

APOLLO Series 2005-2 Trust (terminated 15 January 2014)

ABN 85 443 511 257

APOLLO Series 2010-1 Trust

ABN 46 635 150 791

APOLLO Series 2013-1 Trust

ABN 74 245 651 471

Special purpose financial reports

for the financial year ended 30 June 2014

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APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Statements of financial position
as at 30 June 2014

		2005-2		2010-1		2013-1	
	Note	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
Assets							
Cash and cash equivalents	11(b)	-	207	191,904	150,200	322,731	139,200
Receivables	6	-	2,356,845	10,701,741	13,801,432	13,214,968	16,616,641
Secured loan	7	-	86,351,487	351,240,324	467,055,030	843,344,549	1,113,308,529
Total assets		-	88,708,539	362,133,969	481,006,662	856,882,248	1,130,064,370
Liabilities							
Payables	8	-	506,876	1,640,717	2,287,601	3,594,275	4,784,911
Interest payable - floating rate notes		-	94,984	789,895	1,031,594	606,052	705,311
Interest bearing liabilities	9	-	88,106,479	359,703,157	477,687,267	852,681,721	1,124,573,948
Total liabilities (excluding outstanding units - liability)		-	88,708,339	362,133,769	481,006,462	856,882,048	1,130,064,170
Outstanding units - liability	10	-	200	200	200	200	200
Net assets		-	-	-	-	-	-
Unitholders funds - equity		-	-	-	-	-	-

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

APOLLO Series Trusts

2005-2, 2010-1, 2013-1

Statements of comprehensive income

for the year ended 30 June 2014

		1 July 2013 to 15 January 2014	2013	2014	2013	2014	14 May to 30 June 2013
	Note	\$	\$	\$	\$	\$	\$
Revenue							
Interest income on secured loan	12	1,513,109	4,305,903	17,760,405	25,994,609	47,207,663	5,859,003
Other income on secured loan	12	51,849	130,954	516,321	524,338	839,433	72,787
		1,564,958	4,436,857	18,276,726	26,518,947	48,047,096	5,931,790
Expenses							
Interest expense on floating rate notes		1,295,441	3,412,154	15,737,171	23,559,473	36,294,222	4,626,228
Other expenses	4	67,990	103,373	333,238	405,382	704,283	141,542
		1,363,431	3,515,527	16,070,409	23,964,855	36,998,505	4,767,770
Profit / (loss) from operating activities		201,527	921,330	2,206,317	2,554,092	11,048,591	1,164,020
Distribution expense to unitholders		201,527	921,330	2,206,317	2,554,092	11,048,591	1,164,020
Total finance costs	12	201,527	921,330	2,206,317	2,554,092	11,048,591	1,164,020
Net profit / (loss) for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period attributable to: Unitholders of the Trust		-	-	-	-	-	-

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Statements of changes in equity
for the year ended 30 June 2014

As the Trusts have no equity, the Trusts have not included any items of changes in equity for the current or comparative year.

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Statements of cash flows
for the year ended 30 June 2014

	2005-2		2010-1		2013-1	
	1 July 2013 to 15 January 2014		2013		2014	
	\$		\$		\$	
Note						
						14 May to 30 June 2013
						\$
Cash flows from operating activities						
Secured loan interest income receipts	2,886,564	6,170,675	22,405,093	32,923,485	48,568,298	5,167,649
Cash advance under secured loan	-	-	-	-	-	(1,150,000,000)
Other operating income received	61,164	131,515	517,708	545,377	822,931	47,598
Cash paid for redraws on secured loan	(4,090,426)	(8,250,164)	(21,661,225)	(27,878,476)	(35,767,200)	(4,431,425)
Repayment of secured loan	92,196,905	28,649,056	139,645,335	161,705,194	307,659,426	29,857,477
Interest paid - floating rate notes	(2,403,090)	(5,170,975)	(20,081,709)	(29,917,112)	(40,567,070)	(6,858,211)
Distribution paid	(472,703)	(1,022,333)	(2,418,886)	(3,124,557)	(7,750,252)	(91,571)
Fees paid	(71,942)	(108,881)	(380,502)	(427,193)	(890,375)	(120,472)
Net cash inflow (outflow) from operating activities	11(a)	88,106,472	20,398,893	118,025,814	272,075,758	(1,126,428,955)
Cash flows from investing activities						
Net cash inflow (outflow) from investing activities						
Cash flows from financing activities						
Cash received on issue of floating rate notes	-	-	-	-	-	1,150,000,000
Repayment of floating rate note principal	(88,106,479)	(20,398,893)	(117,984,110)	(133,826,718)	(271,892,227)	(25,426,052)
Drawdown of Liquidity Facility	-	-	-	-	-	1,994,007
Units in Series Trust issued	(200)	-	-	-	-	200
Net cash inflow (outflow) from financing activities		(88,106,679)	(20,398,893)	(117,984,110)	(271,892,227)	1,126,568,155
Net increase (decrease) in cash and cash equivalents		(207)	-	41,704	183,531	139,200
Cash and cash equivalents at start of period	207	207	150,200	150,200	139,200	-
Cash and cash equivalents at end of period	11(b)	(0)	207	150,200	322,731	139,200

