

30 September 2015

The Manager
ASX Market Announcements
ASX Limited

Full Year Results and Confirmation of Distribution and DRP Price

The directors of One Managed Investment Funds Limited (**OMIFL**), the responsible entity of the Agricultural Land Trust (**AGJ**), release the attached Annual Report for AGJ for the financial year end 30 June 2015.

Commentary on the results is contained in the Chairman's Report and the Review of Operations on pages 2 to 3 of the Annual Report.

The directors confirm a nil distribution for the year ended 30 June 2015.

For further information contact:

Justin Epstein
Chairperson +61 2 8277 0000

Agricultural Land Trust

ARSN 096 588 046



**Annual Report
30 June 2015**

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TERMS AND ABBREVIATIONS

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

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

The terms "the year" and "2015" refer to the twelve months ended 30 June 2015 unless otherwise stated. Similarly, references to 2014 refer to the twelve months to 30 June of that year.

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
CHAIRMAN'S REPORT**

CORPORATE DIRECTORY

Responsible Entity	One Managed Investment Funds Limited ABN 47 117 400 987 Level 11, 20 Hunter Street Sydney NSW 2000 Phone: (02) 8277 0000 Facsimile: (08) 8580 5700 Australian Financial Services Licence Number: 297 042
Postal Address	PO Box R1471 Royal Exchange NSW 1225
Registered Address	Level 11, 20 Hunter Street Sydney NSW 2000
Directors	Justin Epstein (Chairman) Frank Tearle (Director) Elizabeth Reddy (Director)
Secretary	Frank Tearle
Registry	Computershare Investor Services Pty Limited Level 5, 115 Grenfell Street Adelaide SA 5000 Phone: 1300 727 620 Facsimile: 1300 534 987
Auditor	Deloitte Touche Tohmatsu 225 George Street Sydney NSW 2000
Bankers	Australia and New Zealand Banking Group Limited Commonwealth Bank Australia Limited National Australia Bank St George Bank Westpac Banking Corporation
ASX code	AGJ
Website	www.agriculturallandtrust.com.au

AGRICULTURAL LAND TRUST ANNUAL REPORT 2015 CHAIRMAN'S REPORT

Following the Trust's restructure in March 2014, the only remaining property in the Trust is the iconic property in Esperance, Western Australia, known as "Linkletters Place".

For the year, the net income of the Trust was \$3.5 million (2014: net loss of \$2.9 million). This includes an asset revaluation adjustment of \$4.7 million (2014: asset devaluation of \$24.8 million) reflecting current rural forestry values. As a result of the revaluation, the book value of the Linkletters property is \$17.65 million (2014: \$12.9 million). Cash flow from operating activities was down from last year 103% (2014: up 218%) with an outflow of \$0.33 million (2014: inflow of \$10.85 million).

As previously outlined, it is intended that Linkletter's Place is remediated which will enable a return to grazing and crop producing activities. We note that there has been no significant progress toward remediation of the property at this time as a result of negotiating with a number of parties to implement an alternative proposal to extract value for investors from the remediation process. We continue to explore the optimal mechanism to achieve this and will advise investors once this has been determined.

The syndicated loan facility expires on 31 July 2016. In conjunction with exploring the optimal structure to realise value from the remediation process, we will be investigating financing options.

The Directors have determined the Trust will not pay a distribution for this year (0.528 cents per unit in 2014).

As reported to the market in the first half of the financial year, there will be a continual absence of rental income until remediation is completed and the property is ready to be leased.



Justin Epstein
Chairman

One Managed Investment Funds Limited
Sydney, 30 September 2015

AGRICULTURAL LAND TRUST ANNUAL REPORT 2015 REVIEW OF OPERATIONS

Financial Results

The net income attributable to unit holders of the Trust for the year was \$3.5 million (2014: net loss \$2.9 million). The net income resulted largely from the upward revaluation of the Trust's investment property of \$4.75 million (2014: devaluation of \$24.8 million) offset by expenses of \$0.28 million and \$0.96 million of financing costs.

The Trust's cash flow used in operations during the year was \$0.33 million (2014: inflow of \$10.9 million).

The total assets of the Trust increased during the year to \$19.8 million (2014: \$16.5 million) due to the revaluation of the Linkletters property. The Trust's net assets as at 30 June 2015 were \$9.7 million (2014: \$5.8 million).

Distributions to Unit holders

The Directors have determined that there will be no distribution payable for the 2015 year (2014: 0.528 cents per unit).

The value of distributions reinvested during the year pursuant to the Trust's Distribution Reinvestment Plan was \$310,030 (2014: \$2,232,680) which resulted in the issue of 3,475,661 units (2014: 26,359,851 units).

Market Performance

During the year, units in the Trust traded within a range of 7.6 cents per unit to 10 cents per unit. Based on the closing price of 8.2 cents per unit as at 30 June 2015 (2014: 8 cents per unit), the Trust had a market capitalisation of \$8 million (2014: \$7.5 million); the distribution yield for the Trust for the year was nil% (2014: 6.6%).

Funding

As at 30 June 2015, the syndicated loan facility balance was \$10.0 million (2014: \$10.0 million).

The syndicated loan facility expires on 31 July 2016; interest of \$1.8 million to expiry was prepaid on 28 March 2014.

As at 30 June 2015 the Trust's gearing ratio (debt to total assets) was 50.5% (2014: 60.8%).

For further information refer to accounting policy note 2(a).

Revaluations

The Trust received in January 2015 a full valuation of the Linkletters property as at 31 December 2014. The valuation was obtained in accordance with the valuation polices contained within the loan agreement with the Trust's banking syndicate.

The directors have considered the December 2014 valuation, dated 30 January 2015, prepared by Opteon Property Group as the basis for their determination of fair value. The valuation assesses the current fair value of the property to be \$17.65 million. The directors have adopted a fair value for the Trust's property portfolio of \$17.65 million (2014: \$12.9 million) based on their assessment of the value of the property.

For further information refer to accounting policy note 2(g) and note 8.

Responsible Entity Fees

The Responsible Entity fees for the year were \$45,866 (2014: \$183,420). For further information refer to note 17(a).

Change of the responsible entity

As reported to the market in the first half of the financial year, on 1 August 2014 a meeting of unit holders was held where the resolutions for the retirement of Agricultural Land Management Limited ("ALML") and the appointment of One Managed Investment Funds Limited ("OMIFL") were passed. ASIC approved the change of the responsible entity effective 1 August 2014.

Outlook

The Trust continues to prepare Linkletters Place for remediation with the absence of rental income ongoing. Once the remediation works are completed, opportunities for sale or leasing will be assessed.

AGRICULTURAL LAND TRUST ANNUAL REPORT 2015 DIRECTORS AND SECRETARIES

ALML was the responsible entity to 31 July 2014. Effective 1 August 2014, OMIFL became the new responsible entity. The Directors of the relevant responsible entity in office during the year and at the date of this report are:

One Managed Investment Funds Limited

Justin Epstein (age 35)
(Chairman, Executive Director)

Mr Epstein is a founding director of One Investment Group Pty Ltd ("OIG"). Prior to founding OIG in 2009, Mr Epstein was the investment director of one of Australia's most significant private investment houses. The investment house was diversified in terms of asset class, geographical and economic sector investment and had significant international investments in sectors including banking and financial services, petroleum, aviation and property. Mr Epstein was responsible for sourcing and leading investment opportunities. In this role, Mr Epstein was also Head of Corporate Finance for Global Aviation Asset Management, one of the world's largest aircraft lessors managing a modern portfolio of 53 aircraft in long term operating leases to airlines around the world.

Mr Epstein has previously worked in group strategy and business development for a major Australian investment bank, for the corporate finance restructuring division of Ernst & Young and for a specialised private property finance and investment group. Mr Epstein is a director of a private investment company primarily focused on equity investments and distressed debt opportunities.

Mr Epstein holds a Bachelor of Commerce (with Distinction) from the University of New South Wales and is a Fellow of the Financial Services Institute of Australia.

Frank Tearle (age 48)
(Executive Director & Company Secretary)

Mr Tearle is a founding director of OIG. Prior to founding OIG, Mr Tearle served in various roles at Allco Finance Group, including Head of Business Transition and Operations, Managing Director of the Hong Kong Office, Director of the corporate finance team and general counsel.

Mr Tearle has been a non-executive director of several companies, including manager of a Singapore listed property trust and an APRA regulated insurance company. Mr Tearle has more than 10 years' experience working in major law firms in Australia and the United Kingdom, specialising in merges and acquisitions, capital markets, funds management and corporate governance.

Mr Tearle has a Master's Degree in International Business Law from the University of Technology, Sydney and a Bachelor of Law (with Honours) from the University of Leicester.

Elizabeth Reddy (age 50)
(Director)

Ms Reddy is an experienced corporate and commercial lawyer, having practised as a lawyer for in excess of 10 years both in the private and commercial arenas.

Ms Reddy specialises in the Corporations Act, contractual disputes, merges and acquisitions, equitable claims, trade practices and insolvencies. Ms Reddy is also experienced in compliance and risk management issues.

