

TRANSPACIFIC SPS TRUST
ARSN 120 322 625

APPENDIX 4E

2014 Final Report

RESULTS FOR ANNOUNCEMENT TO THE MARKET

1. Reporting Period

Reporting Period: 30 June 2014

Previous Corresponding Period: 30 June 2013

2. Results for Announcement to the Market

	2014 \$'000	2013 \$'000	Up/down	% Movement
Revenue from ordinary activities – interest revenue	16,571	18,974	Down	(12.7)%
Profit from ordinary activities after tax attributable to unitholders	16,316	18,699	Down	(12.7)%
Net profit for the period attributable to unitholders	16,316	18,699	Down	(12.7)%

3. Dividends (Distributions)

Distributions declared and paid

	Record date	Amount per security \$	Franked amount per security \$
For period ended 30 September 2013, paid 16 October 2013	30 September 2013	3.18	3.18
For period ended 31 March 2014, paid 15 April 2014	31 March 2014	2.99	2.99

Distributions proposed

Distribution per unit – period ending 30 September 2014 (payable 30 September 2014)	\$3.05
Record date for determining entitlements to the distribution	15 September 2014

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4. Annual General Meeting

Not applicable.

5. Net Tangible Assets ('NTA') per security

	30 June 2014	30 June 2013
Net tangible asset backing per unit	\$99	\$99
Net assets	249,846,189	249,846,189
Number of units	2,500,100	2,500,100

6. Entities Over Which Control Has Been Gained or Lost During the Period

Not applicable.

7. Associates and Joint Venture Entities

Not applicable.

8. Other Significant Information

Note Redemption Notice

On 20 August 2014, Transpacific issued the Responsible Entity of the Transpacific SPS Trust a Note Redemption Notice. Transpacific gave approval to the Responsible Entity of the Transpacific SPS Trust requesting redemption of all the Loan Notes in accordance with the Note Redemption Notice.

Issuer Realisation Notice

On receipt of the Note Redemption Notice, Transpacific granted approval to give all SPS Note Holders a Issuer Realisation Notice. The SPS Trust Notes are expected to cease trading on the Australian Securities Exchange on 11 September 2014. All SPS holders who are on the register at 5:00pm (Sydney time) on 11 September 2014 will be entitled to be paid, for each SPS Note held, its face value of \$100 and the distribution amount for the period ending 15 September 2014 of \$3.05 per SPS Note.

9. Accounting Standards Used for Foreign Entities

Not applicable.

10. Commentary for the Results of the Period

Refer to the attached 2014 Financial Report.

11. Status of Audit

The Report is based on the attached 2014 Financial Report which has been audited for which an unqualified audit opinion has been issued.

TRANSPACIFIC SPS TRUST
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FINANCIAL REPORT
FOR THE YEAR
ENDED 30 JUNE 2014

TRANSPACIFIC SPS TRUST

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014

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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2014

The Directors of The Trust Company (RE Services) Limited ("Responsible Entity") as the Responsible Entity of the Transpacific SPS Trust ("SPS Trust") present their Directors' Report ("Report") together with the Financial Report of the SPS Trust for the year ended 30 June 2014.

Directors

The names of the Directors and Company Secretaries of the Responsible Entity holding office during the year ended 30 June 2014 and until the date of this Report were:

Andrew Cannane	
Christopher Green	(appointed as Director 7 March 2014)
Gillian Larkins	(appointed as Director 7 March 2014)
Anna O'Sullivan	(appointed as Alternate Director for Andrew Cannane and Christopher Green 7 March 2014)
Glenn Foster	(appointed as Alternate Director for Gillian Larkins 7 March 2014)
Joanne Hawkins	(appointed as Alternate Director for Gillian Larkins 7 March 2014)
David Grbin	(resigned as Director 7 March 2014)
John Atkin	(resigned as Director 18 December 2013)
Rupert Smoker	(appointed as Director 18 December 2013, resigned as Director 7 March 2014)

Company Secretaries

Joanne Hawkins	(appointed as Company Secretary 1 May 2014)
Sylvie Dimarco	(appointed as Company Secretary 1 May 2014)
Glenda Charles	(appointed as Company Secretary 28 February 2014)
Thornton Christensen	(appointed as Company Secretary 28 February 2014)
Alex Carrodus	(resigned as Company Secretary 5 July 2013)
Geoffrey Stirton	(resigned as Company Secretary 28 February 2014)

Principal Activities

The SPS Trust is a managed investment scheme registered on 29 June 2006 to issue Step Up Exchangeable Units ("SPS") offered under the SPS Trust's Product Disclosure Statement. The SPS Trust is governed by the SPS Trust's Constitution and is listed on the Australian Securities Exchange ("ASX"). The SPS units are quoted on the ASX under the code "TPAPA". The gross proceeds of \$250 million received have been invested in Australian denominated interest bearing securities ("Loan Notes") issued by Transpacific Industries Pty Ltd, a company incorporated in Australia and a wholly owned subsidiary of Transpacific Industries Group Ltd ("Transpacific").

Review of Operations and Results

The SPS Trust has issued 2,500,000 SPS with a face value of \$100 each which trade on the ASX. No SPS units have been issued or redeemed since the inception of the SPS Trust, up to and including 30 June 2014.

The net profit for the year ended 30 June 2014 was \$16,316,408 (2013: \$18,698,953). Revenue of \$16,571,591 (2013: \$18,974,223) consists of interest income. Interest income has decreased due to reduction in the Bank Bill Swap Rate during the year. Distributions totalling \$15,425,000 (2013: \$17,075,000) were paid to SPS unitholders during the financial year.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2014 (Continued)

SPS Trust pays unit holders a semi-annual distribution which is fully franked. Distributions are based on the six month Bank Bill Swap Rate set on the first day of the distribution period (1 October and 1 April each year) plus a margin of 6.0% per annum adjusted to reflect the franking credit. Payments which become due and payable to SPS unit holders are guaranteed on an unsecured and subordinated basis by Transpacific. This guarantee ranks ahead of Transpacific's ordinary shareholders, but is subordinated to the claims of all creditors of Transpacific. Distributions were paid on 16 October 2013 for the period to 30 September 2013 and on 15 April 2014 for the period to 31 March 2014.

100 ordinary units in the SPS Trust are currently issued to Transpacific. No further ordinary units have been issued during the financial period.

The SPS and the ordinary units issued by the SPS Trust are classified as equity in the Statement of Financial Position based on their redemption and settlement characteristics. As a result, in accordance with the requirements of the International Financial Reporting Standards ("IFRS") and the *Corporations Act 2001*, the distributions paid on SPS and ordinary units are presented in the Financial Statements as trust distributions.

Note Redemption Notice

On 20 August 2014, Transpacific issued the Responsible Entity of the Transpacific SPS Trust a Note Redemption Notice. Transpacific gave approval to the Responsible Entity of the Transpacific SPS Trust requesting redemption of all the Loan Notes in accordance with the Note Redemption Notice.

Issuer Realisation Notice

On receipt of the Note Redemption Notice, Transpacific granted approval to give all SPS Note Holders an Issuer Realisation Notice. The SPS Trust Notes are expected to cease trading on the Australian Securities Exchange on 11 September 2014. All SPS holders who are on the register at 5:00pm (Sydney time) on 11 September 2014 will be entitled to be paid, for each SPS Note held, its face value of \$100 and the distribution amount for the period ending 30 September 2014 of \$3.05 per SPS Note.

Transpacific will fund the redemption of all Loan Notes through the use of available cash and debt facilities.

