ASX Announcement

3 July 2009

Manager
Company Announcement Office
Australian Stock Exchange
Level 4, 20 Bridge Street
Sydney NSW 2000

Announcement No: POG – 07/09

Special Purpose Financial Statements for Progress 2005-1 Trust

ASX Security Code: POG

Attached are the special purpose financial statements for Progress Trust 2005-1 for the period ended 31 December 2008.

Priority One Agency Services Pty Limited
Level 24, 33 Alfred Street
Sydney NSW 2000 Australia
ABN 40 074 621 131

PROGRESS 2005-1 TRUST
ABN 61 915 215 238

SPECIAL PURPOSE FINANCIAL REPORT
31 DECEMBER 2008

PROGRESS 2005-1 TRUST

TRUSTEE'S REPORT

The financial statements for the year ended 31 December 2008 have been prepared by the Trust Manager, Priority One Agency Services Pty Limited as required by the Trust Deed.

The Auditor of the Trust, Ernst & Young, who has been appointed by us in accordance with the Master Trust deed, has conducted an audit of these financial statements.

A review of the operations of the Trust and the results of those operations for the year ended 31 December 2008 is contained in the Manager's Report.

Based on our ongoing program of monitoring the Trust, the Trust Manager and our review of the financial statements, we believe that:

(i) the Trust has been conducted in accordance with the Trust Deed; and
(ii) the financial statements have been appropriately prepared and contain all relevant and required disclosures.

We are not aware of any material matter or significant change in the state of affairs of the Trust occurring up to the date of this report that requires disclosure in the financial statements and the notes thereto that has not already been disclosed.

For and on behalf of
Perpetual Trustee Company Limited

Sydney 1 / 6 / 2009

PROGRESS 2005-1 TRUST

TRUST MANAGER'S REPORT

The Trust Manager presents its report on the financial statements of the Progress 2005-1 Trust ("the Trust") for the year ended 31 December 2008.

TRUST MANAGER

The Trust Manager of the Trust for the year ended 31 December 2008 was Priority One Agency Services Pty Limited.

PRINCIPAL ACTIVITIES

The principal activity of the Trust during the period was the holding of assets of the Trust and the distribution of principal and finance charge collections to the note holders.

REVIEW OF OPERATIONS

The Trust was established under a Master Trust Deed dated 24 June 1997 and the Trust Series Notice dated 18 April 2005.

FINANCIAL RESULTS AND DISTRIBUTIONS

The change in net liabilities attributable to the unitholders for the period ended 31 December 2008 was $4,003,000 (2007: nil) following a distribution of nil (2007: $4,849,000) to the residual income beneficiary.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS OF THE TRUST

There were no significant changes in the state of affairs of the Trust that occurred during the period, other than those disclosed in this report or the financial statements.

ROUNDING

The Trust is an entity of the kind referred to in the ASIC Class Order 98/100 (as amended) and, in accordance with that order, amounts in the accompanying financial report have been rounded off to the nearest thousand dollars unless stated to be otherwise.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

The Trust Manager is not aware of any other matter or circumstance, not otherwise dealt with in this report or the 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 subsequent financial periods.

LIKELY DEVELOPMENTS

Information about likely developments in the operations of the Trust and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Trust.

ENVIRONMENTAL REGULATIONS

The Trust's operations are not subject to any particular and significant environmental regulation under a law of the Commonwealth or State or Territory.

PROGRESS 2005-1 TRUST

TRUST MANAGER'S REPORT (CONTINUED)

INDEMNIFICATION AND INSURANCE OF MANAGERS AND OFFICERS

Under its Constitution, the Trust indemnifies, to the extent permitted by law, all officers of the Trust, (including the Trust Managers), for any liability (including the costs and expenses of defending actions for an actual or alleged liability) incurred in their capacity as an officer of the Trust.

This indemnity is not extended to current or former employees of the AMP group against liability incurred in their capacity as an employee unless approved by the Board of AMP Limited. During or since the end of the financial year, no such indemnities have been provided.

During the financial year, AMP Group agreed to insure all the officers of the Trust against certain liabilities as permitted by the Corporations Act. The insurance policy prohibits disclosure of the nature of the cover, the amount of the premium, the limit of liability and other terms.

AMP Group Holdings Limited ("AMPGH") has entered into a deed with the manager pursuant to which AMPGH agrees to indemnify, to the extent permitted by law, the Trust Manager against any liability arising out of:

- The conduct of the business of the Trust; and
- The discharge of the Trust Manager's duties as a manager of the Trust.