Ms Reddy spent a number of years working at both of Freehills and Atanaskovic Hartnell prior to undertaking a number of commercial roles.

Ms Reddy holds a Diploma in law.

Agricultural Land Management Limited

Justin Epstein (Chairman, Executive Director: appointed 4 July 2014)

Frank Tearle (Executive Director & Company Secretary: appointed 4 July 2014)

Elizabeth Reddy (Director: appointed 4 July 2014)

AGRICULTURAL LAND TRUST ANNUAL REPORT 2015 DIRECTORS AND SECRETARIES

Tom Pascarella (resigned 4 July 2014)
(Chairman, Non Executive Director / Independent)

Mr Pascarella was appointed a Director on 31 December 2012. Mr Pascarella is a very well qualified and experienced banker having previously held the positions of Managing Director and CEO of the Bank of America N.A. Sydney Branch and Head of Corporate Banking for Bank of America Merrill Lynch Australia. He is an experienced director, a graduate of Princeton University in the USA and has an Executive MBA from Oxford University. He is a member of the Australian Institute of Company Directors, Finance and Treasury Association of Australia and the Financial Services Institute of Australia.

Peter Zachert (resigned 4 July 2014)
(Non Executive Director / Non Independent)

Mr Zachert is a Chartered Accountant and Company Director. He is currently a director of Terramin Australia Limited and a number of private companies including Chairman of Elders Forestry Management Limited and APT Projects Limited. His executive background is primarily in Resources and Diversified Industrials in Australia and overseas. Mr Zachert is currently the CFO of Alpha Australia LLC and previous positions held include CFO of Elders Limited (ceasing June 2009), director and CFO of Cyprus Australia Coal Company, CFO of Delta Gold Limited and senior roles in Prodeco SA and Exxon Coal and Mineral Company Limited. Peter is a Fellow of the Institute of Chartered Accountants in Australia and a Fellow of the Australian Institute of Management and a member of the Australian Institute of Company Directors. He was appointed an executive director of Agricultural Land Management Limited on 2 July 2007 however has assumed a non executive and non independent role since 1 July 2009.

Robert Michael Walter (resigned 4 July 2014)
(Director, Non Executive / Independent)

Mr Walter is an experienced executive with a background in the agribusiness sector and rural banking. He is currently Director of National Business Development for Elementree Limited. His executive background includes roles of General Manager at Elders Banking, General Manager Rural Lending at Rabobank and General Manager Lending at Primary Industry Bank of Australia (PIBA). Mr Walter has extensive experience in and knowledge of the agricultural industry in Australia and New Zealand as a result of 44 years commercial exposure with diversified experience across all rural inputs, banking and finance sectors involved in farm production and finance performance analysis. Mr Walter was appointed a Director of Agricultural Land Management Limited on 28 May 2010.

Justin Nelson (resigned 4 July 2014)
(Joint Company Secretary)

Mr Nelson has extensive experience in the listed company environment. From 2004 – 2012 he was the Australian Securities Exchange (ASX) State Manager, SA and Manager, Listings (Adelaide). He is company secretary of four ASX listed companies and is currently undertaking specialist studies in governance, (Graduate Diploma of Applied Corporate Governance) with the Chartered Secretaries Australia. Mr Nelson is experienced in corporate governance procedures, company meeting practice, the ASX Listing Rules and all other aspects of ASX related matters. He is an advisor to both public and private entities on a full range of corporate law issues. Mr Nelson was appointed Joint Company Secretary of Agricultural Land Management Limited on 18 January 2013.

Craig Porter (resigned 4 July 2014)
(Joint Company Secretary)

Mr Porter holds a Bachelor of Laws and Legal Practice and is a member of the Law Society of South Australia, the Australasian compliance Institute and an affiliate member of the Chartered Secretaries of Australia. Mr Porter is currently employed as Manager – Risk Compliance and Insurance for Elders Ltd. He was appointed Joint Company Secretary of Agricultural Land Management Limited on 24 February 2012.

AGRICULTURAL LAND TRUST ANNUAL REPORT 2015 CORPORATE GOVERNANCE

The Agricultural Land Trust is a registered managed investment scheme under the Corporations Act 2001 ("Corporations Act"). One Managed Investment Funds Limited ("OMIFL") is the Responsible Entity for the Trust and establishes the corporate governance policies of the Trust. The Responsible Entity holds an Australian Financial Services Licence authorising it to operate the Trust and has a duty to act in the best interests of unit holders of the Trust. As a registered managed investment scheme under the Corporations Act, the Trust has a compliance plan that has been lodged with the Australian Securities and Investments Commission ("ASIC"). A copy of the compliance plan can be obtained from ASIC.

The Australian Securities Exchange Limited ("ASX") Corporate Governance Council's Corporate Governance Principles and Recommendations ("ASX Principles"), in conjunction with the ASX listing rules, require the Trust to disclose in its annual report the extent to which its corporate governance practices follow the ASX Principles and to give reasons why any recommendations have not been followed. The Responsible Entity complies with a majority of the ASX Principles. Where it does not, it is largely in respect of matters where the nature of the regulation of the Trust or of the Trust's business is such that the board of the Responsible Entity considers that compliance is not appropriate or required and that there is no detriment to unit holders of the Trust from non-compliance.

Compliance with ASX Corporate Governance Principles and Recommendations

Principle 1 - Lay solid foundations for management and oversight

Recommendation 1.1 – Establish and disclose the functions reserved to the board of the Responsible Entity and those delegated to senior executives.

The business of the Trust is managed under the direction of the board of directors (Board) of the Responsible Entity comprising Mr Frank Tearle, Mr Justin Epstein and Ms Elizabeth Reddy.

The conduct of the Board is governed by the constitution of the Trust and Responsible Entity, the ASX Listing Rules and the Corporations Act. The Board meets on a regular basis and is required to discuss pertinent business developments and issues and review the operations and performance of the Trust.

Provision is made at each regular meeting of the Board for the consideration of critical compliance and risk management issues as they arise. Key responsibilities include:

- Reviewing the performance of management and the adequacy of resources;
- Providing input into and final approval of management's strategy for the Trust;
- Reviewing and where required approving significant transactions; and
- Overseeing the administration of the Responsible Entity including risk and compliance monitoring functions

The Board maintains responsibility for the day-to-day management of the Trust in conjunction with senior management and Responsible Managers as stated under the Responsible Entity's Australian Financial Services Licence.

Given the size of its business, the Responsible Entity operates with a flat management structure with the Board delegating a number of the functions, activities and duties required to be performed by the Responsible Entity to managers and external service providers. This includes all matters not specifically the responsibility of the Board, implementation of strategy and performance objectives of the Trust and day-to-day operations of the Trust.

Recommendation 1.2 – Process for evaluating performance of senior executives.

The assessments of executive performance are based on reports received from the Chairman and the consideration of issues by directors at Board meetings.

The Board oversees the performance evaluation of the management team. This is based on the business performance of the Responsible Entity; whether strategic objectives are being achieved and the development of management and personnel.

Performance is reviewed annually by the Chairman.

Recommendation 1.3 – Further information is available in the Board Charter, which is available on the OIG website.

AGRICULTURAL LAND TRUST ANNUAL REPORT 2015 CORPORATE GOVERNANCE

Principle 2 - Structure the Board to add value

This ASX Principle requires the Trust to have a Board of effective composition, size and commitment to adequately discharge its responsibilities and duties. It is the objective that the Board comprises directors with an appropriate range of skills, experience and expertise that allow the directors individually and the Board collectively to supervise the operations of the Trust in a prudent and timely manner.

Recommendation 2.1 - Majority of the Board should be independent directors.

The current Board of the Responsible Entity comprises three directors. In determining the independence of directors, the Board has adopted the criteria set out in section 601JA(2) of the Corporations Act. Prima facie, no directors of OMIFL are independent. However, due to the nature of OMIFL's business (including for example acting as an independent responsible entity and/or trustee/custodian to third party registered and unregistered managed investment schemes) it is not intended to appoint independent directors to the Board. Because of this, the Corporations Act requires that the Responsible Entity of the Trust establish an independent compliance committee (Compliance Committee) which, amongst other things, oversees the risk and compliance obligations of the Trust according to the requirements of the compliance plan for the Trust, which has been lodged with the Australian Securities and Investments Commission.

The Responsible Entity has established such a committee. The Compliance Committee for the Trust is made up of a majority of independent members as per section 601JA(2) of the Corporations Act.

Recommendation 2.2 – Chair should be an independent director.

See 2.1 above.

Recommendation 2.3 – Roles of Chair and Chief Executive Officer should not be exercised by same individual.

See 2.1 above.

Recommendation 2.4 – Establish a Nomination Committee.

Due to the small size of the Board, it is not intended that a Nomination Committee be established. Responsibility for selecting, appointing, evaluating and removing directors of the Board of the Responsible Entity is a matter for the full Board of OMIFL, which regularly reviews the composition of the Responsible Entity Board in view of the business and strategic needs of the Trust from time to time.

Recommendation 2.5 – Board performance evaluation.