Significant Changes in the State of Affairs

As disclosed in Note 1 (a) to the financial statements, the Directors of the Responsible Entity have determined it is no longer appropriate to prepare the SPS Trust's financial statements on a going concern basis, but instead on a liquidation basis.

Other than as stated above, there have been no changes in the state of affairs in the current year.

Likely Developments and Expected Results of Operations

Following the above Issuer Realisation Notice, all SPS Notes will be redeemed on 11 September 2014, SPS Note Holders who are on the register at 5:00pm (Sydney time) on 11 September 2014 will be entitled to be paid, for each SPS Note held, its face value of \$100 and the distribution amount for the period ending 30 September 2014 of \$3.05. The Responsible Entity of the Transpacific SPS Trust will then commence the disposal of the remaining assets and complete the wind up of the SPS Trust.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2014 (Continued)

Distributions

Distributions paid to SPS unitholders during the financial year were as follows:

	Per unit	Total distribution
For period ended 30 September 2013, paid 16 October 2013	\$3.18	\$7,950,000
For period ended 31 March 2014, paid 15 April 2014	\$2.99	\$7,475,000

The distribution rate for the period 1 April 2014 to 30 September 2014 has been set at \$3.05 per unit. The record date for this distribution will be 15 September 2014. The distribution has not been provided for in the Financial Statements.

Distributions on ordinary units are only payable once distributions to SPS unitholders have been made. Ordinary units are held by Transpacific. Total distributions paid or payable to ordinary unitholders in respect of the 30 June 2014 financial year was \$891,418 representing \$8,914 per ordinary unit (2013: \$1,623,953 representing \$16,240 per ordinary unit).

Matters Subsequent to the End of the Financial Year

The Directors of the Responsible Entity are not aware of any matter or circumstance that has arisen since the end of the year that has significantly affected or may significantly affect the operations of the SPS Trust, the results of those operations, or state of affairs of the SPS Trust in future years, that have not been disclosed elsewhere in the Directors' Report.

Fees Paid to and Interests Held in the Trust by the Responsible Entity and its Associates

Fees totalling \$123,598 (2013: \$121,985) were paid out of SPS Trust's assets to the Responsible Entity and its associates during the period. No fees were paid out of SPS Trust assets to the Directors of the Responsible Entity during the period. Neither the Responsible Entity nor its associates hold any interests in the SPS Trust.

SPS Trust Assets

At 30 June 2014, SPS Trust held assets with a total carrying value of \$251,012,859 (2013: \$251,768,364). The basis for valuation of the assets is disclosed in Note 1 to the Financial Statements.

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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2014 (Continued)

Indemnification and Insurance of Officers

No insurance premiums are paid for out of the assets of the Fund in regards to insurance cover provided to either the officers of the Responsible Entity or the auditors of the SPS Trust. Under the SPS Trust Constitution and the Law, the officers of the Responsible Entity remain indemnified out of the assets of the SPS Trust against losses, damages, expenses or liability incurred while acting on behalf of the SPS Trust.

Indemnity of Auditors

To the extent permitted by law, the SPS Trust has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement against claims by third parties from the audit (for an unspecified amount), no payment has been made to indemnify Ernst & Young during or since the financial year.

Environmental Regulation

The operations of the SPS Trust are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

Auditors and Independence Declaration

Ernst & Young ("Auditors") were appointed as auditors on 29 June 2010 in accordance with the SPS Trust Constitution. A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

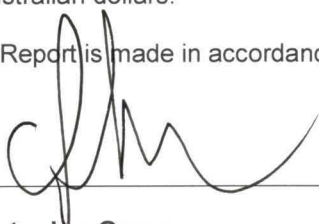
Rounding of Amounts and Currency

The SPS Trust is a registered scheme of a kind referred to in Class Order 98/100, issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and Financial Report.

Amounts in the Financial Report have been rounded off in accordance with that Class Order to the nearest one thousand dollars, unless otherwise indicated.

All figures in the Directors' Report and the Financial Report, except where otherwise stated, are expressed in Australian dollars.

This Report is made in accordance with a resolution of the Directors of the Responsible Entity.



Christopher Green
Director

21st August 2014, Sydney

Auditor's Independence Declaration to the Directors of the Responsible Entity of Transpacific SPS Trust

In relation to our audit of the financial report of Transpacific SPS Trust for the financial year ended 30 June 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



Ernst & Young



Mike Reid
Partner
21 August 2014

Independent auditor's report to the Unitholders of Transpacific SPS Trust

Report on the financial report

We have audited the accompanying financial report of Transpacific SPS Trust ("Trust"), which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration. The financial report has been prepared on a liquidation basis as the company is not expected to continue in operation as a going concern.

Directors' responsibility for the financial report

The directors of the Responsible Entity of the Trust 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 controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the Responsible Entity a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

- a. the financial report of Transpacific SPS Trust, which has been prepared on a liquidation basis, is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the Trust's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.



Ernst & Young



Mike Reid
Partner
Brisbane
21 August 2014

TRANSPACIFIC SPS TRUST
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	2014 \$'000	2013 \$'000
Assets			
Current Assets			
Cash and cash equivalents		1,008	1,765
Trade and other receivables	2	5	3
Other financial assets (Loan Notes)	3	250,000	-
Total Current Assets		251,013	1,768
Non-Current Assets			
Other financial assets (Loan Notes)	3	-	250,000
Total Non-Current Assets		-	250,000
Total Assets		251,013	251,768
Liabilities			
Current Liabilities			
Trade and other payables	4	1,167	1,922
Total Current Liabilities		1,167	1,922
Total Liabilities		1,167	1,922
Net Assets		249,846	249,846
Unitholders' Equity			
Ordinary units	5	-	-
SPS units	6	249,846	249,846
Undistributed income		-	-
Total Unitholders' Equity		249,846	249,846

The above Statement of Financial Position should be read in conjunction with the accompanying Notes

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$'000	2013 \$'000
Continuing Operations			
Revenue	7	16,571	18,974
Expenses			
Administration costs		(36)	(66)
Public company costs		(95)	(87)
Responsible Entity fees	12	(124)	(122)
Total Expenses		<u>(255)</u>	<u>(275)</u>
Profit For the Period		<u>16,316</u>	<u>18,699</u>
Other Comprehensive Income		-	-
Total Comprehensive Income For the Period		<u>16,316</u>	<u>18,699</u>

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

For the year ended 30 June 2014

	SPS unitholders	Ordinary unitholders	Undistributed income	Total
	\$'000	\$'000	\$'000	\$'000
At 1 July 2013	249,846	-	-	249,846
Profit for the period	-	-	16,316	16,316
Total Comprehensive Income for the period	-	-	16,316	16,316
Transactions with unit holders in their capacity as unit holders	-	-	-	-
Distributions (ordinary unitholders)	-	-	(891)	(891)
Distributions (SPS unitholders)	-	-	(15,425)	(15,425)
Balance at 30 June 2014	249,846	-	-	249,846

For the year ended 30 June 2013

	SPS unitholders	Ordinary unitholders	Undistributed income	Total
	\$'000	\$'000	\$'000	\$'000
At 1 July 2012	249,846	-	-	249,846
Profit for the period	-	-	18,699	18,699
Total Comprehensive Income for the period	-	-	18,699	18,699
Transactions with unit holders in their capacity as unit holders	-	-	-	-
Distributions (ordinary unitholders)	-	-	(1,624)	(1,624)
Distributions (SPS unitholders)	-	-	(17,075)	(17,075)
Balance at 30 June 2013	249,846	-	-	249,846

The above Statement of Changes in Equity should be read in conjunction with the accompanying Notes

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

		2014 \$'000	2013 \$'000
Cash Flows from Operating Activities			
Interest received		16,571	18,974
Payments to suppliers (including GST)		(28)	(23)
Net Cash Inflow from Operating Activities	9	<u>16,543</u>	<u>18,951</u>
Cash Flows from Financing Activities			
Repayment of ordinary unitholder loans		(252)	-
Distributions to ordinary unitholders		(1,623)	(2,880)
Distributions to SPS unitholders		(15,425)	(17,075)
Net Cash Outflow from Financing Activities		<u>(17,300)</u>	<u>(19,955)</u>
Net Decrease in Cash Held		<u>(757)</u>	<u>(1,004)</u>
Cash at the beginning of the financial year		<u>1,765</u>	<u>2,769</u>
Cash at the End of the Financial Year		<u>1,008</u>	<u>1,765</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying Notes

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance and Basis of Preparation

Statement of Compliance

This Financial Report is a general purpose financial report which has been prepared in accordance with the SPS Trust's Constitution, Australian Accounting Standards (including Australian Interpretations) adopted by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*. The SPS Trust is a registered managed investment scheme under the *Corporations Act 2001*.

