

# **Aspen Property Trust**

**ARSN: 104 807 767**

**INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED**

**31 December 2019**

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# Aspen Property Trust

For the period ended 31 December 2019

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## Trust particulars

The various services providers for the Aspen Property Trust (“the Trust”) are detailed below:

<u>Service</u>	<u>Provider</u>
Responsible Entity (“RE”)	Evolution Trustees Limited
Investment Manager	Aspen Funds Management Limited
Custodian	Perpetual Corporate Trust Limited
Statutory Auditor	Deloitte Touche Tohmatsu (“Deloitte”)

## Directors

The following persons held office as Directors of Evolution Trustees Limited for the period ended 31 December 2019:

David Grbin	Non-executive Chairman
Alexander Calder	Non-executive Director
Rupert Smoker	Executive Director
Ben Norman	Alternate Director

The following persons held office as Directors of Aspen Funds Management Limited for the period ended 31 December 2019:

Clive Appleton	Non-executive Chairman
Guy Farrands	Non-executive Director
John Carter	Executive Director
David Dixon	Executive Director

## Registered Offices

### Evolution Trustees Limited

Suite 703B, 7<sup>th</sup> Floor  
1 York Street  
Sydney NSW 2000, Australia  
Telephone: (61 2) 8866 5150  
Email: [info@evolutiontrustees.com.au](mailto:info@evolutiontrustees.com.au)  
Web Address: [www.evolutiontrustees.com.au](http://www.evolutiontrustees.com.au)

### Aspen Funds Management Limited

21 Oxford Street  
Bondi Junction  
Sydney NSW 2022, Australia  
Telephone: (61 2) 9151 7500  
Email: [homemail@aspengroup.com.au](mailto:homemail@aspengroup.com.au)  
Web Address: [www.aspengroup.com.au](http://www.aspengroup.com.au)

## Auditor

Deloitte Touche Tohmatsu  
Grosvenor Place  
225 George Street  
Sydney NSW 2000

## Stock Exchange Listing

The Trust’s units are listed on the Australian Securities Exchange (“ASX”) through Aspen Group Limited (“AGL”) under the ASX code APZ (stapled securities). Each stapled security comprises one unit in the Trust and one share in AGL. The Trust and AGL (and their controlled entities) form the consolidated entity (“Aspen Group” or “Group”). The Trust and its wholly owned subsidiary, Midland Property Trust (“MPT”), form the “Consolidated Trust”.

# Aspen Property Trust

For the period ended 31 December 2019

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## Directors' report

The directors of Evolution Trustees Limited ("ET") as responsible entity of the Trust present their report together with the condensed consolidated interim financial statements which comprises the Trust and its subsidiary (collectively referred to as "the Consolidated Trust"), for the period ended 31 December 2019, and the auditor's review report thereon.

## Operating and financial review

The Consolidated Trust recorded a profit attributable to unit holders of \$1.600 million for the period ended 31 December 2019 (\$0.789 million for the period ended 31 December 2018).

Ordinary distributions declared during the period were as follows:

Half-year ended	Record date	Amount per unit 2019	Amount per unit 2018
31 December	31 December	2.75 cents	2.30 cents

Aspen Group's distribution policy considers taxable income of the Trust, operating profits, stay in business capital requirements and forecast cash flows.

On 13 December 2019, the Trust announced a distribution of 2.75 cents per security in respect of the half-year ended 31 December 2019. This distribution is payable to securityholders on or around 28 February 2019.

## Review of financial conditions

### Property portfolio

There were no disposals, acquisitions, or movement in net fair value across the property portfolio for the half-year ended 31 December 2019.

### Capital management and financial position

At 31 December 2019, the Consolidated Trust had a shared \$71.000 million finance facility with AGL, comprised of a \$65.000 million (30 June 2019: \$45.000 million) cash advance facility, a \$5.000 million bank overdraft facility (June 2019: \$5.000 million) and a \$1.000 million bank guarantee facility (June 2019: \$5.000 million). At 31 December 2019, the Consolidated Trust's portion of the drawn debt was \$34.292 million (30 June 2019: \$24.500 million) and the gearing ratio was 29.8% (30 June 2019: 17.9%).