The Board of the Responsible Entity reviews its performance and that of its Compliance Committee annually. Board performance is reviewed against the Board Charter, any other Board responsibilities and the Fund's compliance plan.

Recommendation 2.6 – Further information as indicated in the Guide to reporting on Principle 2.

Details of each the relevant skills, experience and expertise of each executive director are set out on the Our Team page of our website, www.oneinvestment.com.au.

Principle 3 - Promote ethical and responsible decision making

This ASX Principle requires that the Board should actively promote ethical and responsible decision-making and behaviour.

Recommendation 3.1 – Establish a Code of Conduct.

The Responsible Entity has adopted a Code of Conduct that sets out the minimum acceptable standards of behaviour. Directors, management and staff are required to act with honesty, decency and integrity at all times.

AGRICULTURAL LAND TRUST

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CORPORATE GOVERNANCE

Recommendation 3.2 – Establish a Diversity Policy.

The Board has not adopted a Diversity Policy. Due to the nature of OMIFL's business (see 2.1 above), the fact that the Trust has no employees and that OMIFL is not a listed entity itself, the Board does not believe at this stage that any marked efficiencies or enhancements would be achieved by the creation of such a policy. For the reasons stated herein, the Recommendations 3.3, 3.4 and 3.5 are not applicable for the Trust.

Principle 4 - Safeguard integrity in financial reporting

This ASX Principle requires that the Trust have a structure in place to independently verify and safeguard the integrity of its financial reporting.

Recommendation 4.1 – Establish an Audit Committee

Financial reports for the Trust are prepared in collaboration with senior management and the Chairman.

The Board has not established a separate audit and risk committee. Audit and risk functions for the Trust are carried out by the full Board of OMIFL and the Compliance Committee for the Trust respectively. An external auditor audits financial accounts for the Trust (6 month and full year). The Trust's external auditor is Deloitte Touche Tohmatsu.

The Responsible Entity reviews the performance and independence of the external auditor, and makes decisions on the appointment, reappointment, replacement, and remuneration of external auditors.

The external auditor is required to rotate the partner responsible for the Trust audit and review at least once every 5 years, and the statutory Trust audit must be tendered every 7 years.

Recommendation 4.2 – Audit Committee

See 4.1 above.

Recommendation 4.3 – Formal Charter for Audit Committee

See 4.1 above.

Recommendation 4.4 – Further information

See 4.1 above.

Principle 5 - Make timely and balanced disclosure

This ASX Principle requires the Trust to promote timely and balanced disclosure of all material aspects concerning the Trust.

Recommendation 5.1 – Continuous Disclosure Policy.

ASX continuous disclosure requirements are included in the Responsible Entity's Continuous Disclosure Policy and the Unitholder Communications Policy.

The Continuous Disclosure Policy reflects the Board's commitment to ensuring that information that a reasonable person would expect, to have a material effect on the price or value of the Trust's securities, is immediately notified to the ASX for dissemination to the market in accordance with the continuous disclosure requirements of the Corporations Act and the ASX Listing Rules.

The company secretary has been appointed as the person responsible for communicating with the ASX and is responsible for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules.

AGRICULTURAL LAND TRUST ANNUAL REPORT 2015 CORPORATE GOVERNANCE

Recommendation 5.2 – Availability of information.

The Continuous Disclosure Policy and the Unitholder Communications Policy are available on the Trust's website, www.agriculturallandtrust.com.au.

Principle 6 - Respect the rights of members

This ASX Principle requires the Trust to respect the rights of members and facilitate the exercise of those rights.

Recommendation 6.1 – Communications Policy.

A Unitholder Communications Policy has been adopted by the Board reflecting its objective to ensure that Trust and company announcements are factual and presented in a clear and balanced way, and that investors have equal and timely access to material information concerning the Trust, the Responsible Entity and their investments in the Trust.

The delivery of financial services disclosures and relevant communications are facilitated through electronic means such as email, hyperlinks, and reference to the Trust's website, www.agriculturallandtrust.com.au.

Recommendation 6.2 – Further information as indicated in the Guide to reporting on Principle 6.

As a registered managed investment scheme, it is proposed that the Trust will hold an annual general meeting. This is consistent with the Responsible Entity's commitment to timely and transparent reporting to investors in the Trust. Further details are contained in our Unitholder Communications Policy.

A copy of the Unitholder Communications Policy is available on the Trust's website, www.agriculturallandtrust.com.au.

Principle 7 - Recognise and manage risk

This ASX Principle requires the Trust to establish a sound system of risk oversight, management and internal control.

Recommendation 7.1 – Establish policies for the oversight and management of material business and Trust risk.

The Board has adopted a Risk Management System Statement (Risk Statement) which outlines the key material risks faced by the Responsible Entity and documents the framework and process for identifying, monitoring and mitigating risks.

Under the Corporations Act, OMIFL, as responsible entity for the Trust, is required to register a Compliance Plan with the Australian Securities and Investments Commission. The Compliance Plan outlines the measures, which are to be applied by the Responsible Entity in an attempt to ensure compliance with the Corporations Act and the Trust's constitution. The Compliance Plan will be audited annually with a report provided to ASIC. The Compliance Committee is responsible for monitoring the Trust's compliance with the Compliance Plan and reports on its findings directly to the Board. The Compliance Committee for the Trust also receives reports on compliance with relevant Anti-Money Laundering legislation. Minutes of each Compliance Committee meeting for the Trust are included in the papers considered by the Board.

The current members of the Compliance Committee are Mr Bleddyn Gambold (Chair), Mr Angus Finney and Mr Marcus Elsum. As required by the Corporations Act, a majority of the committee is considered independent and external.

The Compliance Committee usually meets at least four times during the Financial Year.

Recommendation 7.2 – Design and implement a risk management and internal control system to manage material business risks and report to the Board.

In order to successfully manage risk, the Responsible Entity has adopted a three-pronged strategy in its Risk Statement.

AGRICULTURAL LAND TRUST

ANNUAL REPORT 2015

CORPORATE GOVERNANCE

The Responsible Entity has:

- created an appropriate framework to manage risk;
- encouraged a culture of risk management; and
- developed a process to logically and systematically identify, analyse, evaluate, treat, monitor and communicate risks.

The Responsible Entity's risk management systems reflect the nature, scale and complexity of its business and the assets it manages.

Risk management is a continuous process with the Chairman and members of the Responsible Entity's management team constantly interacting with staff, which in turn provides a foundation for monitoring Trust issues on a day-to-day basis.

Material business and Trust risks are documented in the Risk Statement, which is updated as necessary for any significant new risks or developments on existing risks.

While risk identification, assessment and response decisions are made at regular intervals (including quarterly reporting to the Board), ultimate responsibility for risk oversight and risk management rests with the Board. Business managers report to the Compliance Committee and the Board through their quarterly compliance returns on the risks identified for their area of responsibility.

The Board undertakes an annual review on whether risk management and internal compliance controls are appropriate.

Recommendation 7.3 – Assurance from Chief Executive Officer and Chief Financial Officer.

The Board receives confirmation from the Chairman, the Chief Financial Officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control, and that the system is operating effectively in all material respects in relation to financial reporting risks.

Recommendation 7.4 – Further information as indicated in the Guide to reporting on Principle 7.

A copy of the Risk Management Statement is available on the Trust's website.

Principle 8 – Remunerate fairly and responsibly

This ASX Principle requires that the Responsible Entity ensures that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.

Recommendation 8.1 – Establish a Remuneration Committee.

The Board notes that as the Trust will not be included in the S&P/ASX 300 Index at the time of listing it is not required to establish a Remuneration Committee under rule 12.8 of the ASX Listing Rules.

The Trust does not comply with recommendation 8.1. Remuneration of the Responsible Entity is dealt with comprehensively in the Trust's constitution. Accordingly, it is considered unnecessary to maintain a Remuneration Committee. All fees and expenses of the Responsible Entity are incurred in the proper performance of its duties pursuant to the constitution of the Trust.

Recommendation 8.2 – Structure of Remuneration Committee.

The Trust does not comply with recommendation 8.2, for the reasons outlined immediately above.

AGRICULTURAL LAND TRUST ANNUAL REPORT 2015 CORPORATE GOVERNANCE

Recommendation 8.3 – Distinction between structure of non-executive directors' remuneration and remuneration of directors and senior executives.

Neither the Trust nor the Responsible Entity has any employees.

Directors, senior executives and employees of OIG are paid by One Corporate Services Pty Limited, a wholly owned subsidiary of OIG.

Directors and employees are not provided with any remuneration by the Trust itself and do not receive equity in the Trust as a form of remuneration.

Executive directors and senior executives' packages are fixed and performance-based. Neither directors nor senior executives are entitled to equity interests in the Trust, or any rights to, or options for equity interests in the Trust as a result of remuneration provided by the Responsible Entity (if any).

Remuneration of the Responsible Entity is included in the Trust's constitution. The Responsible Entity is entitled to claim reimbursement for all expenses reasonably and properly incurred in relation to the Trust or in performing its duties under the constitution and property acquisition and disposal fees.

Recommendation 8.4 – Further information as indicated in the Guide to reporting on Principle 8.