The Financial Report of the SPS Trust complies with International Financial Reporting Standards ("IFRS") and interpretations adopted by the International Accounting Standards Board ("IASB"). The Accounting Policies set out below have been consistently applied, unless otherwise stated.

The Financial Statements were authorised for issue by the Directors of the Responsible Entity on 21 August 2014. The Directors have the power to amend and reissue the Financial Report.

Basis of Preparation

The Directors of the Responsible Entity have determined that given the Note Redemption Notice and Issuer Realisation Notice, it is no longer appropriate to prepare the SPS Trust's financial statements on a going concern basis, but instead on a liquidation basis. Accordingly, the financial statements have been prepared on a liquidation basis

This financial report has sought to apply the requirements of paragraph 25 of AASB 101 *Presentation of Financial Statements*. Where comparative information remains, it is presented on a going concern basis and has not been adjusted.

Under the liquidation basis of preparation, assets and liabilities are measured at their liquidation value. The liquidation value of assets is their net realisable value. Net realisable value is based on the proceeds receivable less restructuring and liquidation costs to the extent they can reliably estimated. Any gains or losses resulting from measuring assets and liabilities to the liquidation value are recognised in the Statement of Comprehensive Income.

Under the liquidation basis of accounting, all assets and liabilities are classified as current.

In adopting the liquidation basis, the responsible entity has continued to apply the disclosure requirements of Australian Accounting Standards to the extent they are relevant to the liquidation basis, and modified them where considered appropriate. In particular, the financial report includes disclosures required by the following standards, however it is noted that the disclosures may not be relevant for the decision making by users as described below:

- *AASB 7 Financial Instruments: Disclosures*
The information on exposures to financial risks may not be considered relevant to users given that the financial risk exposures are not representative to the financial risks that will exist upon liquidation of the trust.
- *AASB 101 Presentation of Financial Statements*
Information on capital management is not considered relevant for users to understand what is managed as capital given the disclosure on Note Redemption Notice and Issuer Realisation Notice and the basis of preparation change from "going concern" to "liquidation".

The accounting policies adopted are consistent with those of the previous financial year except for changes specified related to the adoption of the liquidation basis of preparation and as described in Note 1(m).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Statement of Compliance and Basis of Preparation (continued)

All amounts are presented in Australian dollars, unless otherwise noted, which is the SPS Trust's functional currency.

The SPS Trust is of a kind referred to in ASIC Class Order 98/100 issued by the Australian Securities & Investments Commission, and in accordance with that Class Order, amounts in the Financial Report have been rounded off to the nearest one thousand dollars, unless otherwise stated.

(b) Economic Dependency and Going Concern

The operation of the SPS Trust is economically dependent upon Transpacific and its controlled entities (ASX: TPI). The SPS Trust's sole investment comprises unsecured Loan Notes issued by Transpacific Industries Pty Ltd. The majority of the SPS Trust's interest revenue is derived from this investment.

Transpacific, having control and ultimate discretion of payment to the SPS Trust have provided a letter of financial support to the SPS Trust confirming it expects to pay Dividends to the SPS Trust and will provide sufficient financial assistance to the SPS Trust to enable the SPS Trust to pay its debts as and when they become due and payable, for period of not less than 12 months or until wind up of the SPS Trust (whichever is the lesser) from the date of issuing the financial statements.

(c) Interest Revenue

Interest revenue from investment in interest bearing securities (Loan Notes) is recognised on an accruals basis when the SPS Trust obtains control of the right to receive the revenue in accordance with the terms and conditions attached to the Loan Notes. Under these terms, the directors of Transpacific Industries Pty Ltd have the right to declare that no interest is payable on the Loan Notes up to (but no later than) 21 business days prior to the end of each distribution period. The SPS Trust recognises interest revenue on Loan Notes on the earlier of the notification period specified above expiring or upon the Directors of Transpacific Industries Pty Ltd formally declaring that interest will be payable for that distribution period.

Interest income is also earned on cash at bank and recognised when received.

(d) Taxation

Under current tax legislation, the SPS Trust is not liable for income tax provided that the taxable income and taxable realised gains are fully distributed to unitholders each year. All taxable income of the SPS Trust has been distributed for the 2014 financial year, consequently no income tax is payable in respect of this financial year.

(e) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Financial Assets (Interest Bearing Loan Notes)

Loan Notes are classified as loans and receivables in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. They are stated at amortised cost using the effective interest rate method. The Loan Notes have a term of 50 years and could have been (but were not) redeemed or exchanged for ordinary shares of Transpacific on the earlier of 5 years after the issue of Loan Notes, compulsory redemption/exchange of SPS or occurrence of certain specific events. The combination of redemption and/or exchange of Loan Notes must be reflected in the redemption and/or exchange of SPS. The Loan notes are unsecured.

Financial Liabilities

Non-derivative financial liabilities comprising trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

Impairment of Financial Assets

Refer to Note 1 (j) for accounting policies with respect of assessment of impairment of assets, including financial assets.

Classification

Due to the Note Redemption Notice issued on 20 August 2014, the Investment in Loan Notes is classified as Current for 30 June 2014. (2013: Non-Current).

(f) Equity – SPS Exchangeable Units and Ordinary Units

The SPS Trust currently has 2,500,000 SPS units authorised for issue. All 2,500,000 SPS units are fully paid and have a face value of \$100 per unit. Distributions are based on the six month Bank Bill Swap Rate set on the first day of the distribution period (1 October and 1 April each year) plus a margin of 6.0% per annum, adjusted to reflect the franking credit. Payments which become due and payable to SPS unitholders are guaranteed on an unsecured and subordinated basis by Transpacific. This guarantee ranks ahead of Transpacific's ordinary shareholders but is subordinated to the claims of all creditors of Transpacific.

100 ordinary units in the SPS Trust are currently issued to Transpacific. Distributions on ordinary units are only payable annually once distributions to SPS unitholders have been made.

In accordance with Australian Accounting Standard AASB 132 *Financial Instruments: Presentation*, SPS units and ordinary units are classified as equity as a result of their redemption and settlement characteristics, in accordance with the Product Disclosure Statement. Distributions payable are recognised as a liability when the unitholders right to receive payment is established.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with short term maturities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

(h) Goods and Services Tax (GST)

Expenses are recognised net of the amount of GST recoverable from the ATO as a reduced input tax credit. Receivables and payables are stated at their GST inclusive amount. Cash flows are included in the Statement of Cash Flows on a gross basis.