During the period, the Consolidated Trust completed a reallocation of capital between the Trust and AGL by increasing the share capital of AGL through applying a distribution of capital of \$0.31 per unit by the Trust to AGL's share capital. Total capital of \$29.86 million was reallocated from the Trust to AGL, and AGL used these proceeds to repay some of its loan from the Trust. As a result, the value of Trust's equity and the Trust's loan to AGL both decreased by \$29.86 million.

## Likely developments

The Consolidated Trust will look to pursue growth opportunities that may arise in the accommodation sector, which meet the Group's strategic focus on affordable accommodation.

## Significant changes in the state of affairs

Other than noted elsewhere in this Interim Financial Report, there were no significant changes in the state of affairs of the Consolidated Trust that occurred during the period under review.

## Directors' report (continued)

### Safety and environment

No significant accidents or injuries involving employees of the Group were recorded during the period.

Towards the end, and subsequent to, the period there were major fire events around the Consolidated Trust's Southern New South Wales properties, Barlings Beach, Tomakin and Tween Waters, Merimbula. The fires caused some minor physical damage to the properties, but much more significant losses to life, housing, businesses, critical infrastructure and the general environment throughout the region. Notwithstanding the impact on short term occupancies, and some uncertainties regarding when the park businesses will return to normal, it does not currently appear that there will be a significant impact on each of these properties valuations' as a result of the fires. The carrying values of all properties will continue to be assessed as additional information is available in the ordinary course.

### Principal activities

The principal activities of the Consolidated Trust during the period were to invest in the accommodation sector.

There was no significant change in the nature of the activities of the Consolidated Trust during the period.

### Events subsequent to reporting date

Other than as disclosed in "Safety and environment" above, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of ET, to affect significantly the operations of the Consolidated Trust, the results of those operations, or the state of affairs of the Consolidated Trust, in future financial periods.

### Auditor's independence declaration under Section 307C of the Corporations Act 2001

The auditor's independence declaration is included on page 6 and forms part of the directors' report for the period ended 31 December 2019.

### Rounding off

The Consolidated Trust is of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the half-year financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors.



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**Rupert Smoker**

Director

SYDNEY, 21 February 2020

The Board of Directors of  
Evolution Trustees Limited as the Responsible Entity for:  
Aspen Property Trust  
21 Oxford Street  
Bondi Junction NSW 2022

21 February 2020

Dear Board Members

### **Auditor's Independence Declaration to Aspen Property Trust**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Board of Directors of Evolution Trustees Limited as the Responsible Entity for Aspen Property Trust.

As lead audit partner for the review of the financial report of Aspen Property Trust for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

*Deloitte Touche Tohmatsu*  
DELOITTE TOUCHE TOHMATSU



Michael Kaplan  
Partner  
Chartered Accountants

## **Independent Auditor's Review Report to the Unitholders of Aspen Property Trust**

We have reviewed the accompanying half-year financial report of Aspen Property Trust (the "Trust") and its controlled entity (together referred to as the "Group"), which comprises the condensed consolidated interim statement of financial position as at 31 December 2019, and the condensed consolidated interim statement of profit or loss and other comprehensive income, the condensed consolidated interim statement of cash flows and the condensed consolidated interim statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### *The Directors' Responsibility for the Half-Year Financial Report*

The directors of the Responsible Entity of the Trust (the "directors") 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*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and 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.

### *Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Responsible Entity of Aspen Property Trust, would be in the same terms if given to the directors as at the time of this auditor's review report.