A copy of the Trust's constitution is available on the Trust's website.

Monitoring of compliance

The implementation and monitoring of compliance with this policy by all employees of and consultants or contractors to any of the relevant entities is undertaken by the Compliance Officer.

The Compliance Officer (and, if they are different persons at any time, the Privacy Officer) must report to the Board not less than every 12 months as to compliance.

Review of Policy

This policy is to be reviewed not less than every 12 months.

Responsibility

This policy is to be reviewed by the Compliance Officer. A report of the review made by the Compliance Officer, together with the recommendations, if any made by the reviewers, must be tabled at the next regular meeting of the Board of OMIFL held after the report is completed.

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	Consolidated 2015 \$'000	Consolidated 2014 \$'000
Continuing operations			
Rent received		-	2,769
Lease compensation revenue		-	9,647
Debt forgiven		-	4,313
Other income		30	51
Interest income		9	65
Consideration for lease cancellation		-	7,870
Net increment in fair value of investment property	8	<u>4,750</u>	-
Revenue		4,789	24,715
Finance costs	3	(958)	(1,464)
Responsible entity fees		(46)	(183)
Other expenses	4	(238)	(841)
Net decrement in fair value of investment property	8	-	<u>(24,800)</u>
Net income/(loss) from continuing operations		3,547	(2,573)
Discontinued operations			
Net loss from discontinued operations	11	-	<u>(357)</u>
Net income/(loss) for the year		3,547	(2,930)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		3,547	(2,930)
Basic and diluted income/(loss) per unit (cents)	15	3.67	(2.67)
Basic and diluted income/(loss) per unit (cents) from continuing operations	15	3.67	(2.34)
Basic and diluted income/(loss) per unit (cents) from discontinued operations	15	-	(0.33)

The accompanying notes form part of the financial statements

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Notes	Consolidated	Consolidated
		2015 \$'000	2014 \$'000
Current Assets			
Cash and cash equivalents	5	1,168	1,687
Trade and other receivables	6	7	3
Prepayments	7	899	922
Total Current Assets		2,074	2,612
Non Current Assets			
Prepayments	7	74	951
Investment property	8	17,650	12,900
Total Non Current Assets		17,724	13,851
Total Assets		19,798	16,463
Current Liabilities			
Trade and other payables	9	98	621
Total Current Liabilities		98	621
Non Current Liabilities			
Interest bearing loans and borrowings	10	10,000	10,000
Total Non Current Liabilities		10,000	10,000
Total Liabilities		10,098	10,621
Net Assets Attributable to Unit Holders		9,700	5,842
Represented By			
Units		55,299	54,988
Retained losses		(45,599)	(49,146)
Total Unit Holders Interests		9,700	5,842

The accompanying notes form part of the financial statements

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

	Profit / (loss)	Units	Net Assets Attributable to Unit Holders
	\$'000	\$'000	\$'000
Consolidated			
At 1 July 2013	(45,720)	58,323	12,603
Net loss attributable to unit holders before distributions to unit holders	(2,930)		(2,930)
Units issued in Trust under DRP		2,233	2,233
Units issued in Trust under Rights issue		2,302	2,302
Units cancelled post completion		(7,870)	(7,870)
Distributions	(496)		(496)
At 30 June 2014	<u>(49,146)</u>	<u>54,988</u>	<u>5,842</u>
At 1 July 2014	(49,146)	54,988	5,842
Net income attributable to unit holders before distributions to unit holders	3,547		3,547
Units issued in Trust under DRP		311	311
Distributions	-		-
At 30 June 2015	<u>(45,599)</u>	<u>55,299</u>	<u>9,700</u>

The accompanying notes form part of the financial statements

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	Consolidated 2015 \$'000	Consolidated 2014 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Rent received		-	4,532
Lease surrender compensation		-	9,647
Interest received		13	63
Other receipts		28	1
Interest and borrowing costs paid		(60)	(1,345)
GST (paid)/refund ATO		9	(288)
Other expenses paid		(324)	(1,756)
Net Cash Flows from/(used in) Operating Activities	5(a)	(334)	10,854
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of investment properties		-	5,275
Net Cash Flows from/(used in) Investing Activities		-	5,275
CASH FLOWS FROM FINANCING ACTIVITIES			
Distributions paid to unit holders		(185)	(619)
Rights issue		-	2,302
Repayment of subordinated loan		-	(5,007)
Repayment of syndicated loans		-	(10,861)
Prepaid syndicated bank loan interest		-	(1,806)
Net Cash Flows from/(used in) Financing Activities		(185)	(15,991)
Net increase/(decrease) in Cash and Cash Equivalents		(519)	138
Cash and cash equivalents at beginning of period		1,687	1,549
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5(b)	1,168	1,687

The accompanying notes form part of the financial statements

AGRICULTURAL LAND TRUST ANNUAL REPORT 2015 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1. TRUST INFORMATION

Agricultural Land Trust is an Australian registered scheme. One Managed Investment Funds Limited ("OMIFL"), the Responsible Entity of the Trust, is incorporated and domiciled in Australia.

The financial report of Agricultural Land Trust for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the directors of the Responsible Entity as at the date of signing the Directors' Declaration.

The registered office and principal place of business of the Responsible Entity is located at Level 11, 20 Hunter Street, Sydney, New South Wales 2000. The nature of the operations and principal activities of the Trust are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

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

The financial report has been prepared on a historical cost convention except for the investment property that has been measured at fair value based upon directors' valuation. Independent valuations are conducted annually, by the 31 December each year and are considered by the Directors of the Responsible Entity when determining fair values (refer accounting policy note 2(g) and note 8).

Since 1 July 2014, the Group has adopted the following Standards and Interpretations, mandatory for annual periods beginning on or after 1 July 2014.

The consolidated financial report was authorised for issue by the directors on 30 September 2015.

Adoption of these Standards and Interpretations did not have any effect on the financial position or performance of the Group:

- AASB 1031 'Materiality' (December 2013);
- AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities';
- AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets';
- AASB 2013-5 'Amendments to Australian Accounting Standards – Investment Entities';
- AASB 2013-9 'Amendments to Australian Accounting Standards - Part B: 'Materiality'; and
- AASB 2014-1 'Amendments to Australian Accounting Standards' [Part A – Annual Improvements 2010-2012 and 2011-2013 Cycles; Part C – 'Materiality'].

The financial report is presented in Australian dollars and all values have been rounded to the nearest thousand dollars (\$'000) unless otherwise stated under the option available to the Trust in accordance with ASIC Class Order 98/0100.

Going concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of the normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in Note 10, the syndicated banking facility will expire on 31 July 2016. While at the date of signing this financial report there is no arrangement in place to refinance the syndicate banking facility, the Directors have no reason to believe that they will not be able to negotiate a new facility before 31 July 2016.

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

a) Basis of preparation (cont.)

After taking into account all available information, the Directors have concluded that there are reasonable grounds to believe:

- the Trust will be able to pay its debts as and when they become due and payable; and
- the basis of preparation of the general purpose financial report on a going concern basis is appropriate.

However, if a new banking facility is unable to be renegotiated; such an event would give rise to material uncertainty about the ability of the Trust to continue as a going concern and therefore, whether it will realise its assets and discharge its liabilities in the normal course of business.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Trust not continue as a going concern.

b) Statement of compliance

The financial report complies with Australian Accounting Standards, as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The Group has not adopted Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet effective, for the annual reporting period ending 30 June 2015.

Details of these are outlined in the table below.

Reference	Title	Summary	Application date of standard	Impact on financial report	Application date for Group
AASB 9	Financial Instruments	<p>AASB 9 includes requirements for the classification and measurement of financial assets. It was further amended in December 2014 to reflect amendments for a) impairment requirements for financial assets and b) the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.</p> <p>These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below.</p> <p>a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets, and (2) the characteristics of the contractual cash flows.</p> <p>b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.</p> <p>c. An expected credit loss model is to be applied to the impairment of financial assets. This model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. It is no longer necessary for a credit event to occur before credit losses are recognised.</p> <p>d. Where the fair value option is used for financial</p>	1 January 2018	The application of these amendments is not expected to have any material impact on the Trust's financial report	1 July 2018

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

		<p>liabilities the change in fair value is to be accounted for as follows:</p> <ul style="list-style-type: none"> ▶ The change attributable to changes in credit risk are presented in other comprehensive income (OCI) ▶ The remaining change is presented in profit or loss <p>If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.</p> <p>Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7 and 2010-10.</p> <p>The AASB issued a revised version of AASB 9 (AASB 2013-9) during December 2013. The revised standard incorporates three primary changes:</p> <ol style="list-style-type: none"> 1. New hedge accounting requirements including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures. 2. Entities may elect to apply only the accounting for gains and losses from own credit risk without applying the other requirements of AASB 9 at the same time. 3. In February 2014, the IASB tentatively decided that the mandatory effective date for AASB 9 will be 1 January 2018. 			
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	<p>IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset.</p> <p>The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.</p> <p>The IASB also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.</p>	1 January 2016	The application of these amendments is not expected to have any material impact on the Trust's financial report	1 January 2016
AASB 15	Revenue from Contracts with Customers	<p>AASB 15 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.</p> <p>AASB 15 supersedes:</p> <ol style="list-style-type: none"> (a) AASB 111 Construction Contracts (b) AASB 118 Revenue (c) Interpretation 113 Customer Loyalty Programmes (d) Interpretation 115 Agreements for the Construction of Real Estate (e) Interpretation 118 Transfers of Assets from Customers (f) Interpretation 131 Revenue — Barter Transactions Involving Advertising Services <p>The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in</p>	1 January 2018	The application of these amendments is not expected to have any material impact on the Trust's financial report	1 July 2018

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

		<p>exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:</p> <p>(a) Step 1: Identify the contract(s) with a customer</p> <p>(b) Step 2: Identify the performance obligations in the contract</p> <p>(c) Step 3: Determine the transaction price</p> <p>(d) Step 4: Allocate the transaction price to the performance obligations in the contract</p> <p>(e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation</p> <p>Early application of this standard is permitted.</p>			
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c) Basis of consolidation

The consolidated financial statements of the Group comprise the financial statements of parent entity Agricultural Land Trust and its subsidiaries as at 30 June 2015.

