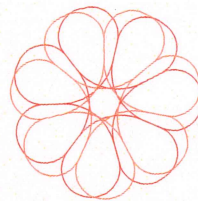


NTIDF

Annual Report

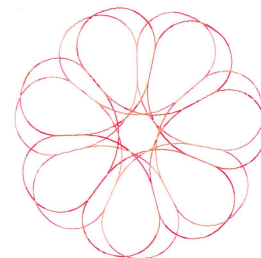
LEGISLATIVE ASSEMBLY OF THE NT
TABLED DOCUMENTS

Committee: *Estimates*
Paper No: *2.1* Date: *28/11/17*
Tabled By: *Manson*
Signed: *Mark*



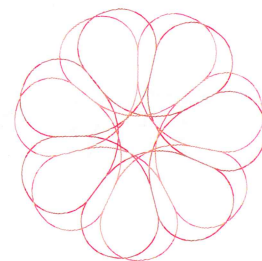
2017

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Chairman's Report



On behalf of the Board, I am pleased to present our annual report on the activities of the NTIDF for the period ended 30 June 2017.



The Northern Territory Infrastructure Development Fund (NTIDF) is now established and fully operational.

We have in place a highly experienced and commercial Board who are committed to the goal of stimulating improved economic outcomes in the Northern Territory.

The Northern Territory Government has expressed its support for the charter and the Board of the Northern Territory Infrastructure Development Fund Limited (the NTIDF Board) and this support has enabled us to continue the work commenced under the previous administration. We are extremely grateful for their support without which the NTIDF could not succeed.

While economic conditions in the Northern Territory and Australia in general present a range of challenges, the requirement for improved infrastructure over a range of industries, remains significant.

Our investment manager, Infrastructure Capital Group, has investigated numerous potential projects across several sectors of the economy, including power generation, aquaculture, water, transport and communications.

It is our intention to continue to pursue opportunities in these sectors and to investigate opportunities in other sectors, including health, education and tourism.

In consultation with the Northern Territory Government, which at the date of this report remains the sole investor in the NTIDF, we have commenced discussions with a range of potential new investors, including Australian superannuation funds and selected international sovereign wealth funds.

We have received initial expressions of interest from a number of these entities with regard to co-investing in major infrastructure projects with the NTIDF.

Similarly, we have had encouraging initial discussions with the Australian Government Office of Northern Australia with a view to potentially co-operating on projects that meet our respective return and investment criteria.

It is important to reiterate that the investment mandate of the NTIDF requires that we only pursue potential investments that meet an appropriate commercial return. However, in all of our investment activities we will give appropriate consideration to socially responsible investment and at all times we will seek to promote economic growth in the Northern Territory.

To this end we have had a number of conversations relating to infrastructure investment in indigenous communities, both urban and remote, and these discussions are on-going.

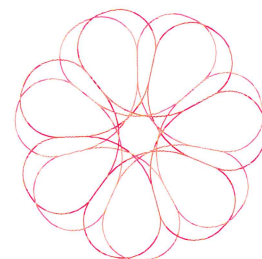
I would like to thank my fellow Directors for their considerable efforts over the last twelve months and I should particularly mention the continued assistance and encouragement of the Department of Treasury and Finance, Northern Territory Government.

I look forward to reporting on our investment progress in the next twelve months.

Les Fallick
Chairman

Northern Territory Infrastructure Development Fund Limited

The NTIDF



Vision, establishment, independence, operations, operational structure, legal structure and financial information.

Vision

The creation of the NTIDF was announced in April 2016 by the Northern Territory Government to build a self-sustaining, diversified portfolio of infrastructure investments that supports the long-term economic growth and development of the Northern Territory, whilst also generating an appropriate risk-adjusted commercial return, in line with other well-performing international diversified infrastructure funds.

The NTIDF has appointed an experienced independent investment manager to manage the investment process on its behalf and for its exclusive benefit. Corporate governance in the NTIDF is of the highest order and all investors, will at all times, be treated equally and fairly.

