

AUSTRALIAN FORESTRY MANAGEMENT

2004 LAND TRUST

ARSN 108 942 981

ANNUAL FINANCIAL REPORT

30 JUNE 2015

Responsible Entity:
AgriWealth Capital Limited
ABN 14 126 768 090
Level 1, 20 Young Street
NEUTRAL BAY NSW 2089

Australian Forestry Management 2004 Land Trust

DIRECTORS' REPORT

The directors of Agriwealth Capital Limited, "the Responsible Entity," of the Australian Forestry Management 2004 Land Trust ("the Trust"), present their report together with the financial report of the Trust for the year ended 30 June 2015.

Responsible Entity

Agriwealth Capital Limited is an unlisted public company incorporated under the Corporations Act 2001 and holds an Australian financial services licence.

Principal activities

The Trust is part of a registered managed investment Trust domiciled in Australia. The principal activity of the Trust is to invest in timber plantation land to earn rent in the form of licence fees from growers who are entitled to grow trees on the land owned by the Trust and to participate in any gain from appreciation in land values.

Directors

The names of the directors of the Responsible Entity, Agriwealth Capital Limited, during or since the end of the year are:

- Wayne C Jones
- Hugh L Dunchue
- John A Leslie

Review of operations

The Trust continued to hold land which has been licensed to growers in the Australian Forestry Management 2004 Plantation Investment.

Results and distribution

	30 June 2015	30 June 2014
	\$	\$
Profit attributable to unitholders	-	-
Distribution paid and payable	-	-
Distribution (dollars per unit)	-	-

Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Trust that occurred during the financial year under review.

Matters subsequent to the end of the financial year

Except as disclosed previously, no other matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect:

- the operation of the Trust in future financial years; or
- the result of those operations in future financial years; or
- the state of affairs of the Trust in future financial years.

**Australian Forestry Management
2004 Land Trust**

DIRECTORS' REPORT (continued)

Likely developments and expected results of operations

No developments are likely to take place in relation to the land owned by the Land Trust until after the timber produce from the Plantation Investment is sold.

Indemnification and insurance of the trustee

No insurance premiums are paid out of the assets of the Trust in regards to insurance cover to either the Responsible Entity or the auditors of the Trust. Under the Trust's Constitution, in addition to any indemnity under any law, the Responsible Entity is entitled to be indemnified out of the assets of the Trust on a full indemnity basis, in respect of a matter, unless, in respect of that matter, the Responsible Entity has acted negligently, fraudulently or in breach of trust or the indemnity is not otherwise available under law.

The Responsible Entity has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Responsible Entity or of any related body corporate against a liability incurred as such by an officer or auditor.

Fees paid to and interests held in the trust by the responsible entity or its associates

No fees were paid to the Responsible Entity, its directors or associates out of Trust property during the financial year. The Responsible Entity is entitled to be reimbursed for expenses borne by it on behalf of the Trust.

The number of interests in the Trust held by the Responsible Entity or its associates as at the end of the year are disclosed in Note 7 of the financial statements.

Interests in the trust

The movement in interests on issue in the Trust during the year ended 30 June 2015 is set out below:

	30 June 2015 Units	30 June 2014 Units
Opening balance	589	589
Units issued	-	-
Units redeemed	-	-
Total units on issue	<u>589</u>	<u>589</u>

Options

No options were granted to the Responsible Entity over unissued units in the Trust.

**Australian Forestry Management
2004 Land Trust**

DIRECTORS' REPORT (continued)

Carrying value of assets

	30 June 2015	30 June 2014
	\$	\$
Carrying value of assets in the Trust	<u>294,500</u>	<u>294,500</u>

The value of the Trust's assets as at the end of the financial year is disclosed in the Balance Sheet as "Total Assets" and the basis of valuation is included in Note 1 to the financial statements.