(i) Expenses

All expenses, including Responsible Entity fees, are recognised in the Statement of Profit or Loss and Other Comprehensive Income on an accruals basis.

(j) Impairment of Assets

At each reporting date, the Directors of the Responsible Entity of the SPS Trust review the carrying values of SPS Trust's assets to determine whether there is any indication that those assets have been impaired. If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The amount of any such loss is recognised directly in the Statement of Profit or Loss and Other Comprehensive Income.

The Directors of the Responsible Entity of the SPS Trust have reviewed the carrying value of the investment in Transpacific Industries Pty Ltd Loan Notes as at 30 June 2014.

On 20 August 2014, Transpacific issued the Responsible Entity of the Transpacific SPS Trust a Note Redemption Notice. Transpacific gave approval to the Responsible Entity of the Transpacific SPS Trust requesting redemption of all the Loan Notes in accordance with the Note Redemption Notice. Accordingly, Transpacific, by giving the Note Redemption Notice, requires the redemption of 2,500,000 Loan Notes on 11 September 2014. Transpacific will redeem the Loan Notes at their face value of \$250,000,000 (\$100 per note).

Based on the above, the Directors of the Responsible Entity have formed the view that there is no impairment of the investment in Loan Notes at 30 June 2014, and that the Loan Notes should be carried at their face value of \$250,000,000.

(k) Earnings per Unit

The ordinary units of the SPS Trust are owned by Transpacific and are not listed on the Australian Securities Exchange. Consequently, no earnings per unit disclosure is required under AASB 133 *Earnings Per Share*.

The SPS units are listed on the Australian Securities Exchange and trade under the code TPAPA. The distribution rate for the distribution period ended 31 March 2014 was \$2.99 per unit. The distribution rate for the distribution period ended 30 September 2013 was \$3.18 per unit. These distributions were fully franked.

(l) Significant Accounting Judgements and Estimates

No significant accounting judgements or estimates were used that have a risk of causing material adjustment to the carrying amount of an asset or liability within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) New Standards and Interpretations Adopted

The following new standards and amendments to existing standards are effective for the financial year ended 30 June 2014 and have no material impact on the amounts reported in these Financial Statements:

- AASB 13 Fair Value Measurement

The accounting policies applied in these Financial Statements are consistent with those set out and applied in the SPS Trust's Financial Report for the year ended 30 June 2013, except for the adoption of new standards and amendments to existing standards where applicable noted above, which have no impact on the measurement or disclosure of the results or financial position of the SPS Trust.

(n) Accounting Standards Issued But Not Yet Effective

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The Responsible Entity of the SPS Trust has decided against early adoption of these standards as it will be wound up due to the redemption of the SPS Notes on 11 September 2014.

TRANSPACIFIC SPS TRUST
ARSN 120 322 625

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

2014	2013
\$'000	\$'000

NOTE 2. TRADE AND OTHER RECEIVABLES

GST receivable	5	3
Total Trade and Other Receivables	5	3

NOTE 3. OTHER FINANCIAL ASSETS

Current		
Investment in Loan Notes	250,000	-
Total Investment in Loan Notes	250,000	-
Non-Current		
Investment in Loan Notes	-	250,000
Total Investment in Loan Notes	-	250,000

Due to the Note Redemption Notice issued on 20 August 2014, the Investment in Loan Notes is classified as current for 30 June 2014. Refer to Note 14 and Note 1(a).

NOTE 4. TRADE AND OTHER PAYABLES

Payable to related entity (Refer to Note 12)	1,125	1,875
Sundry accruals	42	47
Total Trade and Other Payables	1,167	1,922

NOTE 5. ORDINARY UNITS ON ISSUE

	2014	2013	2014	2013
	No. of Units		\$	
Ordinary units	100	100	100	100

TRANSPACIFIC SPS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 6. SPS UNITS

	2014	2013
	\$'000	\$'000
SPS units		
Issued on 22 August 2006	250,000	250,000
Transaction costs	(154)	(154)
Total SPS Units	249,846	249,846

Capital Management - The primary activity of the SPS Trust is to invest funds from the SPS offer in Loan Notes issued by Transpacific Industries Pty Ltd, a wholly owned subsidiary of Transpacific. The SPS Trust's SPS capital is managed by assessing the relevant financial risks (refer to Note 13) and ensuring that sufficient interest income is available to meet semi-annual distributions to SPS unitholders. There have been no changes to this strategy during the 2014 financial year.

There are no externally imposed capital requirements.

The SPS Trust was established by Transpacific as a special purpose trust for the sole purpose of issuing SPS units and investing in Loan Notes and Transpacific holds all 100 ordinary units in the SPS Trust as the controlling entity. No new equity capital has been raised during the financial year either via the issue of additional SPS units or ordinary units. Refer to Note 14 and Note 1(a) regarding the redemption of the Loan Notes.

NOTE 7. REVENUE

	2014	2013
	\$'000	\$'000
Interest Revenue		
Interest on cash at bank	21	49
Interest on Loan Notes	16,550	18,925
Total Interest Revenue	16,571	18,974

NOTE 8. CONTINGENT ASSETS AND LIABILITIES AND COMMITMENTS

There were no other outstanding contingent assets, liabilities or commitments as at 30 June 2014 (2013: Nil).

NOTE 9. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of net profit to net cash flows from operating activities:	\$'000	\$'000
Net profit	16,316	18,699
Changes in assets and liabilities		
(Increase) / Decrease in receivables	(2)	2
Increase / (Decrease) in payables	229	250
Net cash flows from operating activities	16,543	18,951

TRANSPACIFIC SPS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 10. SEGMENT REPORTING

Under AASB 8 *Operating Segments*, a condition for identifying an operating segment is that it is a component of the entity whose results are regularly reviewed by the entity's Chief Operating Decision Maker ('CODM') to make decisions about resources to be allocated to the segment and to assess its performance ('the management approach'). The information presented in the accounts is in same format as that information used by the CODM. The CODM for the SPS Trust is considered to be the Directors of the Responsible Entity.

Based on a review of the information made available to, and regularly reviewed by, the Directors of the Responsible Entity, it has been concluded that the SPS Trust's operations are one single segment. The SPS Trust is domiciled in Australia. The primary basis of reporting is by business. The financial results of this segment are equivalent to the Financial Statements of the SPS Trust as a whole.

NOTE 11. REMUNERATION OF AUDITORS

Amounts received or due and receivable by the auditors of the SPS Trust:

	2014	2013
Audit and review of the Financial Reports of the SPS Trust (Ernst & Young)	<u>\$36,000</u>	<u>\$42,408</u>

NOTE 12. RELATED PARTY DISCLOSURES

Ultimate Controlling Entity

The ultimate controlling entity of the SPS Trust is Transpacific through its indirect holding of the 100 ordinary units which have voting rights.

Amounts payable to the ultimate controlling entity and/or its subsidiaries are disclosed in Note 4. The balance owing at 30 June 2014 comprises distributions payable to the ultimate controlling entity as the ordinary unit holder of \$891,408 (2013: \$1,623,953) and a non-interest bearing loan payable of \$233,688 (2013: \$251,189).

Refer to Note 3 for Loan Notes held by the SPS Trust in Transpacific Industries Pty Ltd, a wholly owned subsidiary of Transpacific. Interest recognised as revenue in respect of the 30 June 2014 financial year relating to the Loan Notes totalled \$16,550,000 (2013: \$18,925,000) as disclosed in Note 7 and was recognised in accordance with the terms set out in Note 1 (c).

Responsible Entity

The Responsible Entity of the SPS Trust is The Trust Company (RE Services) Limited (ABN: 45 003 278 831), a wholly owned subsidiary of Perpetual Limited.