Establishment

The Northern Territory Government committed \$200 million as the initial cornerstone investor in the NTIDF, with funds provided primarily from the sale of the Territory Insurance Office (TIO).

In late 2015, the Northern Territory Government

endorsed the appointment of an interim NTIDF Board. That Board invited suitably qualified organisations with a proven ability to originate and develop infrastructure investment opportunities to submit an “expression of interest” for the role of Investment Manager of the NTIDF.

In February 2016, the Northern Territory Government stated that six “expression of interest” statements had been received and in April 2016, it was announced that Infrastructure Capital Group (ICG) had been selected as the Investment Manager for the NTIDF.

On completion of significant legal, structural and administration activities and documentation, the NTIDF was established on 29 April 2016 and the initial NTIDF Board of Les Fallick (Chairman), Jodie Ryan, Bill Moss and James Paspaley was appointed. Mark Burgess was appointed as a Director on 17 June 2016.

In September 2016, the new Northern Territory Government confirmed the \$200 million investment in the NTIDF.

Independence

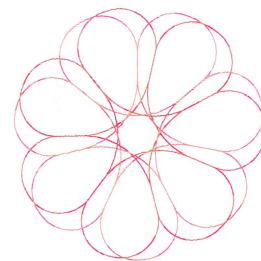
Northern Territory Infrastructure Development Fund Limited is an independent public company, limited by guarantee, which operates at “arms length” from the Northern Territory Government. The NTIDF Board comprises a majority of independent directors. The Northern Territory Government invests in the NTIDF on the same terms and conditions as all other potential investors.

Operations

The principal activities of the NTIDF during the financial period were to set up Northern Territory Infrastructure Development Fund Limited, the operating structure and the trusts in accordance with the provisions of the constitution of the NTIDF and the requirements of the Northern Territory Government. Also, to establish the Darwin office at 19 The Mall, Darwin and commence the investment programme.

The NTIDF is now established and fully operational.





Operational Structure

Northern Territory Infrastructure Development Fund Limited is an independent public company limited by guarantee and established by five individual members, being the five Board members, including the Chairman, three independent Directors and the CEO of the Department of the Chief Minister of the Northern Territory Government.

During the period, the NTIDF Board engaged the following to assist in the operations, control, activities and corporate governance related to the NTIDF:

Investment Manager	Infrastructure Capital Group
Trustee & Custodian	One Investment Group
Company Secretary	Boardroom Pty Ltd
CFO & Public Officer	Aramway Pty Ltd
Auditor	Ernst & Young
Solicitor	King & Wood Mallesons

It is the role of the NTIDF Board to oversee all activities of the NTIDF and ensure that it operates in accordance with the principles set out in the Northern Territory Infrastructure Development Fund Limited Constitution, the trust deed establishing the Northern Territory Infrastructure Development Fund - Asset Trust (NTIDF Asset Trust), the trust deed establishing the Northern Territory Infrastructure Development Fund - Operating Trust (NTIDF Operating Trust), the Investment Management Agreement with ICG and other relevant documentation. Further information is detailed later under Corporate Governance.

ICG, the investment manager of the NTIDF, was contracted by the Trustees of the NTIDF in December 2016 to invest and manage the portfolio of investments within the NTIDF. ICG must exercise all due diligence and vigilance and must act in good faith at all times in the best interests of the NTIDF and the investors. Further information is detailed later under Investment Manager.

It is the role of the Trustees to ensure that the NTIDF adheres to all legislative and regulatory requirements. The Trustees also act as Custodian, holding the legal title to ensure the protection of all NTIDF assets.

One Investment Group provides fund and unit accounting services and registry services. Further information is detailed later under Trustee and Custodian.