Signed for and on behalf of Priority One Agency Services Pty Limited
as Trust Manager of the Progress 2005-1 Trust

Sydney 26 May 2009

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 $'000	2007 $'000
Interest income	2	28,958	37,996
Interest expense and similar charges	2	(26,434)	(33,544)
Net interest revenue		**2,524**	**4,452**
Fee and commission income		417	636
Other income and expenses	3	(5,972)	1,105
Operating expenses	4	(972)	(1,344)
Distributions to unitholders		-	(4,849)
Change in net assets/(net liabilities) attributable to unitholders		**(4,003)**	**-**

The above income statement should be read in conjunction with the accompanying notes.

BALANCE SHEET
AS AT 31 DECEMBER 2008

	Notes	2008 $'000	2007 $'000
Assets			
Cash	5	2,995	6,217
Receivables	6	11,461	-
Debt securities in issue	7	-	11,950
Derivative financial assets		-	1,695
Loans to related parties	8	307,042	402,576
Other assets	9	28	34
Total assets		**321,526**	**422,472**
Liabilities			
Debt securities in issue	10	317,253	417,194
Derivative financial liabilities		5,567	1,285
Other liabilities	11	2,709	3,993
Total liabilities		**325,529**	**422,472**
Net assets/(liabilities) attributable to unitholders		**(4,003)**	**-**
Represented by			
Accumulated losses attributable to unitholders	12	**(4,003)**	**-**

The above balance sheet should be read in conjunction with the accompanying notes.

As the Trust has no unitholders funds, there is no Statement of Changes in unitholders funds included in this financial report.

PROGRESS 2005-1 TRUST

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 $'000	2007 $'000
Cash flows from operating activities			
Interest received		29,414	38,552
Interest paid		(26,700)	(33,913)
Fees and commissions received		417	636
Cash payments in course of operations		(968)	(1,327)
Changes in assets and liabilities			
Net decrease/(increase) in loans to related parties		95,081	155,055
Net decrease/(increase) in receivables from related parties		(11,461)	-
Net increase/(decrease) in payables to related parties		(1,285)	1,828
Net decrease/(increase) in other assets		5	-
Net increase/(decrease) in other liabilities		-	(3)
Net cash flows from operating activities	16(b)	**84,503**	**160,828**
Cash flows from investing activities			
Payments for purchase of debt securities		11,950	1,807
Net cash flows from investing activities		**11,950**	**1,807**
Cash flows from financing activities			
Net proceeds from issuance (payments for maturities) of debt securities in issue		(99,675)	(162,459)
Distribution to residual income beneficiary		-	(4,849)
Net cash flows (used in) financing activities		**(99,675)**	**(167,308)**
Net (decrease) in cash held		(3,222)	(4,673)
Cash and cash equivalents at beginning of period		6,217	10,890
Cash and cash equivalents at end of period	16(a)	**2,995**	**6,217**

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

Notes to the Financial Statements
For the year ended 31 December 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report of the Trust for the year ended 31 December 2008 was authorised for issue by the Trust Manager and Trustee in May 2009.

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to the current year and the comparative period unless otherwise stated. The financial report includes financial statements for the Trust as a single entity.

a) Basis of Preparation
Progress 2005-1 Trust was constituted on 18 April 2008 and will terminate on its termination date, 22 April 2035, in accordance with the provisions of the Master Trust Deed.

The entity is not a reporting entity because in the opinion of the Trust Manager there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this special purpose financial report has been prepared in accordance with the Master Trust Deed and the following Australian Accounting Standards:

- AASB 101 'Presentation of Financial Statements';
- AASB 107 'Cash Flow Statements';
- AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors';

Accounting standards include Australian equivalents to International Financial Reporting Standards.

Where necessary, comparative information has been reclassified to be consistent with current period disclosures.

The financial report has been prepared on the historical cost basis, except for derivative assets and liabilities and debt securities in issue, which are at fair value.

Accounting judgements and estimates
In the course of its operations the Trust does not apply judgements or make estimates that significantly affect the amounts recognised in the financial report.

Changes in accounting policy
Since 1 January 2008, the Trust has adopted a number of Australian Accounting Standards and Interpretations which were mandatory for annual periods beginning on or after 1 January 2008. Adoption of these Standards and Interpretations has not had any effect on the financial position or performance of the Trust.