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

APOLLO Series Trusts

2005-2, 2010-1, 2013-1

Notes to the financial statements

1. Reporting entity

The APOLLO Series 2005-2, APOLLO Series 2010-1 and APOLLO Series 2013-1 Trusts (the Trusts) are domiciled in Australia.

The Trusts were established with the purpose of carrying on a business to provide funds for the purchase of mortgage loans by equitable assignment.

The Trusts were established by the Master Trust Deed (Trust Deed) between the Manager (SME Management Pty Limited) and the Trustee (Perpetual Trustee Company Limited) dated 28 January 1999 and the Trust Series Supplements between the Seller and Servicer (Suncorp-Metway Limited), the Manager (SME Management Pty Limited) and the Trustee (Perpetual Trustees Company Limited).

In accordance with the Trust Deed the Trusts' were constituted following the receipt of \$200, being the initial assets of the Trusts, on the following dates:

- APOLLO Series 2005-2 – 01 July 2005
- APOLLO Series 2010-1 – 02 June 2010
- APOLLO Series 2013-1 – 14 May 2013

The Trusts funded the purchase of the mortgage loans by equitable assignment through the issue of \$AU bonds. The bonds were issued as Class A, AB and B Notes, which represent debts of the Trusts.

During January 2014, the invested amounts of all the notes for APOLLO Series 2005-2 Trust, when expressed as a percentage of the original invested amount of all notes (\$800,000,000), was less than the Clean-Up percentage of 10% (\$80,000,000). In accordance with Clause 15 of the Series Supplement, Suncorp-Metway Limited (the Seller) was entitled to repurchase the remaining balance of the loans from the Trust. The Clean-Up settlement price of \$79,687,918 was settled between Suncorp-Metway Limited and the Trust. The settlement amount was passed on to investors on the final distribution date, 15 January 2014. Therefore, this will be the final report for the APOLLO Series 2005-2 Trust.

The financial report was authorised for issue by the directors of SME Management Pty Limited on 1 August 2014.

2. Basis of preparation

(a) Statement of compliance

In the directors' opinion, the Trusts are not a reporting entity because there are no users dependent on general purpose financial reports.

This is a special purpose financial report that has been prepared for the sole purpose of complying with the requirement to prepare and distribute a financial report to the members in accordance with the Trust Deed dated 28 January 1999. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

The financial report does not include the disclosure requirements of all AASBs except for the following minimum requirements:

- AASB101 Presentation of financial statements
- AASB107 Statement of cash flows
- AASB108 Accounting policies, Changes in Accounting Estimates and Errors
- AASB1031 Materiality
- AASB1048 Interpretation and Application Standards
- AASB1054 Australian Additional Disclosures

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Notes to the financial statements

2. Basis of preparation (continued)

(b) Basis of measurement

The financial report is prepared on the historical cost basis.

(c) Liquidity format

The Statement of financial position is prepared using a liquidity format in which the assets and liabilities are presented broadly in order of liquidity. The assets and liabilities comprise both current amounts (expected to be recovered or settled within 12 months after the reporting date) and non-current amounts (expected to be recovered or settled more than 12 months after the reporting date). For those assets and liabilities that comprise both current and non-current amounts, information regarding settlement or recoverability is included within the relevant notes to the financial statements.

(d) Functional and presentation currency

The financial report is presented in Australian dollars which are the Trusts' functional currency.

(e) Use of estimates and judgements

The preparation of 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. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the notes below:

- (3(f)) Impaired assets
- (3(i)) Imputed loan approach

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

The Trusts adopted a number of Australian Accounting Standards and Interpretations which were mandatory for annual reporting periods beginning on or after 1 July 2013. There has been no effect on the financial performance or position of the Trusts from the adoption of these standards and Interpretations.