On 28 November 2013 shareholders of The Trust Company Limited (the then ultimate parent of The Trust Company (RE Services) Limited, the Responsible Entity of the fund) voted to accept a proposal from Perpetual Limited for it to acquire 100% of The Trust Company Limited by way of a Scheme of Arrangement. On 18 December 2013, the Scheme of Arrangement was formally implemented and The Trust Company Limited became wholly owned by Perpetual Limited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 12. RELATED PARTY DISCLOSURES (CONTINUED)

Responsible Entity Fees

During the financial year, the SPS Trust paid \$123,598 (2013: \$121,985) in management and custody fees to the Responsible Entity. No Director of the Responsible Entity has received or become entitled to receive any benefit because of a contract made by the SPS Trust with a director or with a firm of which a director is a member, or with an entity in which the director has a substantial interest except at terms set out in the SPS Trust Constitution.

Key Management Personnel ("KMP")

AASB 124 *Related Party Disclosures* defines KMP as including all Non-Executive Directors, Executive Directors and any other persons having authority and responsibility for planning, directing and controlling the activities of the entity. The SPS Trust has no direct employees, however the Responsible Entity and the Directors of the Responsible Entity have been deemed to comprise the KMP of the SPS Trust.

Key Management Personnel Interests in the SPS Trust

None of the KMP held units in the SPS Trust, either directly, indirectly, or beneficially. No loans were made by the SPS Trust to KMP and / or their related entities.

Remuneration of Key Management Personnel of the Responsible Entity

Fees paid to the Responsible Entity are detailed under Responsible Entity fees above. No Director of the Responsible Entity was paid any remuneration by the SPS Trust during the financial year, and their remuneration paid by the Responsible Entity or related entities of the Responsible Entity was not directly related to services they rendered to individual trusts or the SPS Trust.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 13. FINANCIAL INSTRUMENTS

The SPS Trust's financial instruments consist of cash and cash equivalent assets (deposits with banks), trade and other receivables and payables, and investment in Loan Notes. The SPS Trust did not hold any derivative instruments at 30 June 2014 (2013: Nil).

Details of the significant accounting policies and methods adopted, including the criteria for recognition and measurement in respect of each class of financial asset and financial liability are disclosed in Note 1.

The main risks the SPS Trust is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk. The SPS Trust is also exposed to concentration risk, in that it is solely reliant on its single asset, in the investment in loan notes, to fund distribution to SPS unitholders.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The SPS Trust's exposure to interest rate risk relates to variations in cash flows from interest income on cash and cash equivalents and Loan Notes.

Loan Notes earn a variable rate of interest set by Transpacific Industries Pty Ltd, in its capacity of issuer of the Loan Notes, with regard to the distribution rate on SPS units to ensure that adequate income is available to pay distributions. The Responsible Entity monitors the rate of interest applicable to Loan Notes on a semi-annual basis in conjunction with the determination of distribution rates.

The SPS Trust's exposure to interest rate risk and the weighted interest rate risk of each class of financial assets and financial liabilities is set out in the following table:

	Year	Note	Weighted average interest rate	Floating interest rate	Fixed interest rate			Non- interest bearing	Total
					Less than 1 year	1 to 5 years	More than 5 years		
			%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets									
Cash and cash equivalents	2014		2.47%	1,008	-	-	-	-	1,008
	2013		3.15%	1,765	-	-	-	-	1,765
Trade and other receivables	2014	2	-	-	-	-	-	5	5
	2013	2	-	-	-	-	-	3	3
Investment in Loan Notes	2014	3	6.63%	250,000	-	-	-	-	250,000
	2013	3	7.56%	250,000	-	-	-	-	250,000
Financial liabilities									
Trade and other payables	2014	4	-	-	-	-	-	1,167	1,167
	2013	4	-	-	-	-	-	1,922	1,922

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 13. FINANCIAL INSTRUMENTS (Continued)

Sensitivity Analysis – Interest Rate Risk

The SPS Trust has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date on its investment in Loan Notes. This sensitivity analysis demonstrates the effect on the profit and equity which could result from a change in interest rates.

Holding all other variables constant, an increase in the variable interest rate applicable to the Loan Notes of 100 basis points would increase interest income and net profit by \$2,500,000. A decrease in the variable interest rate applicable to the Loan Notes of 100 basis points would decrease net profit by the same amount.

It should be noted however that distributions to SPS unitholders are determined based on the six month Bank Bill Swap Rate ("BBSW") plus a margin of 6.0% and any movements in the BBSW will affect the distribution earned by the SPS Trust and payable to SPS unitholders. As outlined under the interest rate risk disclosures above, the interest rate on Loan Notes is set having regard to the distribution rate for the applicable distribution period.

As a result of the Issuer Realisation Notice, exposure to interest rate risk is not expected to be material.

As all income of the SPS Trust, net of expenses, is distributed to SPS and ordinary unitholders, the increase or decrease as a result of changes in the interest rates would have no effect on the net equity of the SPS Trust.

Liquidity Risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Responsible Entity monitors forecast cash outflows in respect of operating costs and distribution obligations on SPS units and ensures appropriate interest income is received to cover those obligations (a margin exists between the Loan Note interest rate and interest rate on SPS units which is sufficient to cover anticipated expenses of the SPS Trust). This process is undertaken as part of monitoring interest rate risk as outlined above.

Financial liabilities comprise trade and other payables as disclosed in Note 4. The maturity analysis of these payables is as follows:

	\$'000 Payable on demand	\$'000 Payable within 30 days
2014 – Trade and other payables	1,125 ⁽ⁱ⁾	42
2013 – Trade and other payables	1,875	47

⁽ⁱ⁾ Distribution payable and loan payable to Transpacific will only be called and paid subsequent to the final distribution and return of capital, ensuring there are sufficient funds to meet the obligation.

Credit Risk

Credit risk refers to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The carrying amount of financial assets recorded in the Financial Statements represents the SPS Trust's maximum exposure to credit risk. The SPS Trust has a material credit risk exposure to Transpacific Industries Pty Ltd as the issuer of the Loan Notes held by the SPS Trust. The value of Loan Notes issued by Transpacific Industries Pty Ltd is supported by the value of Transpacific Industries Pty Ltd and the

TRANSPACIFIC SPS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 13. FINANCIAL INSTRUMENTS (CONTINUED)

Transpacific Consolidated Group. There are no past due or impaired financial assets as at 30 June 2014 (2013: Nil).

Fair Value of Financial Instruments

On 20 August 2014, Transpacific issued the Responsible Entity of the Transpacific SPS Trust a Note Redemption Notice. Transpacific gave approval to the Responsible Entity of the Transpacific SPS Trust requesting redemption of all the Loan Notes in accordance with the Note Redemption Notice. Accordingly, Transpacific, by giving the Note Redemption Notice, requires the redemption of 2,500,000 Loan Notes on 11 September 2014. Transpacific will redeem the Loan Notes at their face value of \$250,000,000.

Management therefore have determined that the fair value of the Loan Notes is the face value of the loan notes as this is the amount it will be received from Transpacific to settle the Loan Notes.

The face value of the loan notes is \$250,000,000, which is also the assessed fair value at 30 June 2014 of the loan notes. (2013: Between \$249.8 million and \$307.3 million).

TRANSPACIFIC SPS TRUST
ARSN 120 322 625

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 14. EVENTS OCCURRING AFTER REPORTING DATE

Note Redemption Notice

On 20 August 2014, Transpacific issued the Responsible Entity of the Transpacific SPS Trust a Note Redemption Notice. Transpacific gave approval to the Responsible Entity of the Transpacific SPS Trust requesting redemption of all the Loan Notes in accordance with the Note Redemption Notice.