Legal Structure

The NTIDF comprises:

- Northern Territory Infrastructure Development Fund Limited
- NTIDF – Asset Trust
- NTIDF – Operating Trust

The NTIDF – Asset Trust is an unregistered managed investment scheme under the Corporations Act 2001. The trust is a for-profit unit trust.

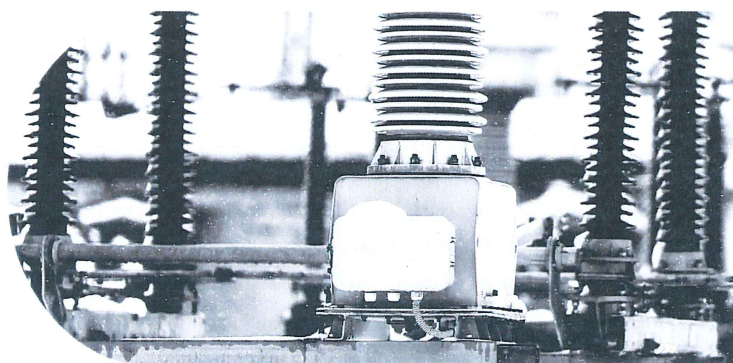
The NTIDF – Operating Trust is an unregistered managed investment scheme under the Corporations Act 2001. The trust is a for-profit unit trust.

One Funds Management Limited, a wholly owned subsidiary of One Investment Group, is the Trustee of each of the Trusts.

The operations of the NTIDF are overseen by the NTIDF Board. Northern Territory Infrastructure Development Fund Limited is a public company, limited by guarantee, under the Corporations Act 2001 and is registered in the Northern Territory.

Financial Information

The financial statements for the period ending 30 June 2017 for the NTIDF – Asset Trust and the NTIDF – Operating Trust are presented as an addendum to this report.



NTIDF Board of Directors

At the establishment of the NTIDF, the Northern Territory Government appointed Les Fallick as the interim Chairman of the NTIDF Board. On the recommendation of the interim Chairman, the Northern Territory Government also appointed three other interim Directors.

It was agreed at that time, and remains the case, that appointments to the NTIDF Board are skills based and that the composition of the Board be reviewed on a regular basis to ensure that the NTIDF Board has the skills and experience required to competently carry out the mandate of the NTIDF.

When the NTIDF structure was established, the Northern Territory Government confirmed the interim appointments as continuing NTIDF Board members.

With the assistance of KPMG, a search process for one or more additional NTIDF Board members took place during the year. As a result of national advertisements an additional Director, Mark Burgess, was appointed to the NTIDF Board in June 2016.

Les Fallick (Chairman)

Les is an experienced non-executive director and has been appointed to more than 30 boards over his career covering a wide range of industries. Les spent over 25 years in superannuation and funds management, specialising in private equity and infrastructure. In addition to his role at NTIDF, Les is currently appointed to the boards of The Fred Hollows Foundation, Indigenous Business Australia Asset Management Limited and Continuity Capital. Les holds an MA and an MLitt in Economics and is a fellow of the Australian Institute of Company Directors.



Jodie Ryan

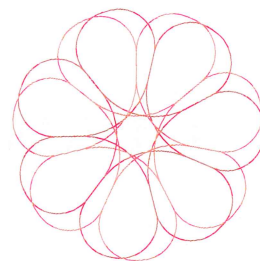
Following her role as Under Treasurer, Jodie was appointed as Chief Executive Officer of the Department of the Chief Minister on 12 December 2016. Jodie had been acting in the position since the change of government in August 2016. Jodie began her career as a graduate with the Northern Territory Government in 1992. Since then, she has worked mainly in the Treasury, becoming Under Treasurer in July 2013 following a five-month placement as Deputy CEO of the Department of the Chief Minister. Jodie has a Bachelor of Business (Accounting) from the Northern Territory University (now Charles Darwin University) and is a Certified Practising Accountant. Jodie is a member of the Charles Darwin University Council.