The following standards, amendments to standards and interpretations that are relevant to current operations are available for early adoption but have not been applied by the Trusts in these financial reports:

- AASB 9 *Financial Instruments* was issued and introduced changes in the classification and measurement of financial assets and financial liabilities. This standard becomes mandatory for the Trust's 30 June 2018 financial statements. The potential effects on adoption of the amendments are yet to be determined.

Other new standards, and amendments to standards effective for the annual reporting periods after 1 July 2014 that have not yet been early adopted, are not expected to have a significant impact on the Trusts.

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Notes to the financial statements

3. Significant accounting policies (continued)

(a) Income tax

The Trusts are only liable to income tax to the extent that accumulated income is assessable. Under current legislation the Trusts are not subject to income tax as the taxable income, including assessable realised capital gains are distributed in full to the unitholder.

(b) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or the amount of expense.

Receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statements of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

(c) Revenue and expense recognition

Interest revenue and expense are recognised in the Statements of comprehensive income for all interest bearing instruments measured at amortised cost using the effective interest method. These instruments include the secured loan.

The effective interest method uses the effective interest rate to allocate interest income and expense over the relevant accounting period for the financial asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash payments and receipts through the expected life of the financial instrument, or when appropriate, a shorter period to the net carrying amount of the financial asset or liability.

This calculation includes all fees and basis points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other discounts or premiums.

(d) Cash and cash equivalents

Cash and cash equivalents include deposits held at call with a bank or financial institution and highly liquid investments with short term periods to maturity which are readily convertible to cash at the Manager's option and are subject to insignificant risk of changes in value.

(e) Financial assets

The Trusts recognise a financial asset in the Statement of financial position when the Trust becomes a party to the contractual provisions of the instrument. The Trusts derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or the Trust transfers substantially all the risks and rewards associated with ownership of the financial asset.

Initial recognition is at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except for financial assets at fair value through profit or loss which exclude transaction costs. Loans and receivables are subsequently measured at each reporting date at amortised cost using the effective interest method.

These instruments include the secured loan from Suncorp-Metway Limited. The security for the loan are the mortgages sold to the Trusts by equitable assignment at the establishment of each Trust. See Note 3(i) on the Imputed loan approach for further explanation.

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Notes to the financial statements

3. Significant accounting policies (continued)

(f) Impaired assets

The mortgage loans were sold by Suncorp-Metway Limited to the Trusts by equitable assignment but fail derecognition from the Balance sheet of Suncorp-Metway Limited. The Trusts have recorded a secured loan, representing the outstanding balance of the pool of mortgage loans. The loan is secured by an equitable interest in the pool of mortgage loans held by Suncorp-Metway Limited. These mortgage loans are secured by Australian residential properties with security value in excess of the mortgage loan balances, and the pool of mortgages are covered by a mortgage insurance policy. The potential for impairment of this asset reflects the potential impairment of the underlying mortgages managed by Suncorp-Metway Limited.

Past-due loans are mortgages that are one or more days in arrears.

A specific provision for impairment is made for any identified doubtful debts. All bad debts are written off against the specific provision in the period in which they are identified. Where not previously provided for, they are written off directly to the Statements of comprehensive income. The amount necessary to bring the loans to their assessed levels, after write-offs, is charged to the Statements of comprehensive income.

A collective provision is established for loan portfolios which are not specifically provisioned. Collective provisions are held for potential credit losses which have been incurred but not yet specifically identified, and can be in the performing or non performing portfolios. For business banking exposures, a ratings based approach is applied using estimates of probability of default and loss given default, at a customer level. For portfolio managed exposures, the portfolios are split into pools with homogenous risk profiles and pool estimates of probability of default and loss given default are used to calculate the collective provision. Any amount necessary to bring the impairment provisions to their assessed level is charged to the Statements of comprehensive income. While the risk of suffering losses on a defaulting mortgage loan is considered minimal, there may be circumstances where the amount insured is less than the loan amount outstanding and the disposal costs.

(g) Financial liabilities

Financial liabilities are initially recognised at fair value plus transaction costs that are directly attributable to the issue of the financial liability. Subsequent measurement is at amortised cost using the effective interest method.

(h) Derivative financial instruments

The treatment of derivatives not part of a designated hedge relationship that prevent the transfer of financial assets from being accounted for as a sale is described in Note 3(i) on the Imputed loan approach.

