1,935 | 1,344 |
| Total future minimum lease receipts | 4,615 | 3,567 |

One Managed Investment Funds Limited (OMIFL) is involved in 2 separate litigation matters which have arisen as a result of the collapse of the iProsperity Group (IPG) whereby OMIFL is being sued by various investors in IPG funds (IPG Litigation). The IPG Litigation does not involve or include the Trust itself or the Linkletter's Place property. The IPG Litigation is being vigorously defended by OMIFL and there will be no impact on the Trust itself or on the Linkletter's Place property (or any other trust involving OMIFL) as a result of the IPG Litigation.

The Group has no other contingent assets or contingent liabilities as at 31 December 2023 (30 June 2023: \$nil).

Agricultural Land Trust Half year report

Directors' 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 consolidated 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 31 December 2023 and of its performance for the financial period ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), *Australian Accounting Standard AASB 134 "Interim Financial Reporting"*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- (b) with reference to Note 1(b) 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 half year ended 31 December 2023.

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



Frank Tearle
Director
One Managed Investment Funds Limited
Sydney
Dated at Sydney this 8th day of March 2024

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

Conclusion

We have reviewed the half-year financial report of Agricultural Land Trust (the Trust), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in unitholders' interests and consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Agricultural Land Trust does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Agricultural Land Trust's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis of Conclusion

We conducted our review in accordance with ASRE 2410 *Review of Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Some of the Crowe personnel involved in preparing this document may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation Crowe's personnel involved in preparing this document, please speak to your Crowe adviser.

Liability limited by a scheme approved under Professional Standards Legislation.

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 external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. 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

© 2024 Findex (Aust) Pty Ltd

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial report, which outlines the Directors' assessment regarding going concern. The Group has incurred a loss after tax of \$768,000 for the current half year, and has a net current liability position of \$3,754,000 as at 31 December 2023. These conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Trust's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



Crowe Sydney



Barbara Richmond
Partner

8 March 2024

Auditor's Independence Declaration Under Section 307C of the *Corporations Act 2001* to the Directors of One Managed Investment Funds Limited, the Responsible Entity of Agricultural Land Trust

As lead auditor for the review of the half year financial report of Agricultural Land Trust for the half year ended 31 December 2023, I declare that to the best of my knowledge and belief, that there have been:

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

Yours sincerely,



Crowe Sydney



Barbara Richmond
Partner

8 March 2024

Some of the Crowe personnel involved in preparing this document may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation Crowe's personnel involved in preparing this document, please speak to your Crowe adviser.

Liability limited by a scheme approved under Professional Standards Legislation.

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 external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. 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.

© 2024 Findex (Aust) Pty Ltd