Bill Moss AO

Bill has over 35 years experience in business, funds management and finance. As the head of the Macquarie Real Estate and Banking Group he managed the establishment of a global funds management business for real estate that managed over \$30 billion of assets in Australia, Europe, USA, Mexico, China and South East Asia. He has been a director of 8 listed fund management entities and over 50 unlisted trusts with assets located throughout the world. He is currently the Chairman and Founder of FSHD Global Research Foundation and Elanor Investors Group.





James Paspaley

James is the CEO and Executive Director of the Paspaley Group of Companies, a family owned business that has been operating for over 75 years. The Paspaley Group includes pearl production and wholesale, aviation, diversified property holdings and development, jewellery retail, agribusiness, viniculture and marine engineering. James holds a Bachelor of Economics from Sydney University, and has broad business experience in the Northern Territory and across Northern Australia, as well as Europe, Asia, the United Arab Emirates and the USA. In 2012, James was appointed the Honorary General-Consul of Japan in Darwin.

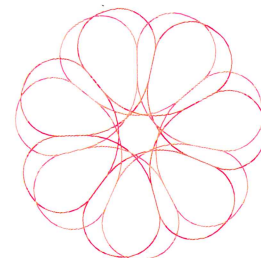


Mark Burgess

Mark has extensive global investment experience leading major asset managers and owners. He was most recently the Managing Director of the Future Fund in Australia, managing over \$115 billion in assets across a global and local portfolio. The Future Fund is a major investor in Australian infrastructure assets. Prior to his last role, he was Executive Vice Chairman and CEO for Credit Suisse Asset Management (EMEA), based in London. For much of his career Mark has been a Global Chief Investment Officer managing investment teams across all markets and asset classes. He holds a degree from University of Melbourne and has worked in London, New York and Australia. Mark holds a B. Comm (Hons), University of Melbourne.



Investment Manager



Infrastructure Capital Group, role, activities, investment considerations, opportunities and responsible investment.

Infrastructure Capital Group (ICG)

ICG is a specialist Australian infrastructure fund manager with over 15 years' experience and a track record of investment in successful and effective infrastructure projects.

Owned and led by some of Australia's most experienced infrastructure investors and operators, including industry veterans Mike Fitzpatrick, John Clarke and Andrew Pickering. ICG manages over \$1.7 billion across three infrastructure funds, on behalf of Australian superannuation funds.

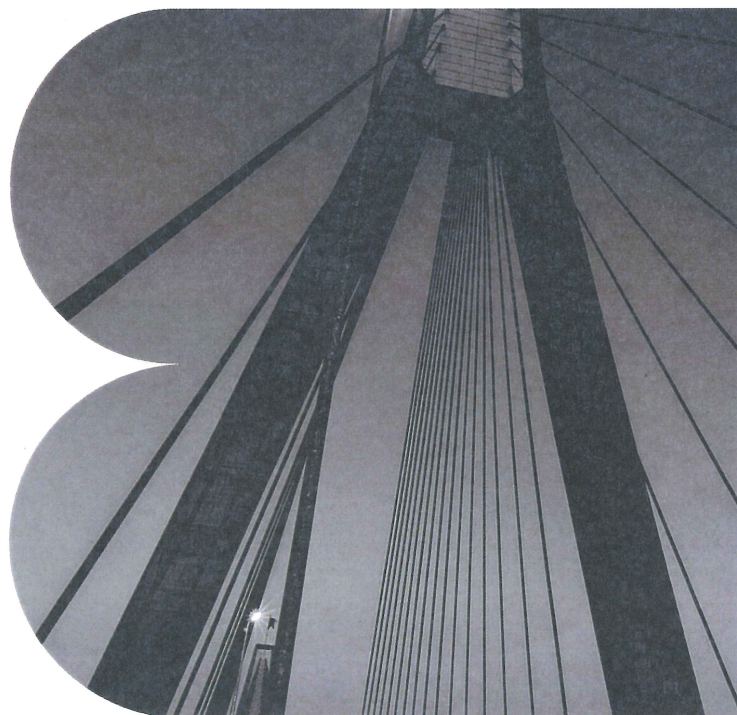
ICG specialises in the origination and investment management of equity investments in the infrastructure and utility sectors. The ICG team has strong specialist capabilities across all infrastructure sub-sectors, including:

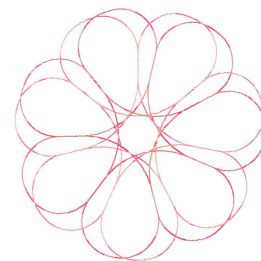
- Regulated assets;
- Transportation assets, including toll roads, ports, airports and rail;
- Utilities and renewable energy;
- Public-private partnerships, including social infrastructure.

ICG has strong development credentials and over its history has successfully made many early stage investments on behalf of clients.

ICG offers the full spectrum of fund management services and investment advisory services to its infrastructure clients, including:

- Management of three infrastructure equity funds;
- Separate accounts offering for larger clients;
- Active management of investments.





Role and Activities of the Investment Manager

ICG was formally appointed in December 2016 following finalisation and signing of a detailed investment management agreement.

ICG is involved in all aspects of the investment process, including the origination, identification and investment in a series of infrastructure projects, which will seek to deliver a risk-adjusted commercial rate of return to investors. The NTIDF Board retains a veto over all investments and disposals.

ICG has established offices in Darwin. The offices are staffed by two dedicated senior ICG staff members with significant experience in infrastructure project identification, analysis, due diligence, financing and commercial negotiations. Additional resourcing support will be provided by the ICG investment teams located in Sydney and Melbourne. The ICG team also has extensive experience in asset and investment management.

ICG has established close contact with Northern Territory Government agencies and departments. In addition, ICG has developed a good working relationship with the staff of the Northern Australia Infrastructure Facility (NAIF) and will work co-operatively with them to progress joint project opportunities, where appropriate.

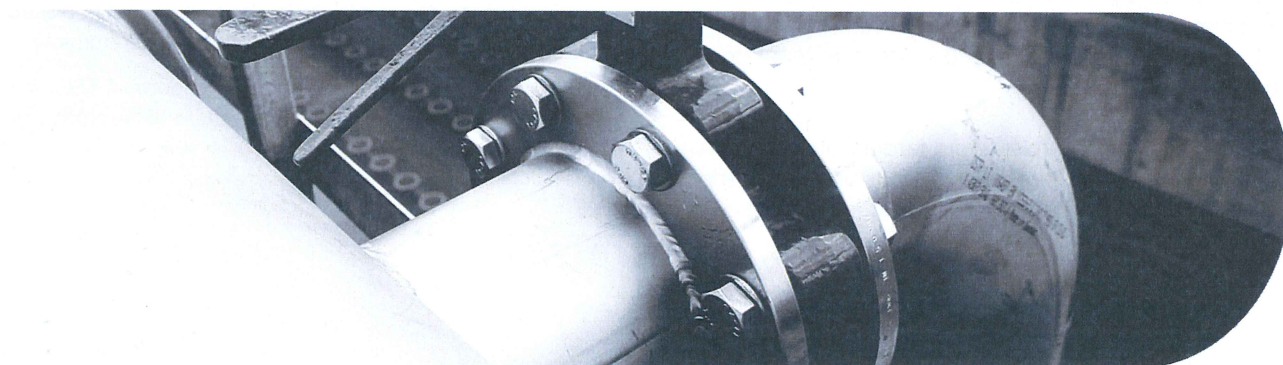
A portfolio of investment opportunities has been identified and is being pursued. This portfolio comprises

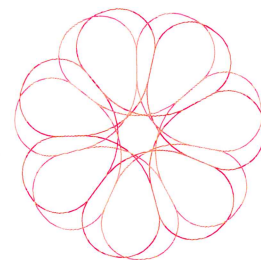
more than 20 opportunities across a wide spectrum of industries, including power, resources, technology and transport. In many cases non-disclosure agreements have been entered into with prospective project proponents. Many projects are at the formative stages and will require significant due diligence prior to an investment decision.