Issuer Realisation Notice

On receipt of the Note Redemption Notice, Transpacific granted approval to the Responsible Entity to give all SPS Note Holders an Issuer Realisation Notice. The SPS Trust Notes are expected to cease trading on the Australian Securities Exchange on 11 September 2014. All SPS holders who are on the register at 5:00pm (Sydney time) on 11 September 2014 will be entitled to be paid, for each SPS Note held, its face value of \$100 and the distribution amount for the period ending 30 September 2014 of \$3.05 per SPS Note.

Refer to Note 1(a) for basis of preparation as a result of the Note Redemption Notice and Issuer Realisation Notice.

The Directors of the Responsible Entity are not aware of any other matter or circumstance that has significantly affected or may significantly affect the operations of the SPS Trust, the results of those operations, or state of the SPS Trust's affairs in future years, other than as disclosed above.

NOTE 15. TABLE OF DISTRIBUTION RATES

	2014		2013	
	Amount per unit	Total \$'000	Amount per unit	Total \$'000
SPS Units				
Distribution period ended 30 September: (fully franked at 30% tax rate) (2013: 30%)	\$3.18	7,950	\$3.60	9,000
Distribution period ended 31 March: (fully franked at 30% tax rate) (2013: 30%)	\$2.99	7,475	\$3.23	8,075
		<u>15,425</u>		<u>17,075</u>
Ordinary Units				
Year ended 30 June (fully franked at 30% tax rate) (2013: 30%)	\$8,914	<u>891</u>	\$16,240	<u>1,624</u>

NOTE 16. STATEMENT OF DISTRIBUTION

	2014 \$'000	2013 \$'000
Undistributed income at the beginning of the period	-	-
Profit for the period	16,316	18,699
Distribution paid to SPS unitholders	(15,425)	(17,075)
Distribution paid or payable to ordinary unitholders (Transpacific)	<u>(891)</u>	<u>(1,624)</u>
Undistributed Income at the End of the Period	<u>-</u>	<u>-</u>

TRANSPACIFIC SPS TRUST
ARSN 120 322 625

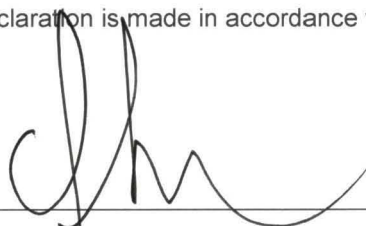
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2014

The Directors of The Trust Company (RE Services) Limited as Responsible Entity of the Transpacific SPS Trust ("SPS Trust") declare that, in their opinion:

- (a) The Financial Statements and Notes of the SPS Trust as set out on pages 9 to 25 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the SPS Trust's financial position as at 30 June 2014 and of its performance for the year ended on that date;
- (b) The Financial Statements and Notes also comply with International Financial Reporting Standards as disclosed in Note 1 (a);
- (c) There are reasonable grounds to believe that the SPS Trust will be able to pay its debts as and when they become due and payable as detailed in the Directors' Report, Note 1 (b) and Note 14; and
- (d) The Financial Statements are in accordance with the provisions of the SPS Trust's Constitution

The Directors confirm they have been given the declarations required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors of the Responsible Entity.

A handwritten signature in black ink, appearing to be 'Ch Green', written over a horizontal line.

Christopher Green
Director

21st August 2014, Sydney

TRANSPACIFIC SPS TRUST
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ADDITIONAL INFORMATION Under ASX Listing Rule 4.10, not shown elsewhere in this report

The information set out below was current at 31st July 2014.

A. DISTRIBUTION OF HOLDERS SPS UNITS

Analysis of number of security holders by size of holding:

Holding size	No. of holders	% of issue
1 - 1,000	2,053	22.45%
1,001 - 5,000	175	14.61%
5,001 - 10,000	17	4.83%
10,001 - 100,000	17	21.21%
100,001 & over	4	36.90%
	2,266	100.00%

Unmarketable Parcels

There is one unitholder holding a less than marketable parcel at 31 July 2014.

B. VOTING RIGHTS

Each unit carries one vote at a meeting of unitholders of that unit class.

C. QUOTATION OF SECURITIES

The SPS Trust's SPS units are quoted on the Australian Securities Exchange and are not quoted on any other exchange.

D. TWENTY LARGEST HOLDERS OF SPS UNITS

	Name	No. of units	%
1	UBS NOMINEES PTY LTD	386,980	15.48
2	J P MORGAN NOMINEES AUSTRALIA LIMITED	216,154	8.65
3	NATIONAL NOMINEES LIMITED	214,990	8.60
4	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	104,533	4.18
5	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <BKCUST A/C>	71,490	2.86
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	68,603	2.74
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	59,854	2.39
8	CITICORP NOMINEES PTY LIMITED	46,318	1.85
9	SANDHURST TRUSTEES LTD <DMP ASSET MANAGEMENT A/C>	42,018	1.68
10	BNP PARIBAS NOMS PTY LTD <DRP>	41,385	1.66
11	SANDHURST TRUSTEES LTD <LMA A/C>	33,347	1.33
12	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	23,751	0.95
13	AVANTEOS INVESTMENTS LIMITED <2477966 DNR A/C>	22,492	0.90
14	BRAZIL FARMING PTY LTD	20,000	0.80
15	RBC INVESTOR SERVICE AUSTRALIA NOMINEES PTY LIMITED <GSENIPT A/C>	18,579	0.74
16	GOTTERDAMERUNG PTY LIMITED <GOTTERDAMERUNG FAMILY A/C>	16,792	0.67
17	ZUPP CUSTODIAN PTY LTD <ZUPP CUSTODIAN A/C>	16,774	0.67
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	15,522	0.62
19	SANDHURST TRUSTEES LTD <VAT A/C>	12,743	0.51
20	LUAGA PTY LTD <J P PRENDIVILLE FAMILY A/C>	10,263	0.41
	TOTAL	1,442,588	57.69

E. SUBSTANTIAL SHAREHOLDERS

The number units held by a substantial unitholders as disclosure in the unitholders notices given to the Responsible Entity of the SPS Trust as at 31 July 2014:

Name	No. of units	%
National Nominees Ltd as Custodian for Australian Ethical Investment	125,873	5.04
TOTAL	125,873	5.04

F. UNQUOTED EQUITY SECURITIES

The SPS Trust has one hundred ordinary units on issue which are held by Transpacific.

G. ON-MARKET BUY BACK

The SPS Trust does not have an on-market buy-back of units currently in operation.

H. OTHER INFORMATION

The proceeds of the SPS offer have been applied in accordance with the SPS Trust's Product Disclosure Statement.

The gross proceeds of \$250,000,000 received have been invested in Australian denominated interest bearing securities ("Loan Notes") issued by Transpacific Industries Pty Ltd, a company incorporated in Australia and a wholly owned subsidiary of Transpacific Industries Group Ltd.