## *Conclusion*

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

- (a) giving a true and fair view of the Group's financial position as at 31 December 2019 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*.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU



Michael Kaplan  
Partner  
Chartered Accountants  
Sydney, 21 February 2020



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# Aspen Property Trust

## Condensed consolidated interim statement of profit or loss and other comprehensive income

For the period ended 31 December 2019

	Note	Consolidated	
		31 December 2019 \$ '000	31 December 2018 \$ '000
Rent from investment properties		2,545	2,570
Property expenses		-	(1)
<b>Gross profit</b>		<b>2,545</b>	<b>2,569</b>
Change in fair value of investment properties		-	(750)
Operating expenses		(955)	(1,232)
Administration and general expenses		(87)	(120)
<b>Profit from operating activities</b>		<b>1,502</b>	<b>467</b>
Finance income		674	790
Finance expenses		(576)	(468)
<b>Net finance income</b>		<b>98</b>	<b>322</b>
<b>Profit for the period before income tax</b>		<b>1,600</b>	<b>789</b>
Income tax expense		-	-
<b>Profit for the period</b>		<b>1,600</b>	<b>789</b>
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		<b>1,600</b>	<b>789</b>
<b>Profit attributable to:</b>			
Unit holders of the Consolidated Trust	11	1,600	789
<b>Profit for the period</b>		<b>1,600</b>	<b>789</b>
<b>Total comprehensive income attributable to:</b>			
Unit holders of the Consolidated Trust	11	1,600	789
<b>Total comprehensive income for the period</b>		<b>1,600</b>	<b>789</b>
		<b>Cents per unit</b>	Cents per unit
Basic earnings per unit	11	1.66	0.82
Diluted earnings per unit	11	1.66	0.82

The Condensed consolidated interim statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes to the financial statements.

# Aspen Property Trust

## Condensed consolidated interim statement of financial position

As at 31 December 2019

	Note	Consolidated	
		31 December 2019	30 June 2019
		\$ '000	\$ '000
<b>Assets</b>			
<i>Current assets</i>			
Cash at bank and on hand	13	91	48
Cash in term deposits	13	150	150
Trade and other receivables		29	89
<b>Total current assets</b>		<b>270</b>	<b>287</b>
<i>Non-current assets</i>			
Deferred finance costs		69	94
Receivables from related parties	6	20,398	41,416
Investment property	7	93,934	93,934
<b>Total non-current assets</b>		<b>114,401</b>	<b>135,444</b>
<b>Total assets</b>		<b>114,671</b>	<b>135,731</b>
<b>Liabilities</b>			
<i>Current liabilities</i>			
Trade and other payables	8	2,798	2,742
<b>Total current liabilities</b>		<b>2,798</b>	<b>2,742</b>
<i>Non-current liabilities</i>			
Interest bearing loans and borrowings	9	34,292	24,500
<b>Total non-current liabilities</b>		<b>34,292</b>	<b>24,500</b>
<b>Total liabilities</b>		<b>37,090</b>	<b>27,242</b>
<b>Net assets</b>		<b>77,581</b>	<b>108,489</b>
<b>Equity</b>			
<i>Equity attributable to unit holders</i>			
Units on issue	10	337,309	367,168
Accumulated losses		(259,728)	(258,679)
<b>Total equity</b>		<b>77,581</b>	<b>108,489</b>

The Condensed consolidated interim statement of financial position is to be read in conjunction with the accompanying notes to the financial statements.

# Aspen Property Trust

## Condensed consolidated interim statement of changes in equity

For the period ended 31 December 2019

		Units on issue	Accumulated losses	Total equity
	Note	\$ '000	\$ '000	\$ '000
<b>Balance at 1 July 2019</b>		<b>367,168</b>	<b>(258,679)</b>	<b>108,489</b>
Profit for the period		-	1,600	1,600
Other comprehensive income for the period		-	-	-
Total comprehensive income for the period		-	<b>1,600</b>	<b>1,600</b>
Distributions to unit holders	10	-	<b>(2,649)</b>	<b>(2,649)</b>
Reallocation of capital	10	<b>(29,859)</b>	-	<b>(29,859)</b>
<b>Balance at 31 December 2019</b>		<b>337,309</b>	<b>(259,728)</b>	<b>77,581</b>