Australian Accounting Standards issued but not yet effective
Australian Accounting Standards that have been issued or amended but are not yet effective have not been adopted for the reporting period ending 31 December 2008. When applied in future periods, these recently issued or amended standards are not expected to have a material impact on the Trust's results, financial position or disclosures other than the following:

- AASB101 (Revised) "Presentation of financial statements": This revised standard introduces a number of amendments that may impact the presentation of the Trust's primary financial statements and notes to the financial statements. The revised standard includes presentation and disclosure alternatives that are yet to be assessed by the Trust. The revised standard will not impact the measurement or recognition of amounts disclosed in the Trust's financial report. The revised standard will be applicable to the Trust from 1 January 2009.

b) Interest income and expense
Interest income and expense for all financial instruments measured at amortised cost is recognised in the income statement using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, cash flows are estimated based upon all contractual terms of the financial instrument (for example, prepayment options) but do not consider future credit losses. The calculation includes all fees and other amounts paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

c) Fees and commissions income
Fees and commissions represent cost recovery or charges for services and are generally recognised on an accruals basis when the service has been provided.

d) Operating expenses
Operating expenses are expensed as incurred.

Notes to the Financial Statements (continued)
For the year ended 31 December 2008

e) Cash and cash equivalents
For the purpose of the balance sheet, cash comprises cash on hand that is available on demand and deposits held at call with financial institutions. Cash on hand, deposits at call and bank overdrafts are recognised at the face value or gross value of the outstanding balance.

For the purposes of the cash flow statement, cash comprises cash on hand that is available on demand, deposits held at call with financial institutions and other highly liquid investments not subject to significant risk of change in value with short periods to maturity, net of outstanding bank overdrafts.

f) Financial assets
Debt securities
All debt securities are classified as held to maturity investments. Held to maturity investments are non derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. If the Trust sold more than an insignificant amount of held to maturity assets, the entire holding of held to maturity assets would be reclassified as available for sale. Held to maturity investments are initially recognised at fair value plus directly attributable transaction costs and are subsequently valued at amortised cost using the effective interest method, less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate.

Loans to related parties
Loans to related parties are initially recognised at fair value, net of directly attributable incremental transaction costs. After initial recognition loans are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the loan using the effective interest method. Early termination or re-structuring costs or revenue relating to loans is recognised in the income statement in the period in which they are incurred or earned.

g) Impairment of assets
Assets measured at fair value, where changes in value are reflected in the income statement, are not subject to impairment testing. All other financial assets are reviewed each balance date to determine whether there is objective evidence of impairment.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value (including realisation costs) and its value in use.

h) Financial liabilities
Financial liabilities are initially recognised at fair value net of directly attributable incremental transaction costs. After initial recognition, financial liabilities are subsequently measured at amortised cost. Any difference between the proceeds net of transaction costs and the redemption amount is recognised in the income statement over the life of the financial liability using the effective interest method.

Debt securities in issue
The Trust as part of its securitisation activities, issues long term debt to wholesale debt market counterparties. The Trust hedges interest rate risk on certain debt issues.

i) Derivative financial instruments and hedge accounting
The Trust is exposed to changes in interest rates. To mitigate the risk arising from this exposure the Trust uses derivative financial instruments such as basis swaps. Swaps are held for risk and asset management purposes within mandates only and not for the purpose of speculation. The Trust does not hold a derivative trading portfolio.

Derivatives are initially recognised in the balance sheet at fair value on the date on which a derivative contract is entered into and are subsequently measured to their fair value. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Changes in the fair value of any derivative financial instruments are recognised in the income statement in the year in which they arise.

Fair value estimation
The fair value of financial instruments traded in active markets (such as publicly traded derivatives and available for sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held is the current bid price; the quoted market price for financial liabilities is the current offer price.

The fair value of financial instruments that are not traded in an active market (for example over the counter derivatives) is determined using valuation techniques, including net present value, discounted cash flow method and comparison to quoted market prices or dealer quotes for similar instruments. Inputs into the models are market observable.

Notes to the Financial Statements (continued)
For the year ended 31 December 2008

i) Derivative financial instruments and hedge accounting (continued)

Derivatives that do not qualify for hedge accounting
Certain derivative financial instruments do not qualify for hedge accounting. Changes in the fair value of any derivative financial instrument that does not qualify for hedge accounting are recognised in the income statement in the period in which they arise.

j) Income Tax
Under current income tax legislation, the Trust is not liable to pay income tax on that part of taxable income, which is distributed to beneficiaries of the Trust. Taxable losses cannot be distributed to beneficiaries of the Trust.

k) Rounding
All amounts in the financial report have been rounded to the nearest thousand dollars, unless stated to be otherwise.

l) Goods and Services Tax (GST)
All revenues, expenses and assets are recognised net of any GST paid, except where they relate to products or services which are input taxed for GST purposes or where the GST incurred is not recoverable from the relevant tax authorities. In such circumstances, the GST paid is recognised as part of the cost of acquisition of the asset or as part of the particular expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the tax authorities is included as a receivable or payable in the balance sheet.