TRANSPACIFIC SPS TRUST
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CORPORATE DIRECTORY

RESPONSIBLE ENTITY

The Trust Company (RE Services) Limited (ABN: 45 003 278 831), a wholly owned subsidiary of Perpetual Limited

COMPANY SECRETARY – RESPONSIBLE ENTITY

Joanne Hawkins
Sylvie Dimarco
Glenda Charles
Thornton Christensen

REGISTERED OFFICE– RESPONSIBLE ENTITY

Level 15
20 Bond Street
Sydney NSW 2000
Telephone: (02) 8295 8100
Facsimile: (02) 8295 8656

PRINCIPAL ADMINISTRATIVE OFFICE

Level 1
159 Coronation Drive
Milton QLD 4064
Telephone: (07) 3367 7800
Facsimile: (07) 3367 7878

AUDITORS

Ernst & Young
111 Eagle Street
Brisbane QLD 4000

REGISTRY

Computershare Registry Services Pty Ltd
117 Victoria Street
West End QLD 4101

CORPORATE GOVERNANCE – RESPONSIBLE ENTITY

Background

The Trust Company (RE Services) Limited ("**Responsible Entity**") is the responsible entity for the Transpacific SPS Trust ("**Trust**"), a registered managed investment scheme that is listed on the Australian Securities Exchange ("**ASX**").

The Responsible Entity is a wholly-owned subsidiary of Perpetual Limited (ASX: PPT) ("**Perpetual**").

On 28 November 2013 shareholders of The Trust Company Limited ("**The Trust Company**") (the then ultimate parent of the Responsible Entity of the Trust) voted to accept a proposal from Perpetual Limited for it to acquire 100% of The Trust Company by way of a Scheme of Arrangement. On 18 December 2013, the Scheme of Arrangement was formally implemented and The Trust Company became wholly owned by Perpetual Limited.

The Responsible Entity is reliant on Perpetual for access to adequate resources including directors, management, staff, functional support (such as company secretarial, responsible managers, legal, compliance and risk, finance) and financial resources. Since 18 December 2013 Perpetual has at all times made such resources available to the Responsible Entity, prior to that date The Trust Company had made such resources available.

In operating the Trust the Responsible Entity's overarching principle is to always act in good faith and in the best interests of the Trust's unitholders, in accordance with our fiduciary duty. The Responsible Entity's duties and obligations in relation to the Trust principally arise from: the Constitution of the Trust; the Compliance Plan for the Trust; the *Corporations Act 2001* ("**Act**"); the ASX Listing Rules; the Responsible Entity's Australian Financial Services License; relevant regulatory guidance; relevant contractual arrangements; and other applicable laws and regulations. In adhering to this overarching principle we observe a set of more specific principles that apply to all aspects of operating the Scheme.

These specific principles are outlined below:

1.	<i>Investment mandate</i> The Responsible Entity is vigilant in ensuring that the Trust's investments, including its assets and liabilities, are in accordance with the Trust's investment mandate.
2.	<i>Debts and solvency</i> The Responsible Entity is vigilant in monitoring the financial position of the Trust, in seeking to ensure that the Trust remains solvent and able to pay its debts as they fall due and that obligations are only entered into in accordance with the Trust documents.
3.	<i>Good disclosure</i> The Responsible Entity is vigilant in ensuring full, frank and timely disclosure of the Trust's affairs to relevant stakeholders including the Trust's unitholders. This includes financial reporting, continuous disclosure, offer documents and other material disclosures.
4.	<i>Related party</i> The Responsible Entity is vigilant in scrutinising any related party transactions to ensure they are allowed only on arm's length terms and in the best interests of the Trust's unitholders.
5.	<i>Conflict management</i> The Responsible Entity is vigilant in ensuring that any actual or potential conflicts in connection with the Trust are appropriately and transparently managed.

6.	<p><i>Fraud mitigation</i></p> <p>The Responsible Entity ensures that it operates the Trust in ways that are designed to mitigate the risk of fraud.</p>
7.	<p><i>Service providers</i></p> <p>The Responsible Entity engages and acts in alliance with external service providers as part of operating the Scheme in the best interests of unitholders. This includes appropriate selection, engagement, management and monitoring processes.</p>
8.	<p><i>Safe custody</i></p> <p>The Responsible Entity ensures that the Trust's assets are kept in safe and segregated custody.</p>
9.	<p><i>Effective administration</i></p> <p>The Responsible Entity ensures that the Trust's affairs are administered effectively and efficiently. This includes appropriate controls, systems, processes and record-keeping.</p>
10.	<p><i>Governance, risk and compliance management</i></p> <p>The Responsible Entity ensures that the Trust is operated in accordance with appropriate governance, risk and compliance management frameworks.</p>
11.	<p><i>Organisational competence</i></p> <p>The Responsible Entity's Compliance Committee, Directors, management, staff and service providers are comprised of professionals who hold and maintain appropriate qualifications and experience to discharge their responsibilities to the highest standards of excellence.</p>
12.	<p><i>Financial capability</i></p> <p>The Responsible Entity meets and maintains the adequacy of its capital, liquidity, insurance and other requirements in order to discharge its obligations under its AFS Licence in relation to the Trust.</p>
13.	<p><i>Unitholders' feedback</i></p> <p>The Responsible Entity respects and supports the rights of the Trust's unitholders to question the Responsible Entity through appropriate complaints handling processes and/or unitholders' meetings.</p>

Corporate governance

The Directors of the Responsible Entity are committed to implementing high standards of corporate governance in operating the Trust and, to the extent applicable to registered schemes, are guided by the values and principles set out Perpetual's Corporate Responsibility Statement and the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ("**Principles**"). The Responsible Entity is pleased to advise that, to the extent the Principles are applicable to registered schemes; its practices are largely consistent with the Principles.

As a leading independent responsible entity, the Responsible Entity operates a number of registered managed investment schemes ("**Schemes**"). The Schemes include the Trust as well as other schemes that are listed on the ASX. The Responsible Entity's approach in relation to corporate governance in operating the Trust is consistent with its approach in relation to the Schemes generally.

The Responsible Entity addresses each of the Principles below in relation to the Schemes, including the Trust, for the year ended 30 June 2014. This corporate governance statement is current as at the date of the Trust's financial report.

Principle 1 – Lay solid foundations for management and oversight

The role of the Responsible Entity's Board ("RE Board") is generally to set objectives and goals for the operation of the Responsible Entity and the Schemes, to oversee the Responsible Entity's management, to regularly review performance and to monitor the Responsible Entity's affairs acting in the best interests of the unitholders of each of the Schemes. The RE Board is accountable to the unitholders of each of the Schemes, and is responsible for approving the Responsible Entity's overall objectives and overseeing their implementation in discharging their duties and obligations and operating the Schemes.

The role of the Responsible Entity's management is to manage the business of the Responsible Entity in operating the Schemes. The RE Board delegates to management all matters not reserved to the RE Board, including the day-to-day management of the Responsible Entity and the operation of the Schemes. To assist the RE Board in carrying out its functions it has regard to the Code of Conduct developed by Perpetual to guide the Directors, management and staff in the performance of their roles.

The RE Board ensures that the performance of the Responsible Entity's management is evaluated against agreed plans and the key performance indicators that are set annually as part of Perpetual's performance management process. The performance of all management and staff of Perpetual (which includes those staff involved in managing the Schemes) is evaluated on a six monthly basis against their key performance indicators that have been set annually and cover both financial and non-financial aspects of each person's role. For the Responsible Entity, as part of Perpetual, the performance management process plays a key role in developing high performance teams and aligning employee and organisational behaviour with Perpetual's cultural values as set out in the Code of Conduct. The performance evaluation of the Responsible Entity's Directors, management and staff has taken place in accordance with the above process.

Principle 2 – Structure the board to add value

At present the RE Board consists of three executive directors. The names of the current Directors are set out in the directors' report which forms part of the Trust's financial report. The RE Board meets regularly and considers that the composition and mix of skills of directors is appropriate for the directors to understand the Responsible Entity's business and to discharge their duties. The RE Board also ensures that it maintains independent judgement in board decisions. A chairman is selected by the Directors at the start of each board meeting. The RE Board may meet monthly and more frequently as required to consider matters in relation to any of the Schemes.