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

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

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

Control of a subsidiary is determined by the parent entity's power over the subsidiary and its ability to direct activities that significantly affect returns.

Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which parent entity Agricultural Land Trust has control.

d) Significant accounting judgements, estimates and assumptions

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

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

(i) Investment Properties – Operating Leases

As of 30 June 2015, there are no longer any leases in place generating rental income; all have been cancelled in the reporting period.

(ii) Investment Properties - Valuations

An Independent valuation of the property is conducted annually and before 31 December each year and forms the basis for determination of the fair value of the property by the directors of the Responsible Entity when determining fair value (see notes 2(g) and 8).

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank, cash held with One Cash Management Fund ("OCMF") and short-term deposits with an original maturity of three months or less. They are stated at their nominal values.

For the purposes of the Statement of Cash Flow, cash and cash equivalents consist of cash and cash equivalents as defined above.

f) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis at an operating level. Individual debts that are known to be uncollectable are written off when identified. An impairment provision is recognised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment.

The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

g) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties have been measured at fair value based on directors' valuations. Independent valuations are conducted at intervals of not more than one year and are considered by the directors of the Responsible entity when determining fair values. Gains or losses arising from changes in fair values of investment properties are recognised in profit and loss in the year in which they arise.

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

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

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

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

i) Investments and other financial assets

Financial assets in the scope of AASB 139 "Financial Instruments: Recognition and Measurement" are classified as either financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, or available for sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value. The Trust determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year end.

The Trust's direct investments in its subsidiaries are carried at cost less any provision for impairment. Balances and transactions between the Trust and the subsidiaries have been eliminated in preparing the consolidated financial report.

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

j) Impairment

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

Impairment losses are included in the Statement of Profit or Loss and Other Comprehensive Income.

k) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Trust prior to the end of the financial year that are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of these goods and services.

Payables to related parties are recognised and carried at the nominal amount due. These amounts are interest free and are generally payable on 30 day terms.

l) Interest-bearing loans and borrowings

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

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

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

m) Borrowing costs

Borrowing costs directly attributable to the acquisition of assets that necessarily takes a substantial period of time to get ready for sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

n) Leases

Leases are classified at their inception as either operating or finance leases; there are no finance leases.

Operating Leases:

As at 30 June 2015, all rental leases had been cancelled, the last of these being the Linkletters lease as was advised to the market on 7 March 2014.

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

o) Revenue

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

Rental income:

Rental and other property income is recognised as income when receivable under the terms of the rental agreement. Contingent rentals are recognised as revenue in the period in which they are earned.

Interest:

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

p) Provision for distribution

In accordance with the Trust's Constitution, the Trust fully distributes its distributable income to unit holders. Distributable income includes capital gains, where applicable, arising from the disposal of investments.

q) Taxation

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

Goods and services tax (GST)

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

- (i). where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii). receivables and payables are stated inclusive of the GST.

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

r) Terms and conditions on units

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

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

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

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

s) Earnings per unit (EPU)

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

t) Segment Reporting

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

Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

3. FINANCE COSTS

	Consolidated 2015 \$ '000	Consolidated 2014 \$ '000
Finance costs expensed		
- interest expense continuing operations	770	1,343
- other finance costs continuing operations	188	121
	<u>958</u>	<u>1,464</u>

4. OTHER EXPENSES

Audit fees	48	42
Consulting fees	2	116
Council rates	73	21
Legal fees	25	406
Listing fees	49	86
Tax consulting fees	18	52
Other expenses	23	118
	<u>238</u>	<u>841</u>

5. CASH AND CASH EQUIVALENTS

Cash at bank	19	278
Units in One Cash Management Fund	1,149	-
Short term deposits	-	1,409
	<u>1,168</u>	<u>1,687</u>

Units held in the One Cash Management Fund, a fund managed by a related party of OMIFL, are redeemable on a daily basis.

Consolidated 2015 \$ '000	Consolidated 2014 \$ '000
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STATEMENT OF CASH FLOWS

**(a) Reconciliation of net income/(loss) to Cash
Flows from/(used in) Operating Activities**

Net income/(loss)	3,547	(2,930)
Net (increment)/decrement in fair value adjustment	(4,750)	24,800
Units cancelled	-	(7,870)
Subordinated debt forgiven	-	(4,313)
(Increase)/decrease in receivables	(4)	1,481
Decrease/(Increase) in prepayments	900	(17)
Decrease in payables	(27)	(297)
Net operating cash flow	<u>(334)</u>	<u>10,854</u>

(b) Reconciliation of cash

Cash at bank	19	278
One Cash Management Fund	1,149	-
Short term deposits	-	1,409
	<u>1,168</u>	<u>1,687</u>

(c) Non-cash financing and investing activities

During the year, income distribution totalling \$310,030 (2014: \$2,232,680) were reinvested in the Trust, pursuant to the Trust's Distribution Reinvestment Plan.

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

6. TRADE AND OTHER RECEIVABLES

Other receivables	7	3
	<u>7</u>	<u>3</u>

Terms and conditions relating to the above financial instruments:

'Other receivables' comprises distribution receivable from the One Cash Management Fund and eligible refunds on GST (2014: interest receivable on the term deposit that matured on 4 July 2014).

7. PREPAYMENTS

	Consolidated 2015 \$ '000	Consolidated 2014 \$ '000
Current Asset	773	771
Prepaid banking syndicate interest	126	151
Other prepayments	<u>899</u>	<u>922</u>
Non-Current Asset	65	838
Prepaid banking syndicate interest	9	113
Other prepayments	<u>74</u>	<u>951</u>

Prepayments mainly consists of interest on the syndicated bank loan prepaid from 28 March 2014 until 31 July 2016.

8. INVESTMENT PROPERTY

(a) Property investment

Investment property at fair value	17,650	12,900
	<u>17,650</u>	<u>12,900</u>

(b) Reconciliation of level 3 investment property

	Carrying amount at start of year \$'000	Transfer from Properties classified as held for sale \$'000	Disposals \$'000	Increment/ (decrement) from fair value adjustments \$'000	Carrying amount at end of year \$'000
2015					
Rural Property	12,900	-	-	4,750	17,650
	<u>12,900</u>	<u>-</u>	<u>-</u>	<u>4,750</u>	<u>17,650</u>

	Carrying amount at start of year \$'000	Transfer from Properties classified as held for sale \$'000	Disposals \$'000	Increment/ (decrement) from fair value adjustments \$'000	Carrying amount at end of year \$'000
2014					
Rural Property	-	29,300	-	(16,400)	12,900
	<u>-</u>	<u>29,300</u>	<u>-</u>	<u>(16,400)</u>	<u>12,900</u>

**AGRICULTURAL LAND TRUST
ANNUAL REPORT 2015
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

8. INVESTMENT PROPERTY (CONT.)

Rental income from the investment property during the year was \$nil (2014: \$2,768,664). Direct operating expenses (including repairs and maintenance) for the investment property for the year was \$nil (2014: \$34,385).

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties have been measured at fair value based on directors' valuations. Independent valuations are conducted at intervals of not more than one year and are considered by the directors of the Responsible entity when determining fair values. Gains or losses arising from changes in the fair values is recognised in profit and loss in the year in which they arise.

Opteon Property Group ('Opteon') valued Linkletters Place as at 31 December 2014 in accordance with AASB 13 and AASB 140. The directors, in consultation with Opteon, have determined that there has been no material movement in the market since and the valuation remains as the basis of the investment property's fair value. The Directors have determined the fair value of the Trust's investment property to be \$17.65 million.

The Opteon Property Group valuation considers the following inputs in determining the fair value:

Level 2 inputs:

- Comparable land sales.

Level 3 inputs:

- Comparable evidence requiring adjustment; reliance was placed on transactions of other rural properties within the region to establish market parameters for land and structures; and
- Discount rates and depreciated replacement cost estimates used to calculate impairment arising from lease in place.