Environmental regulations

The Land Trust is subject to environmental regulation for all activities conducted on land that it owns, primarily through the Plantations and Reafforestation Act 1999, which supports the establishment of plantations on essentially cleared land, while safeguarding environmental values.

The Act and associated Code are regulated by the NSW Department of Primary Industries. The Trust also has obligations under the NSW Pesticides Act 1999 for chemical usage on plantations and bush fire management obligations under the Rural Fires Act 1977. In addition, the Trust is subject to Rural Lands Protection Board requirements regarding management of noxious weeds and animals, and normal local government requirements regarding noise and dust management.

The Manager, Australian Forestry Management Pty Limited, which is a related entity of the Responsible Entity, has complied with all applicable obligations during the financial year.

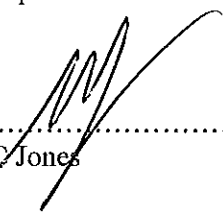
Proceedings on behalf of the Trust


No person has applied for leave of court to bring proceedings on behalf of the Trust or intervene in any proceedings to which the Responsible Entity is a party for the purpose of taking responsibility on behalf of the Trust for all or any part of those proceedings. The Trust was not a party to any such proceedings during the year.

Auditor's independence declaration

The auditor's independence declaration is included on page 5.

This report is made in accordance with a resolution of the Directors made pursuant to s 298(2) of the Corporations Act 2001 :


.....
Wayne C Jones
Director
Sydney


.....
John A Leslie
Director
Sydney

29 September 2015

GRAEME GREEN FCA
CHARTERED ACCOUNTANT

ABN 77 823 539 909

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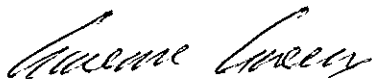
AUDITOR'S INDEPENDENCE DECLARATION

AUSTRALIAN FORESTRY MANAGEMENT 2004 LAND TRUST ARSN 108 942 981

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of the Responsible Entity, Agriwealth Capital Limited.

I declare that, to the best of my knowledge and belief, during the year ended 30 June, 2015, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit of the Australian Forestry Management 2004 Land Trust ; and
- (ii) any applicable code of professional conduct in relation to the audit.



Graeme Green FCA
Register Company Auditor
No. 15169

Dated in Sydney on 29 September, 2015.

**Australian Forestry Management
2004 Land Trust**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	30 June 2015	30 June 2014
	\$	\$
Revenue		
Total income	<u>-</u>	<u>-</u>
Expenses		
Total expenses	<u>-</u>	<u>-</u>
Profit attributable to unitholders	<u>-</u>	<u>-</u>
Distribution to unitholders	-	-
Net Profit attributable to unitholders	<u>-</u>	<u>-</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

	Retained earnings	Interests of Unitholders
	\$	\$
Opening balance at 1 July 2013	-	294,500
Profit/(loss) attributable to members	-	-
Balance at 30 June, 2014	<u>-</u>	<u>294,500</u>
Profit attributable to members	-	-
Balance at 30 June, 2015	<u>-</u>	<u>294,500</u>

The above Statement of Comprehensive Income and Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Australian Forestry Management
2004 Land Trust**

**BALANCE SHEET
AS AT 30 JUNE 2015**

	Note	30 June 2015 \$	30 June 2014 \$
Assets			
Current Assets			
Cash & cash equivalents	3	-	-
Total Current Assets		<u>-</u>	<u>-</u>
Non Current Assets			
Investment property	4	<u>294,500</u>	<u>294,500</u>
Total Non Current Assets		<u>294,500</u>	<u>294,500</u>
Total Assets		<u>294,500</u>	<u>294,500</u>
Liabilities			
Total Liabilities (excluding liabilities attributable to unitholders)		<u>-</u>	<u>-</u>
Net Assets attributable to unitholders	5	<u>294,500</u>	<u>294,500</u>
Interests of Unit Holders		<u>294,500</u>	<u>294,500</u>

The above Balance Sheet should be read in conjunction with the accompanying notes.