The Responsible Entity adds value in terms of the best interests of the Trust's unitholders through being completely independent of the Investment Manager it has engaged in relation to the Trust, being Transpacific Limited. There are no common directors and no related party interests between the Responsible Entity and the Investment Manager. This independent structure avoids any conflicts of interest between the Responsible Entity and the Investment Manager whenever discretionary decisions are required of either entity in their respective capacities.

As the RE Board consists of only executive directors, a Compliance Committee is appointed in relation to each of the Schemes (refer to Principle 4). The Committee consists of only non-executive members, has a majority of independent members and is chaired by an independent member who is not the chair of the RE Board.

The nomination committee functions have traditionally been carried out by the RE Board. The RE Board makes an assessment in relation to the appointment of new directors and in relation to itself, and ensures that it complies with the Responsible Entity's constitution.

The RE Board is provided with regular detailed reports on the financial position, financial performance and business of the Responsible Entity and the Schemes to allow the Board to effectively fulfil its responsibilities. The Directors have access to the management, staff and advisers of the Responsible Entity and Perpetual as necessary if they require additional information. The Directors also have access, as and when required, to the service providers engaged by the Responsible Entity, such as the Investment Manager. Further, Perpetual has entered into arrangements with the Responsible Entity's Directors in relation to access to information and advice as well as indemnity and insurance; these arrangements contemplate that the Directors are entitled to seek independent professional advice if required from time to time.

Principle 3 – Promote ethical and responsible decision-making

The Responsible Entity, has a Code of Conduct and espoused Core Values within which it carries on its business and deals with its stakeholders. These apply to all directors and employees of Perpetual, and the Responsible Entity. The Code of Conduct and Core Values supports all aspects of the way the Responsible Entity conducts its business and is embedded into Perpetual's performance management process.

The Perpetual's Diversity Policy recognises the contribution of people with differences in background, experiences and perspectives. The policy encompasses but is not limited to gender, age, ethnicity and cultural background. Perpetual's Board has established a measurable objective related to gender diversity to achieve 38% representation of woman in senior management roles by 2015.

Perpetual has a Share Trading Policy that applies to the Responsible Entity in relation to trading in units in any of the Schemes. Directors, management and staff of Perpetual, and the Responsible Entity, are required to seek prior approval of any trading in units in any of the Schemes. The RE Board and management ensure that any actual or potential conflicts are appropriately identified, managed and disclosed. The Responsible Entity maintains a declaration of interests register which is confirmed by the RE Board at the start of each board meeting.

Principle 4 – Safeguard integrity in financial reporting

The Responsible Entity has a Compliance Committee. The Compliance Committee is comprised of three members. The members of the Compliance Committee are John Richardson, Michelene Collopy and Virginia Malley. The Compliance Committee meets at least quarterly. The Compliance Committee may have such additional meetings as the Chairman may decide in order to fulfil its role. The Compliance Committee Charter sets out its role and responsibilities. The Compliance Committee reports both to Perpetual's Audit Risk and Compliance Committee (ARCC) and the board of the Responsible Entity after each meeting under its charter.

The declarations under section 295A of the Act ('CEO and CFO declarations') provide formal statements to the RE Board in relation to each of the Schemes that are listed on the ASX (refer to Principle 7). The declarations confirm the matters required by the Act in connection with financial reporting. The Responsible Entity receives confirmations from the service providers involved in financial reporting and management of the Schemes, including the Investment Manager, which assist its staff in making the declarations provided under section 295A.

The Responsible Entity manages the engagement and monitoring of independent 'external' auditors for each of the Schemes. The RE Board receives periodic reports from the external auditors in relation to financial reporting and the compliance plans for each of the Schemes.

Principle 5 – Make timely and balanced disclosure

In relation to the Trust, the Responsible Entity, as part of Perpetual, has a continuous disclosure policy to ensure compliance with the continuous disclosure requirements of the Act and the ASX Listing Rules. The policy requires timely disclosure of information to be reported to the Responsible Entity's management and/or Directors to ensure that, information that a reasonable person would expect to have a material effect on the unit price or would influence an investment decision in relation to any of the Schemes, is disclosed to the market. The Responsible Entity's Company Secretary is responsible for assisting management and/or the Directors in making disclosures to the ASX after appropriate RE Board consultation. The Responsible Entity requires service providers, including the Investment Manager, to comply with its policy in relation to continuous disclosure for the Schemes.

Principle 6 – Respect the rights of unitholders

The Responsible Entity is committed to providing both unitholders and the market with timely information so that the market is continuously and sufficiently informed of all market sensitive information in relation to each of the Schemes. In addition to the continuous disclosure obligations, the Responsible Entity receives and responds to formal and informal communications from unitholders and convenes formal and informal meetings of unitholders as requested or required. The Responsible Entity has an active program for effective communication with the unitholders and other stakeholders in relation to the Schemes.

The Responsible Entity handles any complaints received from unitholders in accordance with Perpetual's Complaints Handling Policy. The Responsible Entity is a member of the Financial Ombudsman Service, an independent dispute resolution body, which is available to unitholders in the event that any complaints cannot be satisfactorily resolved by the Responsible Entity.

Principle 7 – Recognise and manage risk

The Responsible Entity, values the importance of robust risk management systems. The Responsible Entity has established a Compliance Committee for each of the Schemes pursuant to part 5C of the Act, to assist the RE Board to discharge its risk management and compliance responsibilities.

As noted above, Compliance Committee is responsible for the oversight of risk management, internal control systems and compliance matters for the Responsible Entity. It also reviews internal and external audit processes and reports. The Compliance Committee meets regularly with the Responsible Entity's Executive Team, senior management and external advisers. . The Responsible Entity's management (as well as the risk and compliance function) regularly report any material business risks to the RE Board and to the Compliance Committee through its quarterly risk and compliance reporting process. Significant matters arising during a quarter are addressed by management and escalated as appropriate.

Perpetual has a Risk Management Framework in place, which is supported by a Risk Appetite Statement. The framework includes policies and procedures to identify and address material financial and non-financial risks. The Perpetual Board and ARCC are responsible for overseeing compliance with the risk management program and its continuous evolution. Perpetual also historically maintained an independent 'internal' audit function which reported directly to Perpetual's ARCC and Perpetual's Board if necessary.

The declarations under section 295A of the Act ('CEO and CFO declarations') provide formal statements to the RE Board to confirm that the financial statements of each of the Schemes that are listed on the ASX are founded on a sound system of risk management, internal compliance and controls which implement the policies adopted by the RE Board. In addition they confirm the Responsible Entity's risk management and control system is operating efficiently and effectively in all material respects. The Responsible Entity receives appropriate declarations from the service providers involved in financial reporting for the Schemes, including the Investment Manager.

Principle 8 – Remunerate fairly and responsibly

The fees and expenses which the Responsible Entity is permitted to pay out of the assets of the Schemes are set out in the constitution and offer documents, if applicable, for each of the Schemes. Fees and expenses for the benefit of the Responsible Entity are required to be considered and disclosed as related party transactions. Fees and expenses paid out of the assets of the Schemes are unrelated to the remuneration of the Responsible Entity's Directors, management and staff which is separately determined by Perpetual. As noted above, the Responsible Entity's Directors, management and staff are provided by Perpetual and are remunerated by Perpetual and not by the Responsible Entity or any of the Schemes operated by the Responsible Entity.

Perpetual has remuneration policies in place to maintain and attract talented and motivated directors and employees. The policies are designed to improve the performance of Perpetual.