During the period, ICG received 29 investment opportunities and at the date of this report seven investment opportunities are under active review. The potential size of each investment covers a broad range, with a number of early stage partnering and development opportunities that may require staged funding over a period of time. Of the projects under active consideration, a number have the potential for both a more significant long-term investment and development of new industries and expertise within the Northern Territory.

ICG routinely reports to the NTIDF Board on the status of the portfolio of opportunities and its progress on active projects. To date no investment decisions have been recommended to the NTIDF Board.

ICG will actively progress the current portfolio of opportunities and continue its active role in investment origination and execution over the forthcoming year.





Investment Considerations

The investment objective of the NTIDF is to build a diversified portfolio of infrastructure investments that support the long-term economic growth and development of the Northern Territory. The NTIDF will target a sustainable cash yield over the medium term, with relatively low volatility over the long term.

The NTIDF will seek to invest in a diversified portfolio of infrastructure related projects. This may include greenfield developments (new projects), brownfield projects (upgrading or expanding pre-existing facilities), as well as other infrastructure-related investments.

Targeted sectors for the NTIDF include energy, transportation, social, agriculture, tourism and resources infrastructure.

The NTIDF will seek to invest primarily in the Northern Territory, however some investments may be made outside the Northern Territory, such as projects linking the Northern Territory to other states.

There is currently no minimum investment size.

The Investment Manager is required to adhere to particular investment guidelines as set by the NTIDF Board and detailed in the signed investment management agreement.

The NTIDF will be flexible as to the form of investments made, which could be in the form of equity, or for example, in instruments such as convertible notes or preferred equity.

Both majority and minority interests in projects will be considered by the NTIDF. If a minority interest is being made, the NTIDF will seek to have information rights and negative controls, and some form of board representation, if possible.

The NTIDF has commercial return targets. However, the target return on each investment will ultimately depend on the risk profile of the project. Greenfield projects with development risks may require higher returns.

Creation of an Institutional Grade Portfolio of Investment Opportunities

The creation of, and access to, institutional grade infrastructure investment opportunities is critical to the development and success of the NTIDF.

A primary reason for the selection of ICG as the Investment Manager was its proven track record in the origination and sourcing of diversified infrastructure assets in the sectors relevant to the growth and development of the Northern Territory, particularly renewable energy, power generation, gas pipelines, transport and social infrastructure.

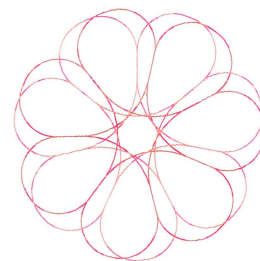
Responsible Investment

Responsible investment is an approach to investing that aims to incorporate environmental, social and governance (ESG) factors into investment decisions, to better manage risk and generate sustainable long-term returns. ICG is a signatory to the Principles of Responsible Investment (PRI), representing a highly recognised commitment to the importance of ESG issues in its investment framework.

The NTIDF Board and ICG consider that the principles of responsible investment and ESG should be part of a robust investment management framework, because:

- ESG factors can impact the probability of meeting investment objectives over the long term by affecting the sustainability of returns;
- ESG factors are a source of risk in investment portfolios that should be managed prudently;
- Investment managers that effectively identify ESG factors and understand how such factors impact on investment returns of each investment are better placed to deliver long-term sustainable investment returns;
- Pursuing investments, which take into account ESG factors is consistent with the objectives of the Northern Territory Government as a long-term investor.

Trustee and Custodian



One Investment Group, Trustee, Custodian registry, accounting and administration.