**Australian Forestry Management
2004 Land Trust**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	30 June 2015 \$	30 June 2014 \$
Net cash flows from operating activities	8	-	-
Net cash flows from investing activities		-	-
Net cash flows from financing activities		-	-
Net (decrease)/increase in cash held		-	-
Cash at the beginning of the period		-	-
Cash at the end of the period	3	-	-

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

**Australian Forestry Management
2004 Land Trust**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers the Australian Forestry Management 2004 Land Trust (“the Trust”) which was registered as a managed investment Trust under Chapter 5C of the Corporations Act 2001 on 4 May 2004, established and domiciled in Australia. Under its Constitution, the Trust will terminate on the earlier of:

- the 80th anniversary of the date of the Trust Constitution less one day;
- a date specified by the Responsible Entity as the date the Trust will terminate in a notice given to unitholders; and
- the date on which the Trust is terminated in accordance with another provision of the Constitution or by operation of law.

Land that has been acquired by the Trust is encumbered by licences to the growers (being predominantly investors) in the Australian Forestry Management 2004 Plantation Investment (“Plantation Investment”) for forestry plantation purposes. The Plantation Investment is a managed investment Trust with the same Responsible Entity as the Trust.

The financial statements were authorised for issue on 29 September 2015 by the directors of the responsible entity.

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations of the Australian Accounting Standards Board, the Corporations Act 2001, and the Trust’s Constitution. The Trust is a for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and investments in money market instruments which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of bank overdrafts.

**Australian Forestry Management
2004 Land Trust**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015 (continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Investment property

Investment property, comprising land is initially recognised at acquisition cost and measured at cost in subsequent periods unless the carrying amount of land is greater than its recoverable amount. When such instances occur, the land will be written down to its recoverable amount and the decrement recognised as an expense in the statement of comprehensive income in the reporting period in which the recoverable amount write-down occurs. For the purpose of this calculation the recoverable amount is based upon unencumbered value.

c) Unitholders' funds

Under accounting standard AASB 132 'Financial Instruments: Disclosure and Presentation' unitholders' funds are regarded as liabilities as there is no unconditional right to avoid settling a contractual obligation to pay out the Trust's equity to unitholders' at the end of the life of the Trust.

d) Investment income and expenses

The Trust is entitled to rental revenue equal to 9.5% of the net final harvest proceeds of the Plantation Investment. Rental income is recognised when it can be reliably measured, which is expected to coincide with the final harvest in approximately 26 years from planting.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instruments.

e) Income tax

Under current legislation, the Trust is not subject to income tax provided the distributable income of the Trust is fully distributed either by way of cash or reinvestment (i.e. unitholders are presently entitled to the income of the Trust).

f) Distributions

In accordance with the Trust Constitution, the Trust fully distributes its distributable income to unitholders by cash or reinvestment. Distributable income is determined by reference to the taxable income of the Trust.

g) Transfers to/from unitholders' funds

Non-distributable income is transferred directly to unitholders' funds and may consist of accrued income not yet assessable, expenses provided or accrued for which are not yet deductible, net capital losses and tax free or tax deferred income. Net capital gains on the realisation of any investments (including any adjustments for tax deferred income previously taken directly to unitholders' funds) and accrued income not yet assessable will be included in the determination of distributable income in the same year in which it becomes assessable for tax.

**Australian Forestry Management
2004 Land Trust**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015 (continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Applications and redemptions

Applications received for units in the Trust are recorded net of any entry fees payable prior to the issue of units in the Trust. Under the Constitution, the Responsible Entity is entitled, but not obliged, to redeem units in the Trust. In the event that the Responsible Entity determines that the Trust is liquid (as defined in the Constitution) or the Trust ceases to be registered as a managed investment trust, then the Responsible Entity will be obliged to redeem units in accordance with the terms of the Constitution.

i) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the assets or as part of an item of expenses. Receivables and Payables in the balance sheet are shown inclusive of GST.

j) Comparative figures

When required by the Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

k) Critical accounting estimates and judgements

The trustees evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the trust.

l) Adoption of new and revised accounting standards

During the current year, the Trust has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

m) New accounting standards

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates. Where early adoption is permitted, there has been no early adoption by the Trust. In respect of the more applicable Accounting Standards and Interpretations, a discussion of those changed requirements and their impact on the Trust is as follows.