		Units on issue	Accumulated losses	Total equity
	Note	\$ '000	\$ '000	\$ '000
<b>Balance at 1 July 2018</b>		367,179	(260,618)	106,561
Profit for the period		-	789	789
Other comprehensive income for the period		-	-	-
Total comprehensive income for the period		-	789	789
Units cancelled during the period	10	(11)	-	(11)
Distributions to unit holders		-	(2,215)	(2,215)
<b>Balance at 31 December 2018</b>		367,168	(262,044)	105,124

The Condensed consolidated interim statement of changes in equity is to be read in conjunction with the accompanying notes to the financial statements.

# Aspen Property Trust

## Condensed consolidated interim statement of cash flows

For the period ended 31 December 2019

	Note	Consolidated	
		31 December 2019	31 December 2018
		\$ '000	\$ '000
<b>Cash flows from operating activities</b>			
Cash receipts from customers (inclusive of GST)		3	51
Cash payments to suppliers and employees (inclusive of GST)		(56)	(75)
<b>Net cash used in operating activities</b>		<b>(53)</b>	<b>(24)</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of assets held for sale, net of selling costs		-	2,791
Acquisition of investment property, including acquisition costs		-	(19,875)
<b>Net cash used in investing activities</b>		<b>-</b>	<b>(17,084)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		9,792	25,600
Loan to related entity		(10,746)	(12,626)
Proceeds from repayment of related entity loan (i)		4,174	5,666
Distributions paid		(2,607)	(2,020)
Interest received		-	10
Borrowing and financing costs		(517)	(270)
<b>Net cash generated from financing activities</b>		<b>96</b>	<b>16,360</b>
Net increase/(decrease) in cash and cash equivalents		43	(748)
Cash and cash equivalents at beginning of period		198	1,011
<b>Cash and cash equivalents at end of period</b>	13	<b>241</b>	<b>263</b>
<u>Cash and cash equivalents comprised of:</u>			
Cash at bank and on hand		91	113
Cash in term deposits		150	150
		<b>241</b>	<b>263</b>

- (i) This excludes the non-cash flow impact of the capital reallocation and related loan repayment of \$29.859 million that took place during the period.

The Condensed consolidated interim statement of cash flows is to be read in conjunction with the accompanying notes to the financial statements.

### 1. Reporting entity

Aspen Property Trust (the "Trust") is an Australian resident trust. The address of the Trust's registered office is Suite 703B, 7<sup>th</sup> Floor 1 York Street, Sydney, New South Wales 2000. The Trust forms part of Aspen Group's stapled security structure consisting of one share in Aspen Group Limited ("AGL") and one unit in the Trust. The consolidated financial statements of the Trust (the "Consolidated Trust") as at and for the half-year ended 31 December 2019 comprise the Trust and its subsidiary. The Trust is a for-profit entity and is primarily involved in the investment in income-producing accommodation property.

### 2. Basis of preparation

#### (a) Statement of compliance

The consolidated financial report is a general-purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. These condensed consolidated interim financial statements do not include all the information required for the full annual financial statements prepared in accordance with Australian Accounting Standards.

These condensed consolidated interim financial statements were authorised for issue by the Board of Evolution Trustees Limited, the Responsible Entity of the Trust, on 21 February 2020.

#### (b) Use of key estimates and judgements

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, significant judgements made by management in applying the Consolidated Trust's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2019.

#### (c) Financial position

During the period ended 31 December 2019, the Consolidated Trust recorded a profit of \$1.600 million (December 2018: profit of \$0.789 million). At 31 December 2019, the Consolidated Trust had net assets of \$77.581 million (June 2019: \$108.489 million) and a working capital deficiency of \$2.528 million (30 June 2019: \$2.455 million). The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The Board expects the distributions payable at 31 December 2019 of \$2.649 million to be funded from existing cash reserves held by the Trust's stapled entity, AGL, or if required, through the drawdown of available financing facilities.