(i) Imputed loan approach

The Trusts have entered into interest rate swaps and basis swaps with Suncorp-Metway Limited. The purpose of these swaps is to align the basis of the revenue from the mortgages purchased under equitable assignment from Suncorp-Metway Limited to the interest expense under the debt. The interest rate and basis swaps convert the interest flows from the underlying mortgages to a floating BBSW interest rate.

Suncorp-Metway Limited, as holder of the residual income unit, receives the residual income of the Trusts. By receiving the residual income of the Trusts and transferring the interest rate risk from the Trusts back to Suncorp-Metway Limited, via the interest rate and basis swaps, the original sale of the mortgages from Suncorp-Metway Limited to the Trusts fails the de-recognition criteria set out in AASB 139 *Financial Instruments: Recognition and Measurement*. This is because the sale is deemed to have failed to transfer substantially all the risks and rewards of ownership.

As a result of the failure of the derecognition criteria within AASB 139, the Trusts recognise a receivable from Suncorp-Metway Limited, the secured loan.

AASB 139 also denies the recognition of derivatives that causes the sale of financial assets from Suncorp-Metway Limited to fail the derecognition criteria. Therefore, while the Trusts have entered into the swaps with Suncorp-Metway Limited they do not recognise them in the Statement of comprehensive income or the Balance sheet. The Trusts have entered into the swaps however, and so recognise their effect in the notes to the financial statements.

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Notes to the financial statements

(i) Imputed loan approach (continued)

The interest income on the secured loan represents the return on an imputed loan between Suncorp-Metway Limited and the Trusts, taking into account the impact of the interest rate and basis swaps. This interest comprises interest income under the mortgages, the fees payable by the Trusts and the net interest income/expense not separately recognised under the swaps.

The loans between the Trusts and Suncorp-Metway Limited are referred to as secured loans in the financial statements of the Trusts.

(j) Units issued

The units issued by the Trusts satisfy the definition of a liability under AASB 132 *Financial Instruments: Presentation* and are accounted for as a financial liability at amortised cost.

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Notes to the financial statements

4. Other expenses

	2005-2		2010-1		2013-1	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Trustee fee	13,008	25,527	85,099	93,925	153,193	18,344
Manager fee	21,680	50,188	212,746	276,158	506,267	75,155
Other expenses	33,302	27,658	35,393	35,299	44,823	48,043
	67,990	103,373	333,238	405,382	704,283	141,542

5. Auditor's remuneration

	2005-2		2010-1		2013-1	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Audit and review services:						
Auditors of the Trusts - KPMG						
Audit and review of the financial reports	7,209	10,563	7,209	10,563	7,209	10,563
	7,209	10,563	7,209	10,563	7,209	10,563
Other services:						
Auditors of the Trusts - KPMG						
Other assurance services	11,746	13,371	11,746	13,371	11,746	13,371
	11,746	13,371	11,746	13,371	11,746	13,371

Fees for services rendered by the Trusts' auditor in relation to the statutory audit are borne by the income and capital unitholder, Suncorp-Metway Limited.

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Notes to the financial statements

6. Receivables

	2005-2		2010-1		2013-1	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Secured loan income receivable	-	197,638	737,784	1,049,892	1,668,699	2,372,675
Amount receivable - related party	-	2,154,338	9,944,527	12,726,124	11,501,135	14,225,139
GST receivable	-	4,869	19,430	25,416	45,134	18,827
	-	2,356,845	10,701,741	13,801,432	13,214,968	16,616,641

7. Secured loans

	2005-2		2010-1		2013-1	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
<i>Loans, advances and other receivables</i>						
Residential mortgages	-	86,351,487	351,240,324	467,055,030	843,344,549	1,113,308,529
Provision for impairment	-	-	-	-	-	-
Total	-	86,351,487	351,240,324	467,055,030	843,344,549	1,113,308,529

The secured loan from Suncorp-Metway Limited is secured by an equitable interest in the mortgage loans held by Suncorp-Metway Limited. The collateral against the mortgage loans held by Suncorp-Metway Limited to customers is in the form of mortgage interests over Australian residential property.

Given the credit quality of the mortgage loans, including the current level of collateral held against the mortgage loans, no loans are deemed impaired as at balance date (2013: Nil).