The most significant input is the rate per hectare of land based mostly on comparable land sales for plantation land and cleared and pastured land. As Opteon has made significant adjustments to the rate per hectare based on the property's specific characteristics, the fair value measurement is categorised as Level 3 in the fair value hierarchy. These adjustments relate to differences in location, quality of structural improvements, soil types and productivity levels. Any change in the rate per hectare for comparable land sales would result in a movement in the fair value of the investment property.

Linkletters Place measures 8,885 hectares in total and comprises the following,

Type	Land size	Value
Bluegum Plantation	7,476 hectares	\$2,000 per hectare
Cleared and Pastured Land	555 hectares	\$3,100 per hectare
Other	438 hectares	\$250 per hectare
Native Bush, Granite and Wetlands	416 hectares	\$150 per hectare
Structural improvements		\$804,084

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

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

The property is pledged as security to secure the syndicated bank loan (see note 10).

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9. TRADE AND OTHER PAYABLES

	Consolidated 2015 \$ '000	Consolidated 2014 \$ '000
Trade creditors	48	52
Distribution payable	-	496
Amounts payable to related parties:		
- associated entities	-	14
Other payables:		
- other accruals	50	59
	98	621

Terms and conditions relating to the above financial instruments:
Trade creditors are non-interest bearing and generally on 30-day terms.

10. INTEREST BEARING LOANS AND BORROWINGS

	Consolidated 2015 \$'000	Consolidated 2014 \$'000
NON CURRENT		
Secured:		
- Term Loans*	10,000	10,000
	10,000	10,000
Financing facilities		
Total facilities used – Bills of Exchange	10,000	10,000
Total facilities unused – Bills of Exchange	-	-
Total facilities	10,000	10,000

* As announced to the market on 31 March 2014, the maturity date of the syndicated banking facility was extended to 31 July 2016. As at 30 June 2015, the facility balance was \$10.0 million (2014: \$10.0 million). The fair value approximates the current value of \$10.0 million. The Linkletters property is pledged as security for the loan.

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11. DISCONTINUED OPERATIONS

Discontinued operations include the operations of the following entities, which form part of the consolidated Trust: The Kalgoorlie Apartment Hotel Syndicate and Murray Street Mall Property Trust.

The operations of these syndicates are considered discontinued as their property assets have been sold and the entities are in the process of being wound up. During the year there were no transactions involving these entities.

This note shows the results of the continuing businesses and the discontinued businesses for comparative purposes only.

Year ended 30 June	Continuing 2015 \$'000	Discontinued 2015 \$'000	Consolidated 2015 \$'000	Continuing 2014 \$'000	Discontinued 2014 \$'000	Consolidated 2014 \$'000
Rental income	-	-	-	2,769	-	2,769
Interest income	9	-	9	65	1	66
Unit cancellation	-	-	-	7,870	-	7,870
Lease surrender comp	-	-	-	9,647	-	9,647
Debt forgiven	-	-	-	4,313	-	4,313
Other income	30	-	30	51	-	51
Increase in investment	4,750	-	4,750	-	-	-
Total revenue and other income	4,789	-	4,789	24,715	1	24,716
Finance costs	(958)	-	(958)	(1,464)	-	(1,464)
Diminution in investment	-	-	-	(24,800)	-	(24,800)
Responsible entity fees	(46)	-	(46)	(183)	-	(183)
Other expenses	(238)	-	(238)	(841)	(358)	(1,199)
Net income/(loss) before non controlling interests	3,547	-	3,547	(2,573)	(357)	(2,930)
Net profit/(loss) attributable to non controlling interests	-	-	-	-	-	-
Net loss attributable to unit holders of the Trust	3,547	-	3,547	(2,573)	(357)	(2,930)
Distribution to unit holders	-	-	-	(496)	-	(496)
Rights Issue	-	-	-	2,302	-	2,302
Units cancelled post completion	-	-	-	(7,870)	-	(7,870)
Distributions reinvested	311	-	311	2,233	-	2,233
Changes in net assets attributable to unit holders of the Trust	3,858	-	3,858	(6,404)	(357)	(6,761)

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12. UNITS ON ISSUE

	Consolidated 2015 Number '000	Consolidated 2014 Number '000
Units on issue at beginning of the year	94,034	101,128
Units issued during the year		
- Rights issue	-	27,083
- Distribution reinvestment plan	3,476	26,360
Units cancelled during the year	-	(60,537)
Units on issue as at the reporting date	97,510	94,034

Rights and restrictions over Ordinary units:

- Each unit ranks equally with all other ordinary units for purpose of distributions and on termination of the Trust, and
- Ordinary units entitle the holder to one vote, either in person or by proxy, at a meeting of the Trust.

When managing capital, the Responsible Entity's objective is to ensure that the Trust continues as a going concern and maintains optimal returns to unit holders and optimal benefits for other stakeholders. The Responsible Entity monitors its gearing ratio (debt/total assets) when assessing capital management requirements. The Trust is not subject to any externally imposed capital requirements however, it is required to meet certain Loan to Value financial covenants pursuant to the loan agreement with its syndicated financiers.

The Trust has in place a Distribution Reinvestment Plan ("DRP") which assists the Responsible Entity with the management of its capital requirements. The DRP allows unit holders to elect to reinvest their distribution into new units of the Trust. The issue price of units under the DRP is the average trading price (weighted by volume) of the Trust's units traded on the Australian Stock Exchange during the 10 trading days from, and including the date on which the Trust's units trade ex-distribution, less a discount of up to 10% as determined by the Directors at their absolute discretion. The value of distributions reinvested relating to the 2015 year was \$310,030 (2014: \$2,232,680) which resulted in the issue of 3,475,661 units (2014: 26,359,851 units).

13. AUDITOR'S REMUNERATION

	Consolidated 2015 \$	Consolidated 2014 \$
Amounts received or due and receivable by the auditor for:		
- an audit or review of the financial report of the entity and any other entity in the consolidated entity	32,960	35,998
Other services in relation to the entity and any other entity in the consolidated entity:		
- compliance plan audit	11,457	10,310
	44,417	46,308

As stated in the Corporate Directory, Deloitte Touche Tohmatsu is the auditor of the Trust. The Trust's compliance plan audit is conducted by PricewaterhouseCoopers.

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14. DISTRIBUTIONS TO UNITHOLDERS

	Distributions \$ '000	Number of units '000	Distributions cents per unit
2015			
Interim Distribution	-	97,510	-
Final Distribution – payable September 2015	-	97,510	-
	-		-
2014			
Interim Distribution	-	94,034	-
Final Distribution – paid Sept 2014	496	94,034	0.528
	496		0.528

The Trust has an unused tax losses of \$36,259,782 (2014: \$34,862,631) which will be available for offset, subject to loss integrity rules under Australian tax legislation, should the Trust be in a taxable position in the future.

	Consolidated 2015	Consolidated 2014
15. EARNINGS PER UNIT		
Earnings per unit from continuing operations attributable to ordinary unit holders		
Basic profit/(loss) per unit (cents)	3.67	(2.34)
Diluted profit/(loss) per unit (cents)	3.67	(2.34)
Earnings per unit from discontinued operations attributable to ordinary unit holders		
Basic profit/(loss) per unit (cents)	-	(0.33)
Diluted profit/(loss) per unit (cents)	-	(0.33)
Earnings per unit attributable to ordinary unit holders		
Basic profit/(loss) per unit (cents)	3.67	(2.67)
Diluted profit/(loss) per unit (cents)	3.67	(2.67)

Earnings per unit and diluted earnings per unit are calculated by dividing the net profit attributable to members of the Trust by the weighted average number of ordinary units on issue during the year. The weighted number of units in the calculation of earnings per unit is 96,672,068 (2014: 109,926,742).

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16. NET ASSET BACKING PER UNIT	Consolidated 2015	Consolidated 2014
Basic net asset backing per unit (\$)	<u>0.10</u>	<u>0.06</u>

Basic net asset backing per unit is calculated by dividing the unit holder interests by the number of units on issue at the year-end.

17. RELATED PARTY DISCLOSURES

(a) Responsible Entity

The Responsible Entity of Agricultural Land Trust at 30 June 2015 was One Managed Investment Funds Limited ("OMIFL") whose parent entity at 30 June 2015 was One Investment Group Pty Limited ("OIG").

Agricultural Land Management Limited retired from its position of responsible entity on 1 August 2014. The responsible entity of Agricultural Land Trust from 1 August 2014 is One Managed Investment Funds Limited.

The Responsible Entity fees for the year were \$40,997 to Agricultural Land Management Limited (2014: \$183,420) and \$4,869 to One Managed Investment Funds Limited (2014: \$nil).

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

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

(b) 3.5% of the Net Income of the Trust calculated after adding back the following items:

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

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

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

At 30 June 2015, an estimated balance of \$60,034 was payable to the Responsible Entity (2014: \$13,560).

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17. RELATED PARTY DISCLOSURES (CONT.)