**Australian Forestry Management
2004 Land Trust**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015 (continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m) New accounting standards (continued)

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2018).

These Standards will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Trust on initial application of AASB 9 include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

AASB 9 is not expected to significantly impact the Trust's financial statements.

- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2017).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise 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 exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identity the contract(s) with a customer;
- identity the performance obligations in the contract(s);
- determine the transaction price;

**Australian Forestry Management
2004 Land Trust**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015 (continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m) New accounting standards (continued)

- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

Although the directors anticipate that the adoption of AASB 15 may have an impact on the Scheme's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

2. AUDITOR'S REMUNERATION

Auditor's remuneration of \$1,500 (2014: \$1,450) for the audit of these annual financial statements and the Trust's compliance plan was charged to, and is to be paid by, the Responsible Entity from its own resources and is not paid out of assets of the Trust.

3. CASH

	30 June 2015	30 June 2014
	\$	\$
Cash on deposit	-	-

4. INVESTMENT PROPERTY

	30 June 2015	30 June 2014
	\$	\$
Land (at cost)	294,500	294,500

The current market value of the land is estimated to be in the order of \$248,000 due to it being encumbered by Forestry Rights Interests until the plantations are harvested in 26 to 31 years from planting (2005). As the term of the Forestry Rights Interests reduces, it is expected that the market value of the land will increase. Accordingly, after the Forestry Rights Interests cease (being after harvesting) it is expected that the market value of the land will then exceed cost.

**Australian Forestry Management
2004 Land Trust**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015 (continued)**

5. AMOUNTS ATTRIBUTABLE TO UNITHOLDERS

	30 June 2015 Units	30 June 2015 \$	30 June 2014 Units	30 June 2014 \$
Opening balance	589	294,500	589	294,500
Applications	-	-	-	-
Closing balance	<u>589</u>	<u>294,500</u>	<u>589</u>	<u>294,500</u>

6. SEGMENT INFORMATION

The Trust operates solely in the business of investing in timber plantation land in Australia.

7. RELATED PARTIES

Responsible entity

The Responsible Entity is a wholly owned subsidiary of Aspiring MIS Limited.

Key management personnel (“KMP”)

The Trust does not employ personnel in its own right. However, it is required to have an incorporated Responsible Entity to manage the activities of the Trust. The key management personnel are directors of the Responsible Entity. During the year ended 30 June 2015, key management personnel were paid by a related entity of the Responsible Entity.

No compensation is paid directly by the Trust to any of the key management personnel of the Responsible Entity. No payments made by the Trust are directly attributable to the compensation of key management personnel.

The names of the directors of the Responsible Entity, Agriwealth Capital Limited, during or since the end of the year are:

- Wayne C Jones
- Hugh L Dunchue
- John A Leslie

Responsible entity’s transactions

The Responsible Entity has not received any fees from the Trust for its services. The Responsible Entity is however, entitled to recover any expenses reasonably and properly incurred in connection with the operation of the Trust out of any interest earned by the Trust. No amount was recovered from interest earned by the Trust during the year or the prior year.

**Australian Forestry Management
2004 Land Trust**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015 (continued)**

7. RELATED PARTIES (continued)

On 5 July 2006, the Trust acquired the beneficial interest in the land associated with the plantations established under the Australian Forestry Management 2004 Plantation Investment from the Responsible Entity at a cost of \$294,500 (excluding GST) or \$323,950 (including GST) which equates to \$500 per land trust unit.