Cash flows are reported on a gross basis reflecting any GST paid or collected. The GST component of cash flows arising from investing or financing activities, which are recoverable from, or payable to, the local tax authorities are classified as operating cash flows.

m) Receivables
Receivables from related parties are recognised at amortised cost and are non interest bearing assets.

n) Other assets
Other assets are recognised at amortised cost and include interest receivable on derivatives and other sundry assets.

o) Other liabilities
Other liabilities are valued at amortised cost and include accrual interest on term borrowings, sundry creditors and interest payable on derivatives.

p) Net assets/liabilities attributable to unitholders

Accumulated losses are incurred by the Trust and remain in the Trust. The losses incurred by the Trust are in relation to derivative financial instruments and hedge accounting further described in note 1(i). These are timing issues which will reverse in future years as the fixed rate interest period in loans expire.

q) Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal trading operations and the realisation of assets and settlement of liabilities in the ordinary course of business.

The ability of the Trust to continue to pay its debts as and when they fall due is dependant upon the continuing financial support from financiers positive cashflows and profitable operations. Given that the Trust and its related parties have sufficient financing facilities, the directors of the Trust Manager company are of the opinion that the Trust is a going concern and can pay its debts as and when they fall due.

Notes to the Financial Statements (continued)

For the year ended 31 December 2008

2. NET INTEREST INCOME

	2008 $'000	2007 $'000
Interest income		
Cash at bank	528	864
Investment securities	282	740
Loans to related parties	28,148	36,392
	28,958	**37,996**
Interest expense and similar charges		
Debt securities in issue	26,434	33,544
	26,434	**33,544**
Net interest income	**2,524**	**4,452**

3. OTHER INCOME AND EXPENSES

	2008 $'000	2007 $'000
(Losses) / gains on fair value of derivatives	(5,975)	1,087
Other income	3	18
	(5,972)	**1,105**

4. OPERATING EXPENSES

	2008 $'000	2007 $'000
Trust manager fees	110	152
Service fees	805	1,112
Trustee fees	57	80
	972	**1,344**

5. CASH

	2008 $'000	2007 $'000
Cash at bank	2,995	6,217
	2,995	**6,217**

Notes to the Financial Statements (continued)
For the year ended 31 December 2008

6. RECEIVABLES

	2008 $'000	2007 $'000
Receivables from related parties	11,461	-
	11,461	-

7. INVESTMENT SECURITIES

	2008 $'000	2007 $'000
Unlisted debt securities	-	11,950
	-	**11,950**

8. LOANS

	2008 $'000	2007 $'000
Loans to related parties	307,042	402,576
	307,042	**402,576**

Loans to related parties represent loans receivable from AMP Bank Limited.

Under the terms of the Master Trust Deed, AMP Bank Limited assigns mortgage loan assets from AMP Bank Limited to the Warehouse Trusts. In 2005, the mortgage loan assets were subsequently transferred from the Warehouse Trusts to Progress 2005-1 Trust.

Although the loans have been equitably assigned to the Trust, the majority of the risks and rewards relating to these assets have been assessed as remaining with AMP Bank Limited.

Accordingly, the assignment of the mortgage loans from AMP Bank Limited to the Trust does not meet the derecognition requirements set out in current accounting standards. For the year ended 31 December 2008 the loans have been recognised as mortgage loan assets in the financial statements of AMP Bank Limited with a corresponding liability payable to the Trust. The recognition of these amounts as loans to related parties in the Trust ensures consistency in reporting.

The terms, conditions and maturity profile of the loans receivable from AMP Bank Limited are consistent to those of the mortgage loan assets.

As Progress 2005-1 Trust has been equitably assigned the mortgage loans, the Trust has entered into, in accordance with the Master Trust Deed, various facilities and arrangements relating to the mortgage loans including a redraw facility.

9. OTHER ASSETS

	2008 $'000	2007 $'000
Interest payable	3	6
Other assets	25	28
	28	**34**

Notes to the Financial Statements (continued)
For the year ended 31 December 2008

10. DEBT SECURITIES IN ISSUE

	2008 $'000	2007 $'000
Term Borrowings [1]	317,253	417,194
	317,253	**417,194**

Footnote:

(1) Term borrowings consist of the following:
Class 1A floating rate notes due April 2035 A$301,368,427 (2007: A$396,172,218) at BBSW plus 0.18%
Class B floating rate notes due April 2035 A$15,483,783 (2007: A$20,354,635) at BBSW plus 0.30%.
As security for the obligations to the note holders the Trustee grants a charge over the assets of the Trust to the Security Trustee.