(b) Related party transactions

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

Name	Equity interest held by consolidated entity	
	2015 %	2014 %
Kalgoorlie Apartment Hotel Syndicate	100.00	100.00
Murray Street Mall Property Trust	100.00	100.00
ALT No 1 Trust	100.00	100.00

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

Rental income

During the year controlled entities of the parent entity Agricultural Land Trust were entitled to rental income and reimbursement of outgoings of \$nil (2014: \$2,768,664) which was received or receivable in relation to leased properties.

Contractual Arrangements

The Trust remains in contractual arrangements for the remediation of the land with Mammoth Construction Pty Ltd, an entity associated with Mr Allen Caratti. These contractual arrangements cap the remediation fee at \$1,100,000. Mr Caratti is a substantial unitholder of the Trust holding units through his associated entities Westralia Properties Holdings Pty Ltd, Richtide Investments Pty Ltd and Indian Ocean Capital (WA) Pty Ltd.

Investments in unlisted funds managed by OMIFL

The Trust has invested units valued at \$1,148,871 (2014: \$nil) in the One Cash Management Fund ("OCMF") as at 30 June 2015. The trustee of OCMF is One Investment Management Pty Ltd ("OIMPL"), an authorised representative of OMIFL. OIMPL and OMIFL are subsidiaries of One Investment Group Pty Limited. This investment has enabled the Trust to improve its return on cash held. The investment has been included in cash and cash equivalents as it is redeemable daily.

OCMF charges a management fee to its unitholders at a rate of 0.50% per annum on its net assets. Management fees paid by the Trust to OCMF for the year ended 30 June 2015 were \$5,480 (2014: \$nil).

(c) Details of Key Management Personnel

Directors

The names of the Directors of the Responsible Entity in office during the financial period and until the date of this report are:

One Managed Investment Funds Limited

- Justin Epstein
- Frank Tearle
- Elizabeth Reddy

Agricultural Land Management Limited

- Justin Epstein (Appointed 4 July 2014)
- Frank Tearle (Appointed 4 July 2014)
- Elizabeth Reddy (Appointed 4 July 2014)

- Tom Pascarella (Resigned 4 July 2014)
- Peter Zachert (Resigned 4 July 2014)
- Robert Michael Walter (Resigned 4 July 2014)

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17. RELATED PARTY DISCLOSURES (CONT.)

(c) Details of Key Management Personnel (cont.)

Other key management personnel in office during the financial period of the Responsible Entity and until the date of this report are:

One Managed Investment Funds Limited

- Frank Tearle (Company Secretary)

Agricultural Land Management Limited

- Frank Tearle (Company Secretary) – Appointed 4 July 2014

- Alan Herald (Acting General Manager) – Resigned 4 July 2014
- Justin Nelson (Joint Company Secretary) – Resigned 4 July 2014
- Craig Porter (Joint Company Secretary) – Resigned 4 July 2014

(d) Compensation of Key Management Personnel

No amounts are paid by the Trust directly to directors and key management personnel of the Trust. Directors of the Responsible Entity receive remuneration in their capacity as directors of the Responsible Entity. Consequently, no compensation, as defined in AASB 124: Related Party Disclosures is paid by the Trust to its key management personnel. Each of One Managed Investment Funds Limited and Agricultural Land Management Limited, as responsible entity of the Trust during the period, is deemed for disclosure purposes to be a key management personnel of the Trust. Compensation is payable to the Trust's responsible entity in the form of fees disclosed in note 17.

(e) Units in the Trust held by Key Management Personnel

Key management personnel do not directly hold any units in the Trust at year-end, nor have they held any units in the Trust during the reporting period. As at 30 June 2015, director Justin Epstein held an indirect interest of 223,891 units in the Trust.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Trust's principal financial instrument is a secured term loan (bills of exchange) secured over the Linkletters property. The main purpose of the loan is to finance the sole remaining investment property, Linkletters. The Trust has various other financial instruments such as cash and cash equivalents, trade debtors and trade creditors, which arise directly from its operations. It is, and has been throughout the year, the Trust's policy that no trading in financial instruments shall be undertaken. The main risks from the Trust's financial instruments are interest rate risk, credit risk and liquidity risk. The Board's policies for managing each of these risks are summarised below. Management's expectations are that the carrying amounts of financial assets and financial liabilities approximate their fair values due to their short-term maturity.

Interest rate risk

The Trust's exposure to market risk for changes in interest rates relates primarily to the Trust's long-term debt obligations. The Trust reviews its banking facilities on a regular basis to ensure an efficient and effective mix of fixed and variable debt. The mix of financial assets and liabilities is summarised in notes 5, 6, 9 & 10. Given that the Trust has prepaid interest on borrowings and has not entered into any hedging arrangements, changes in interest rates are not likely to have an effect on the carrying values of financial assets. Accordingly, the impact on net equity resulting from changes in interest rates is likely to be limited to the impact on profit summarised below.

The analysis below considers the impact on net profit of BBSY being 1% higher and 1% lower than the applicable BBSY as at 30 June 2015 of 2% (2014: 2.87%).

Consolidated	2015 BBSY higher 1% \$'000	2015 BBSY lower 1% \$'000
Rental Income	-	-
Net Interest	12	(12)
Net impact on profit	12	(12)

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18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

Consolidated	2014 BBSY higher 1% \$'000	2014 BBSY lower 1% \$'000
Rental Income	-	-
Net Interest	17	(17)
Net impact on profit	17	(17)

Credit risk

Credit risk is the risk of financial loss to the Trust if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Trust's receivables from its customers. It is noted the Trust has no lease agreements in place as of year-end.

Liquidity risk

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

The remaining contractual maturities of the Group's financial assets and liabilities are

	< 12 months 2015 \$'000	1 – 5 years 2015 \$'000	> 5 years 2015 \$'000	Total 2015 \$'000
Consolidated Financial Assets				
Cash and cash equivalents	1,168	-	-	1,168
Other receivables	7	-	-	7
	1,175	-	-	1,175
Consolidated Financial Liabilities				
Trade and other payables	98	-	-	98
Interest bearing loans and borrowings	-	10,000	-	10,000
	98	10,000	-	10,098
Net maturity	1,077	(10,000)	-	(8,923)

The remaining contractual maturities of the Group's financial assets and liabilities for the 2014 year were

	< 12 months 2014 \$'000	1 – 5 years 2014 \$'000	> 5 years 2014 \$'000	Total 2014 \$'000
Consolidated Financial Assets				
Cash and cash equivalents	1,687	-	-	1,687
Trade and other receivables	3	-	-	3
	1,690	-	-	1,690
Consolidated Financial Liabilities				
Trade and other payables	621	-	-	621
Interest bearing loans and borrowings	-	10,000	-	10,000
	621	10,000	-	10,621
Net maturity	1,069	(10,000)	-	(8,931)

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19. CAPITAL COMMITMENTS

As disclosed in note 17(b), there is \$1,100,000 (2014: \$nil) estimated capital expenditure contracted for at 30 June 2015 but not provided for.

20. SEGMENT REPORTING

The Trust operates wholly within Australia and will become a crop and grazing producing business after completion of remediation works on its sole investment property in Esperance, Western Australia.

21. SUBSEQUENT EVENTS

No other matter or circumstance has arisen since the end of the financial period, which is not otherwise dealt with in this report or in the consolidated financial statements, that has significantly affected or may significantly affect the operations of the Trust, the results of those operations or the state of affairs of the Trust in the subsequent financial period.

22. LITIGATION

First Australian Farmland Pty Ltd has lodged claims against Agricultural Land Management Ltd as trustee for ALT No. 1 Trust for warranties made in sale agreements for properties in Western Australia and Victoria. The sale of these properties was settled on 28 March 2013.

The Trust had sought legal advice and subsequently declined the claims. It is not practical to estimate the potential effect of these claims but legal advice indicates that it is not probable that a significant liability, if any will arise.

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23. PARENT ENTITY INFORMATION

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

	2015	2014
	\$'000	\$'000
Current assets	4,409	4,744
Total assets	16,737	13,414
Current liabilities	41	571
Total Liabilities	7,037	7,572
Net Assets Attributable to Unitholders and Minority Interests	9,700	5,842
Represented By:		
Issued Capital	55,299	54,988
Retained earnings	(45,599)	(49,146)
Total Unitholders' Equity	9,700	5,842
Profit of the parent entity	3,547	(31,008)
Total comprehensive income/(loss) of the parent	3,547	(31,008)
Details of any guarantees entered into by the parent entity in relation to the debts of its subsidiaries	None	None
Details of any contingent liabilities of the parent entity	None	None
Details on any contractual commitments by the parent entity for the acquisition of property, plant or equipment	None	None

DIRECTORS' DECLARATION

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

In the opinion of the directors:

- (a) the financial statements and notes of the Trust are 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 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
- (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2; and
- (c) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2015.

On behalf of the Board of Agricultural Land Trust.



Justin Epstein
Chairman
One Managed Investment Funds Limited
Sydney, 30 September 2015

AGRICULTURAL LAND TRUST ANNUAL REPORT DIRECTORS' REPORT

The directors of One Managed Investment Funds Limited (ABN 47 117 400 987), the Responsible Entity of the Agricultural Land Trust ("the Trust"), submit their report, for the Agricultural Land Trust and its controlled entities for the year ended 30 June 2015.