Unit holdings

The following table outlines the interests of those unitholders who were directors of the Responsible Entity in the Trust during the financial year.

	Number of interests held as at 30 June 2015	Percentage interest held as at 30 June 2015	Number of interests held as at 30 June 2014	Percentage interest held as at 30 June 2014
Wayne C Jones	20	3.42%	20	3.42%

Directors loans

No loans have been made to the directors by the Responsible Entity. However, in connection with the Trust, and as set out in the Product Disclosure Statement, Arrow Funding Pty Limited (being a related company of the previous Responsible Entity), provided finance facilities to approved investors in the Trust. Finance facilities were provided to those directors, who were directors at any time during the year, holding interests in the Trust for the full amount of application fees. Arrow Funding Pty Limited ceased to be a related party of the previous Responsible Entity on 7 July 2006.

8. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of profit for the year to net cash provided by operating activities

	30 June 2015	30 June 2014
	\$	\$
Net profit	-	-
Net cash provided by operating activities	<u>-</u>	<u>-</u>

9. FINANCIAL INSTRUMENTS

Interest rate risk

All assets and liabilities are non-interest bearing.

**Australian Forestry Management
2004 Land Trust**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015 (continued)**

10. SUBSEQUENT EVENTS

No other matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect:

- the operation of the Trust in future financial periods; or
- the result of those operations in future financial periods; or
- the state of affairs of the Trust in future financial periods.

11. COMMITMENTS

The Trust did not have any outstanding commitments as at 30 June 2015.

12. CONTINGENT LIABILITIES

The Trust has no contingent liabilities which, either individually or as a category of commitments or contingent liabilities, are material.

13. ADDITIONAL INFORMATION

Agriwealth Capital Limited, an unlisted public company incorporated and operating in Australia, is the Responsible Entity of the Trust

Principal registered office:

Level 1, 20 Young Street
Neutral Bay, NSW 2089

Principal place of business:

Level 1, 20 Young Street
Neutral Bay, NSW 2089

**Australian Forestry Management
2004 Land Trust**

DIRECTORS' DECLARATION

The Directors of the Responsible Entity declare that the financial statements and notes of the Trust as set out on pages 6 to 16:

- (a) comply with the Trust's Constitution; the Corporations Act 2001; and, Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements constitutes compliance with International Financial Reporting Standards (IFRS); and,
- (b) give a true and fair view of the Trust's financial position as at 30 June 2015 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended 30 June 2015.

In the Directors' opinion:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001; and
- (b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

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

.....
Wayne C Jones
Director
Sydney

.....
John A Leslie
Director
Sydney

29 September 2015

**INDEPENDENT AUDITOR'S REPORT
TO THE UNIT HOLDERS OF
AUSTRALIAN FORESTRY MANAGEMENT 2004 LAND TRUST**

Report on the Financial Report

I have audited the accompanying financial report of Australian Forestry Management 2004 Land Trust (the "Scheme"), which comprises the balance sheet as at 30 June 2015, the statement of comprehensive income, the statement of changes in equity, and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Responsible Entity.

Directors' Responsibility for the Financial Report

The directors of Agriwealth Capital Limited, the responsible entity of the Scheme, 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 is free from material misstatement, whether due to fraud or error.

In Note 1, the directors also state, in accordance with Accounting Standard 101: Presentation of Financial Statements that the financial statements comply with the International Financial Reporting Standards.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control 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 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

GRAEME GREEN FCA
CHARTERED ACCOUNTANT

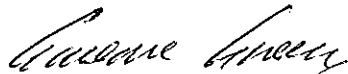
Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*. I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Responsible Entity, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In my opinion:

- a. the financial report of Australian Forestry Management 2004 Land Trust is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Scheme'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 Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.



Graeme Green FCA
Registered Company Auditor
No. 15169

Dated in Sydney on 29 September, 2015