#### (d) Comparative information

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current period amounts and other disclosures.

# Aspen Property Trust

## Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the period ended 31 December 2019

### 3. Significant accounting policies

With the exception of the changes in accounting policies outlined at Note 18, all other accounting policies applied by the Consolidated Trust in these condensed consolidated interim financial statements are the same as those applied by the Consolidated Trust in its consolidated financial statements as at and for the year ended 30 June 2019 and the prior corresponding interim reporting period.

### 4. Operating segments

The Consolidated Trust operated in only one segment, being investment in properties within Australia for the periods ended 31 December 2019 and 31 December 2018.

	31 December 2019	30 June 2019
	\$ '000	\$ '000
<b>5. Assets classified as held for sale</b>		
At 1 July	-	2,525
Disposal	-	(2,525)
At 31 December / 30 June	-	-

	31 December 2019	30 June 2019
	\$ '000	\$ '000
<b>6. Receivables from related parties</b>		
<b>Non-Current</b>		
Amounts receivable from AGL (net of loan forgiveness and impairment)	20,398	41,416
At 31 December / 30 June	20,398	41,416

Notes:

The Consolidated Trust has a loan agreement with AGL. The maturity date of the loan is 30 June 2021. The investment manager considers the loan to be recoverable and that no material expected credit loss provision is required.

During the period, the Consolidated Trust completed a reallocation of capital between the Trust and AGL by increasing the share capital of AGL through applying a distribution of capital of \$0.31 per unit from the Trust to AGL's share capital. Total capital of \$29.86 million was reallocated from the Trust to AGL, and AGL used these proceeds to repay some of its loan from the Trust. As a result, the value of the Trust's equity and the Trust's loan to AGL both decreased by \$29.86 million.

	31 December 2019	30 June 2019
	\$ '000	\$ '000
<b>7. Investment property</b>		
At 1 July	93,934	70,239
Acquisition and additions	-	20,649
Fair value adjustments	-	3,046
At 31 December / 30 June	93,934	93,934

**7. Investment property (continued)**

The following table presents the individual property owned by the Consolidated Trust:

Property	Original acquisition date	Original acquisition costs \$ '000	Latest independent valuation date	Latest independent valuation \$ '000	Book value at 31 December 2019 \$ '000	Book value at 30 June 2019 \$ '000
<b>Residential/Retirement/Tourism Properties</b>						
Four Lanterns NSW	Jan 2015	6,986	May 2019	12,240	11,877	11,877
Mandurah WA	Jun 2015	7,525	Nov 2017	12,750	9,189	9,189
Tomago NSW	Aug 2015	2,455	May 2019	10,500	4,325	4,325
Adelaide SA	Oct 2015	7,121	Dec 2017	10,750	8,129	8,129
Tween Waters	Dec 2016	6,800	May 2019	7,300	4,908	4,908
Barlings Beach	Jan 2017	13,250	May 2019	13,500	8,118	8,118
Koala Shores NSW	Sep 2017	4,341	May 2019	9,750	4,810	4,810
Darwin FreeSpirit NT	Dec 2017	13,875	Oct 2017	19,500	14,168	14,168
Highway 1 SA	Oct 2018	17,470	Oct 2018	23,000	17,410	17,410
<b>Corporate</b>						
Aspen Karratha Village WA	Jun 2005	28,881	Nov 2017	10,250	11,000	11,000
At 31 December / 30 June		108,704		129,540	93,934	93,934

Latest independent valuation is for the entire property, including the property, plant and equipment and goodwill components which are owned by AGL.

As at 31 December 2019, the above investment properties were pledged as security for the Consolidated Trust's and AGL's finance facilities. Refer to note 9 for further details.

Fair value is determined on the basis of either an independent valuation prepared by external valuers as at the date of the balance sheet, or directors' valuation. Independent valuations of property investments are obtained at intervals of not more than three years with directors' valuations in intervening years. Independent valuations are performed by external, independent property valuers, having appropriate recognised professional qualifications and experience in the location and category of the property being valued. There were no external revaluations carried out during the half-year period.