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Notes to the financial statements

8. Payables

	2005-2		2010-1		2013-1	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Unapplied funds	-	2,039	18,969	6,319	10,788	-
Manager fee	-	3,585	14,635	19,434	21,843	28,756
Servicer fee	-	14,338	58,537	77,739	87,370	115,026
Liquidity and redraw facility fee	-	100	458	557	372	416
Trustee fee	-	2,151	5,854	7,774	2,698	3,050
Custodian fee	-	1,434	5,854	7,774	8,737	11,503
Distribution payable	-	483,229	1,536,410	2,168,004	3,462,467	4,626,160
Total payables	-	506,876	1,640,717	2,287,601	3,594,275	4,784,911

9. Interest bearing liabilities

	2005-2		2010-1		2013-1	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Floating rate notes	-	88,106,479	359,703,157	477,687,267	852,681,721	1,124,573,948
Total interest bearing liabilities	-	88,106,479	359,703,157	477,687,267	852,681,721	1,124,573,948

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Notes to the financial statements

10. Units on issue

		2005-2		2010-1		2013-1	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
		\$		\$		\$	
		No. of units		No. of units		No. of units	
		\$		\$		\$	
		2014		2014		2013	
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APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Notes to the financial statements

11. Reconciliation of net profit / (loss) to net cash inflow (outflow) from operating activities

	2005-2		2010-1		2013-1	
	1 July 2013 to 15 January 2014	2013	2014	2013	2014	14 May to 30 June 2013
	\$	\$	\$	\$	\$	\$
Net profit / (loss)	-	-	-	-	-	-
Decrease/(Increase) in secured loan principal	86,351,487	20,796,517	115,814,706	134,080,434	269,963,980	(1,113,308,529)
Decrease/(Increase) in receivables	2,356,845	(154,895)	3,099,691	1,202,217	3,401,673	(16,616,641)
(Decrease)/Increase in payables	(506,876)	(166,400)	(646,884)	(988,378)	(1,190,636)	2,790,904
(Decrease)/Increase in interest payable on floating rate notes	(94,984)	(76,329)	(241,699)	(467,555)	(99,259)	705,311
(a) Net cash inflow from operating activities	88,106,472	20,398,893	118,025,814	133,826,718	272,075,758	(1,126,428,955)
(b) Reconciliation of cash and cash equivalents						
Cash at bank	-	207	191,904	150,200	322,731	139,200
	-	207	191,904	150,200	322,731	139,200

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Notes to the financial statements

12. Imputed loan approach

	2005-2		2010-1		2013-1	
	1 July 2013 to 15 January 2014	2013	2014	2013	2014	14 May to 30 June 2013
	\$	\$	\$	\$	\$	\$
Imputed Loan Balance	-	86,351,487	351,240,324	467,055,030	843,344,549	1,113,308,529
Revenue						
Secured loan interest income	2,300,386	5,930,992	21,473,263	31,504,268	48,715,664	7,836,324
Interest rate and basis swap return	(787,277)	(1,625,089)	(3,712,858)	(5,509,659)	(1,508,001)	(1,977,321)
Interest income on secured loan	1,513,109	4,305,903	17,760,405	25,994,609	47,207,663	5,859,003
Other income on secured loan	51,849	130,954	516,321	524,338	839,433	72,787
Total revenue	1,564,958	4,436,857	18,276,726	26,518,947	48,047,096	5,931,790
Fees						
Servicing fee	86,719	200,752	850,985	1,104,629	2,025,066	300,623
Custodian fee	9,306	21,544	91,325	118,546	217,324	32,262
Liquidity and redraw facility fee	1,649	2,868	9,063	11,520	22,287	2,634
SML Fee Income	97,674	225,164	951,373	1,234,695	2,264,677	335,519
SML Residual Income Rights	103,853	696,166	1,254,944	1,319,397	8,783,914	828,501
Total Distribution Expense	201,527	921,330	2,206,317	2,554,092	11,048,591	1,164,020
Imputed Loan Return	1,363,431	3,515,527	16,070,409	23,964,855	36,998,505	4,767,770

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Trustee's Report
for the year ended 30 June 2014

The financial statements for the financial period ended 30 June 2014 (2005-2: 15 January 2014) have been prepared by the Trust Manager, SME Management Pty Limited, as required by the Trust Deed.

The auditors of the Trusts, KPMG, who have been appointed by us in accordance with the Trust Deed, have conducted an audit of these financial statements.

A review of the operations of the Trusts and the results of these operations for the period ended 30 June 2014 (2005-2: 15 January 2014) is contained in the Manager's Declaration.