DIRECTORS

The names of the directors of the Responsible Entity in office during the financial year and until the date of this report are:

One Managed Investment Funds Limited

- Justin Epstein
- Frank Tearle
- Elizabeth Reddy

Agricultural Land Management Limited

- Justin Epstein (appointed 4 July 2014)
- Frank Tearle (appointed 4 July 2014)
- Elizabeth Reddy (appointed 4 July 2014)

- Tom Pascarella (resigned 4 July 2014)
- Peter Zachert (resigned 4 July 2014)
- Robert Michael Walter (resigned 4 July 2014)

The directors were in office from the beginning of the year until the date of this report, unless otherwise stated. Director qualifications and experience is found under the heading "Directors and Secretaries", page 4.

MEETINGS OF DIRECTORS

The number of meetings of the Responsible Entity's directors held during the year ended 30 June 2015, and the number of meetings attended by each director, are:

Number of Directors meetings held: 4

Number of meetings attended:

Justin Epstein	4
Frank Tearle	4
Elizabeth Reddy	0
Tom Pascarella	0
Peter Zachert	0
Robert Michael Walter	0

Number of Special Directors meetings held: 0

Number of meetings attended:

Tom Pascarella	0
Peter Zachert	0
Robert Michael Walter	0

DIRECTORS' UNITS

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

As at the date of this report, Justin Epstein has an indirect interest in 223,891 units (2014: 163,891 units) in the Trust.

PRINCIPAL ACTIVITIES

The principal activity of the Trust is to operate as an agricultural land trust for the purpose of deriving profits from agistment and cropping activities in the medium term.

AGRICULTURAL LAND TRUST ANNUAL REPORT DIRECTORS' REPORT

TRUST INFORMATION

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

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

The registered office of the Responsible Entity is Level 11, 20 Hunter Street, Sydney, New South Wales, 2000.

REVIEW OF RESULTS AND OPERATIONS

The consolidated net income attributable to unit holders of the Trust is presented in the Statement of Profit or Loss and Other Comprehensive Income and totalled \$3,547,424 (2014: loss \$2,929,631). Further details in relation to the Trusts results and operations are contained in the Chairman's Report and the Review of Operations.

DISTRIBUTIONS

The Board has determined that a distribution of nil cents per unit will be paid for the 2015 year (2014: 0.528 cents per unit).

UNITS ON ISSUE

During the year, 3,475,661 units (2014: 26,359,851 units) were issued pursuant to the Distribution Reinvestment Plan.

TRUST ASSETS

At 30 June 2015, the Trust held assets with a total value of \$19,798,032 (2014: \$16,463,200). The basis for valuation of the assets is disclosed in Note 2 to the financial report.

RESPONSIBLE ENTITY AND ASSOCIATES

The Responsible Entity fees for the year were \$45,866 (2014: \$183,420). Details of fees paid or payable to the Responsible Entity out of scheme property are included in Note 17 of the financial report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The most significant change to the trust's operations occurred on 4 July 2014 – refer ASX announcement of same date, whereby the Responsible Entity changed its ownership to One Investment Group Pty Ltd, an independent funds management entity based in Sydney, New South Wales.

The change in Responsible Entity from Agricultural Land Management Limited to One Managed Investment Funds Limited is effective from 1 August 2014.

SIGNIFICANT EVENTS AFTER BALANCE DATE

No other matter or circumstance has arisen since the end of the financial period, which is not otherwise dealt with in this report or in the consolidated financial statements, that has significantly affected or may significantly affect the operations of the Trust, the results of those operations or the state of affairs of the Trust in the subsequent financial period.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Board reiterates its commitment to all unit holders to build on initiatives now in place, stemming from completion of the restructure, over the coming twelve months.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The operations of the consolidated entity are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory. There have been no known significant breaches of any other environmental requirements applicable to the Trust.

AGRICULTURAL LAND TRUST ANNUAL REPORT DIRECTORS' REPORT

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of One Managed Investment Funds Limited support and comply with the majority of the ASX Principles of Good Corporate Governance and Best Practice Recommendations. The Responsible Entity's corporate governance statement is contained within pages 6 to 11 of this annual report.

BOARD COMMITTEES

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

INSURANCE OF DIRECTORS AND OFFICERS

During, or since the end of the financial year, the Responsible Entity has paid, or agreed to pay, a premium in respect of a contract insuring all the directors and officers against a liability incurred in their role as directors and officers of the entity, except where the liability arises from fraudulent or dishonest conduct. The total amount of insurance contract premiums paid has not been disclosed due to a confidentiality clause in the insurance contract.

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Trust under ASIC Class Order 98/0100.

AUDITOR'S INDEPENDENCE DECLARATION

Our auditor, Deloitte Touche Tohmatsu, has provided the board of directors of the Responsible Entity with an independence declaration in accordance with section 307C of the Corporations Act 2001. The independence declaration forms part of the Directors' Report. No non-audit services were provided to the Trust in the reporting period; refer Note 13.

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



Justin Epstein
Chairman
One Managed Investment Funds Limited
Sydney, 30 September 2015

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

We have audited the accompanying financial report of Agricultural Land Trust (the "Trust"), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the Trust and the entities it controlled at the year's end or from time to time during the financial year as set out on page 12 to 37.

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 control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the consolidated 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 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 trust'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 trust's internal control. 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.

Auditor's Independence Declaration

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

Opinion

In our opinion:

- (a) the financial report of Agricultural Land Trust is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 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 consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 2.

Emphasis of Matter – Going Concern

Without modifying our opinion, we draw attention to Note 2(a) in the financial report which states that in order to continue operations for the next 12 months from the date of adoption of the financial report, the Trust is dependent upon refinancing the existing debt facility. This condition indicates the existence of a material uncertainty which may cast significant doubt as to the Trust's ability to continue as a going concern and therefore, the Trust may be unable to realise its assets and settle its liabilities in the normal course of business.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Declan O'Callaghan

Declan O'Callaghan
Partner
Chartered Accountants
Sydney, 30 September 2015

The Directors
One Managed Investment Funds Limited
As Responsible Entity of Agricultural Land Trust
Level 11
20 Hunter Street,
Sydney NSW 2000

30 September 2015

Dear Directors

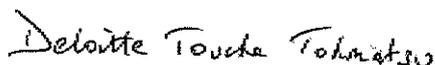
Independence Declaration – Agricultural Land Trust

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of One Managed Investment Funds Limited, the Responsible Entity for the Agricultural Land Trust.

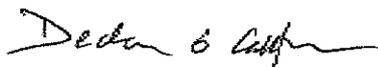
As lead audit partner for the audit of the consolidated financial statements of Agricultural Land Trust for the year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Declan O'Callaghan
Partner
Chartered Accountants

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 25 September 2015.

(a) Substantial Unit holders

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

	Units	%
Mammoth Finance Pty Ltd	30,443,405	31.22
Richtide Investments Pty Ltd	26,017,973	26.68
Elders Finance Pty Ltd	6,037,515	6.19
Emerald Securities Pty Ltd	5,603,364	5.75

(b) Distribution of Unit holders

The numbers of unit holders by size of holding are:

Range of Holdings	Holders	Units	%
1 - 1,000	23	7,218	0.01
1,001 - 5,000	54	161,937	0.17
5,001 - 10,000	81	617,094	0.63
10,001 - 100,000	203	6,294,219	6.45
100,001 - Over	52	90,429,568	92.74
Total	413	97,510,036	100.00

Unit holders holding less than a marketable parcel	99	292,026
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(c) Voting Rights

Each fully paid unit carries voting rights of one vote per unit. All units issued are fully paid.

(d) Twenty largest Unit holders

The names of the 20 largest unit holders of quoted units are:

Name	Units	%
Mammoth Finance Pty Ltd	30,443,405	31.22
Richtide Investments Pty Ltd	26,017,973	26.68
Elders Finance Pty Ltd	6,037,515	6.19
Emerald Securities Pty Ltd	5,603,364	5.75
Ann Cathcart Pty Ltd	3,600,000	3.69
Westralia Property Holdings Pty Ltd	1,760,382	1.81
Mr Simon Robert Evans & Mrs Kathryn Margaret Evans	1,419,227	1.46
Dr Steven G Rodwell	1,397,371	1.43
Indian Ocean Capital (WA) Pty Ltd	1,360,437	1.40
Mrs Liliana Teofilova	1,202,531	1.23
Mrs Thanikeswari Sivananthan	1,155,709	1.19
Mr Ianaki Semerdziev	817,000	0.84
National Nominees Limited	589,028	0.60
Anne Juella Thompson & John Harley Thompson	482,202	0.49
Mr Phillip John Harvey & Ms Geraldine Lucy Harvey	472,045	0.48
Jojaman Pty Ltd	431,550	0.44
Mr Andre Jumabhoy	387,908	0.40
Mr Johannes Henricus Kuyper	385,306	0.40
Mr Clifford Dawson & Mrs Margaret Dawson	351,202	0.36
Mr Tomonari Nakayama	335,439	0.34
Total	84,249,594	86.40