The fair value of investment properties has been determined by the directors at 31 December 2019. The fair value measurement of \$93.934 million (30 June 2019: \$93.934 million) has been categorised as a Level 3 fair value, based on the unobservable inputs to the valuation technique used. The directors have assessed that there have been no material changes in the underlying valuation inputs as disclosed in the 30 June 2019 annual report, and accordingly, no fair value adjustments have been recognised at the period-end. Reference is made to the Directors' Report under the heading "Safety and environment", where the impact of the recent bushfires is described. The directors are monitoring this position, however at this stage, they do not believe that there will be any impact from these events on the value of associated investment properties.



# Aspen Property Trust

## Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the period ended 31 December 2019

### 8. Trade and other payables

	31 December 2019	30 June 2019
	\$ '000	\$ '000
<b>Current</b>		
Distributions payable	2,751	2,703
Accrued liabilities	47	39
At 31 December / 30 June	<b>2,798</b>	2,742

### 9. Financing arrangements

The Consolidated Trust together with AGL have in place financing arrangements with a total limit of \$71.000 million comprising a revolver, a bank overdraft facility and a bank guarantee facility. These financing facilities are secured with first ranking registered real property mortgages over the Consolidated Trust's and AGL's directly owned properties, and a fixed and floating charge over AGL, Aspen Property Trust, Aspen Living Villages Pty Ltd, Aspen Property Developments Pty Ltd, Realise Residential WA Pty Ltd, Realise Residential WA 2 Pty Ltd, Realise Residential WA 3 Pty Ltd and Realise Residential WA 4 Pty Ltd.

#### Secured revolver

At 31 December 2019, the Consolidated Trust together with AGL had a secured revolver of \$65.000 million (30 June 2019: \$45,000 million), maturing in November 2022.

#### Secured bank overdraft facility

At 31 December 2019, the Consolidated Trust together with AGL had a secured bank overdraft facility of \$5.000 million (30 June 2019: \$5.000 million).

#### Secured bank guarantee facilities

At 31 December 2019, the Consolidated Trust together with AGL had secured bank guarantee facilities totalling \$1.000 million (30 June 2019: \$5.000 million).

	31 December 2019	30 June 2019
	\$ '000	\$ '000
<b>Financing facilities</b>		
Secured revolver	65,000	45,000
Secured overdraft facility	5,000	5,000
Secured bank guarantees	1,000	5,000
	<b>71,000</b>	55,000
<b>Facilities utilised at reporting date</b>		
Secured revolver – Consolidated Trust	34,292	24,500
Secured revolver – AGL	18,206	-
Secured bank guarantees – Consolidated Trust	498	298
	<b>52,996</b>	24,798
<b>Facilities not utilised at reporting date</b>		
Secured revolver	12,502	20,500
Secured overdraft facility	5,000	5,000
Secured bank guarantees	502	4,702
	<b>18,004</b>	30,202

# Aspen Property Trust

## Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the period ended 31 December 2019

### 10. Units on issue

Units on issue	Securities	
	31 December 2019 Units'000	30 June 2019 Units'000
On issue at 1 July	96,322	96,333
Stapled units cancelled during the period	-	(11)
On issue at 31 December / 30 June – fully paid	96,322	96,322

#### For the six months period ended 31 December 2019

Units on issue	31 December 2019	31 December 2019
	Units'000	\$'000
On issue at 1 July	96,322	367,168
Reallocation of capital	-	(29,859)
On issue at 31 December – fully paid	96,322	337,309

The Consolidated Trust recorded the following amounts within unit holders' equity as a result of the issuance of units.