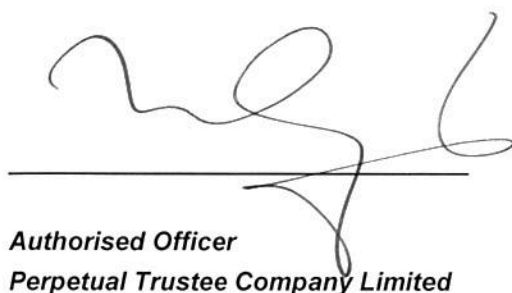
Based on our ongoing program of monitoring the Trusts, we believe that;

- (i) the Trusts have been conducted in accordance with the Trust Deed, and
- (ii) the Financial reports have been appropriately prepared and contains all relevant and required disclosures.

In making this statement, the Trustee has relied upon information, representations and warranties provided by the manager.

We are not aware of any material matter or significant changes in the state of affairs of the Trusts occurring up to the date of this report that require disclosure in the financial statements and the notes thereto that have not already been disclosed.

Signed for and on behalf of
Perpetual Trustee Company Limited



Authorised Officer
Perpetual Trustee Company Limited

Sydney

1 August 2014

APOLLO Series Trusts
2005-2, 2010-1, 2013-1
Manager's declaration
for the year ended 30 June 2014

Review of operations

Net profit from operating activities for the period ended 30 June 2014 (2005-2: 15 January 2014) for APOLLO Series Trust:

• APOLLO Series 2005-2	\$201,527	(2013: \$921,330)
• APOLLO Series 2010-1	\$2,206,317	(2013: \$2,554,092)
• APOLLO Series 2013-1	\$11,048,591	(2013: \$1,164,020)

Declaration

In the opinion of the Manager of APOLLO Series Trusts:

- (a) the financial statements and notes, set out on pages 1 to 15 are drawn up so as to present fairly the financial position of the Trusts as at 30 June 2014 (2005-2: 15 January 2014) and their performance, as represented by the results of their operations and their cash flows, for the period ended on that date;
- (b) the Trusts have operated during the financial period ended 30 June 2014 (2005-2: 15 January 2014) in accordance with the provisions of the Trust Deed dated 28 January 1999; and
- (c) there are reasonable grounds to believe that the Trusts will be able to pay their debts as and when they become due and payable.

Signed in accordance with a resolution of the directors of the Manager, SME Management Pty Limited



Director
SME Management Pty Limited

Brisbane

1 August 2014



Independent audit report to the Unitholders of the APOLLO Series 2005-2 Trust, APOLLO Series 2010-1 Trust and the APOLLO Series 2013-1 Trust

We have audited the accompanying financial report, being a special purpose financial report, of the APOLLO Series 2005-2 Trust, APOLLO Series 2010-1 Trust and the APOLLO Series 2013-1 Trust (the Trusts), which comprises the statements of financial position as at 30 June 2014, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year ended on that date, notes 1 to 12 comprising a summary of significant accounting policies and other explanatory information.

The Trustee's and the Directors of the Manager's responsibility for the financial report

The directors of SME Management Pty Limited (the Manager) and Perpetual Trustee Company Limited (the Trustee) are responsible for the preparation and fair presentation of the special purpose financial report and have determined that the basis of preparation described in Notes 1 to 3 to the financial statements is appropriate to meet the requirements of the Trust Deed dated 28 January 1999 and is appropriate to meet the needs of the unitholders. The directors of the Manager's responsibility also includes such internal control as they determine necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement whether due to fraud or error.

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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgement, 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 control relevant to the Trusts' preparation and fair presentation of the financial report 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 Trusts' internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors of the Manager, as well as evaluating the overall presentation of the financial report.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the basis of accounting described in Notes 1 to 3 to the financial statements so as to present a view which is consistent with our understanding of the Trusts' financial position, and of its performance and cash flows.

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 Accounting Professional and Ethical Standards Board.



Auditor's opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of APOLLO Series 2005-2 Trust, APOLLO 2010-1 Trust and the APOLLO Series 2013-1 Trust as of 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Notes 1 to 3 to the financial statements.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 1 to the financial report, which refers to the clean-up option which was exercised by Suncorp-Metway Limited in January 2014 in relation to APOLLO Series 2005-2 Trust which resulted in the Trust being closed on 15 January 2014.

Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist the Manager to meet the requirements of Trust Deed dated 28 January 1999. As a result, the financial report may not be suitable for another purpose.

KPMG

Jillian Richards
Partner
Brisbane

1 August 2014