11. OTHER LIABILITIES

	2008 $'000	2007 $'000
Payables to related parties	2,709	3,993
	2,709	**3,993**

12. ACCUMULATED LOSSES

	2008 $'000	2007 $'000
Accumulated losses at beginning of year	-	-
Change in net assets/(liabilities) attributable to unit holders	(4,003)	-
Accumulated losses at end of year	**(4,003)**	**-**

13. UNITS ON ISSUE

	2008 Number	2008 $	2007 Number	2007 $
Residual capital units	10	50	10	50
Residual income units	1	5	1	5

Residual Capital Units
The beneficial interest held by the holders of the Residual Capital Units is limited to the Trust and each asset of the Trust (other than any asset of the Trust on Trust for the holders of Residual Income Units). Residual Capital Units have no right to receive distributions in respect of the Trust other than the right to receive on the termination of the Trust the issue price paid for the Residual Capital Unit and the entire beneficial interest of the Trust subject to the right of the holders of Residual Income Units.

Residual Income Units
The beneficial interest held by the holder of a Residual Income Unit is limited to the right to receive distributions. A Residual Income Unit must not be issued to any person unless that person is also then the holder of a Residual Capital Unit.

PROGRESS 2005-1 TRUST

Notes to the Financial Statements (continued)
For the year ended 31 December 2008

14. AUDITORS' REMUNERATION

The Trust's audit fees are paid by AMP Bank Limited.

15. COMMITMENTS

Commitments to provide credit

	2008 $'000	2007 $'000
Redraws on existing loans and advances	93,708	99,642
	93,708	**99,642**

The obligation to provide redraws to existing mortgage holders is revocable.

16. NOTES TO THE STATEMENT OF CASH FLOWS

a) Reconciliation of cash and cash equivalents	2008 $'000	2007 $'000
Cash (note 5)	2,995	6,217
Cash equivalents	-	-
Cash at end of year	**2,995**	**6,217**

b) Reconciliation of changes in net assets/(liabilities) attributable to unitholders to net cash provided by operating activities

Change in net assets/(liabilities) attributable to unitholders	(4,003)	-
Non cash items:		
Unrealised fair value movement of derivatives	5,976	(1,087)
Trust distribution made to residual income beneficiary	-	4,849
Net decrease/(increase) in interest receivable	456	555
Net increase /(decrease) in interest payable	(266)	(369)
Net decrease/(increase) in loans and advance	95,081	155,055
Net increase/(decrease) in payables to related parties	(1,285)	1,828
Net decrease/(increase) in receivables from related parties	(11,461)	-
Net decrease/(increase) in other assets	5	-
Net increase/(decrease) in other liabilities	-	(3)
Net cash flows from operating activities	**84,503**	**160,828**

c) AMP Bank Limited has provided the Trust with a standby liquidity facility.

17. EVENTS AFTER REPORTING DATE

At the date of this report, the Trust Manager is not aware of any matter or circumstance that has arisen since the end of the period which has significantly affected or may significantly affect the operations of the Trust, the results of its operations or its state of affairs.

PROGRESS 2005-1 TRUST

TRUST MANAGER'S DECLARATION

In the opinion of the Trust Manager:

(a) the financial statements set out on pages 4 to 13 are drawn up in accordance with the basis of accounting described in Note 1 so as to present fairly the results of the operations and cash flows for the year ended 31 December 2008, and the state of the affairs of the Trust as at 31 December 2008;

(b) the Trust has operated during the year ended 31 December 2008 in accordance with the provisions of the Master Trust Deed dated 24 June 1997; 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.

For and on behalf of Priority One Agency Services Pty Limited as Trust Manager of the Progress 2005-1 Trust

26 May 2009

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Independent auditor's report to the unitholders of Progress 2005-1 Trust

We have audited the accompanying special purpose financial report of Progress 2005-1 Trust, which comprises the balance sheet as at 31 December 2008, and the income statement and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Manager's Declaration.

Trust Manager's Responsibility for the Financial Report

The Trust Manager is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the Trust Deed and are appropriate to meet the needs of the unitholders. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trust Manager, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to the unitholders for the purpose of fulfilling the Trust Manager's financial reporting requirements under the Trust Deed. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the unitholders, or for any purpose other than that for which it was prepared.

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

Independence

In conducting our audit we have met the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Progress 2005-1 Trust as of 31 December 2008 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Ernst + Young

Ernst & Young

Andrew Harmer
Sydney
26 May 2009