#### For the year ended 30 June 2019

Units on issue	June 2019	June 2019
	Units'000	\$'000
On issue at 1 July 2018	96,333	367,179
Stapled units cancelled during the year	(11)	(11)
On issue at 30 June 2019 – fully paid	96,322	367,168

### Ordinary distributions

31 December 2019	Cents per security	Total amount \$'000	Estimated date of payment
July 2019 – December 2019	2.75	2,649	28 February 2020

### 11. Earnings per unit

	31 December 2019	31 December 2018
	Cents per unit	Cents per unit
Basic earnings per unit	1.66	0.82
Diluted earnings per unit	1.66	0.82
<b>Profit attributable to ordinary stapled unit holders</b>	<b>31 December 2019</b>	<b>31 December 2018</b>
	<b>\$ '000</b>	<b>\$ '000</b>
Continued Operations	1,600	789
<b>Weighted average number of units</b>	<b>31 December 2019</b>	<b>31 December 2018</b>
	<b>'000 units</b>	<b>'000 units</b>
Basic units at 31 December	96,322	96,322

# Aspen Property Trust

## Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the period ended 31 December 2019

### 12. Financial risk management

The Consolidated Trust's financial risk management objectives and policies are consistent with those disclosed in the financial report as at and for the year ended 30 June 2019.

### 13. Cash and cash equivalents for the Condensed Consolidated Interim Statement of Cash Flows

	31 December 2019	30 June 2019
	\$ '000	\$ '000
Cash at bank and in hand	91	48
Term deposits	150	150
Cash and cash equivalents at the end of the period	241	198

### 14. Related party transactions

Related parties' arrangements are consistent with those disclosed in the financial report for the year ended 30 June 2019. A reference is made to Note 6 regarding the capital reallocation and loan repayment which occurred during the period.

### 15. Contingent liabilities

	31 December 2019	30 June 2019
	\$ '000	\$ '000
Guarantees issued to third parties	498	298

In addition, the Trust acts as a Joint Guarantor in respect of the \$71 million financing facility referred to in Note 9. As at 31 December 2019, \$18.206 million of the financing facility was utilised by AGL.

Other than the above, the directors of the responsible entity are not aware of any material contingent liabilities existing at 31 December 2019 or at the date of completion of these condensed consolidated interim financial statements.

### 16. Commitments

	31 December 2019	30 June 2019
	\$ '000	\$ '000
Capital commitments		
Within one year	1,628	-

Other than the above, the directors of the responsible entity are not aware of any material commitments existing at 31 December 2019 or at the date of completion of these condensed consolidated interim financial statements.

### 17. Subsequent events

Other than as disclosed under "Safety and environment" in the Directors' Report, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the responsible entity, to affect significantly the operations of the Consolidated Trust, the results of those operations, or the state of affairs of the Consolidated Trust, in future financial periods.

### 18. Changes in accounting policies

#### (a) New and amended standards adopted from 1 July 2019

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period with the exception of the adoption of AASB 16 *Leases* and other new and amended standards and interpretations commencing 1 July 2019 which have been adopted where applicable.

#### (b) Recently changed accounting standards

The Consolidated Trust has adopted AASB 16 at 1 July 2019. AASB 16 specifies recognition, measurement, presentation and disclosure requirements of leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with lessor accounting substantially unchanged from previous Standard (AASB 117).

There has been no financial impact as a result of adopting AASB 16.

# Aspen Property Trust

## Directors' declaration

For the period ended 31 December 2018

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### Directors' declaration

1. In the opinion of the directors of the responsible entity of the Consolidated Trust, Evolution Trustees Limited:
  - (a) the interim financial statements and notes set out on pages 9 to 20 are in accordance with *the Corporations Act 2001*, including:
    - (i) giving a true and fair view of the Consolidated Trust's financial position as at 31 December 2019 and of its performance for the period ended on that date; and
    - (ii) complying with Accounting Standards, (including the Australian Accounting Interpretations), the *Corporations Regulations* and other mandatory professional reporting requirements; and
  - (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 is made in accordance with a resolution of the directors.



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Rupert Smoker

Director

SYDNEY, 21 February 2020