One Investment Group

One Investment Group is an independent funds management business specialising in providing trustee, custodian, accounting and administration services. The firm is responsible for administering over 200 funds and \$10 billion in a wide range of underlying asset classes, including infrastructure, real estate, equities, fixed income, private equity and fund of funds.

One Investment Group are licensed to act as a Trustee and Custodian for registered and unregistered managed investment schemes, including responsibility for scheme constitutions, administration, compliance and adherence to legislative and regulatory requirements.

Role of the Trustee

It is the role of One Investment Group as the Trustees of the two trusts comprising the NTIDF to ensure that the NTIDF conforms to all legislative and regulatory requirements. It is also responsible for the compliance and governance of the NTIDF - Asset Trust and the NTIDF - Operating Trust. The Trustee will ensure that the trusts operate within their trust deeds, disclosure documents and the law.

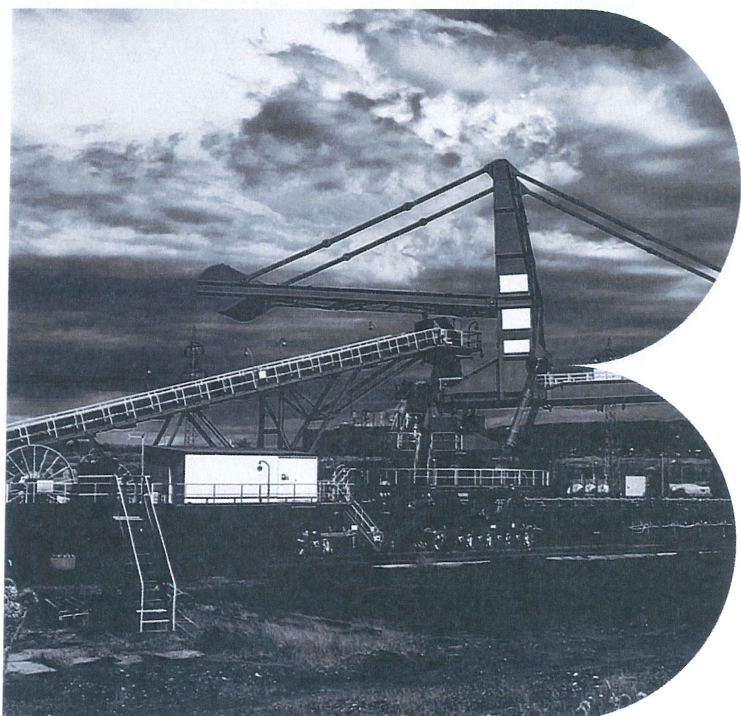
Role of the Custodian

It is the role of One Investment Group as the Custodian of the NTIDF to ensure that all NTIDF assets are managed and safeguarded in a risk-reduced level of effective stewardship.

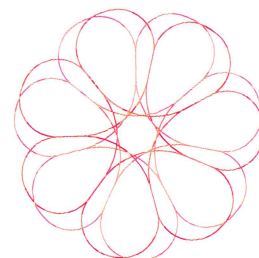
The Custodian ensures that all assets are properly segregated from the assets of other entities and trusts, holds the formal titles to the assets, provides a physical custody of deeds, maintains bank accounts and enters into contracts for the sale and purchase of assets.

Registry Services, Accounting and Administration

One Investment Group also provides registry, accounting and administration services to the NTIDF as required.



Corporate Governance



Regulatory environment, investors, management and oversight, risk management, internal audit, board appointments, remuneration and meetings of directors.

Regulatory Environment

Northern Territory Infrastructure Development Fund Limited (ABN 51 611 734 680) is a registered public company limited by guarantee. It does not hold an Australian financial services (AFS) licence and certain provisions, including the financial product disclosure provisions, of the Corporation Act do not apply to it.

The NTIDF Asset Trust (ABN 30 802 585 489) and the NTIDF Operating Trust (ABN 56 721 967 197) are both unregistered managed investment schemes under the Corporations Act 2001. Both trusts operate as for-profit unit trusts.

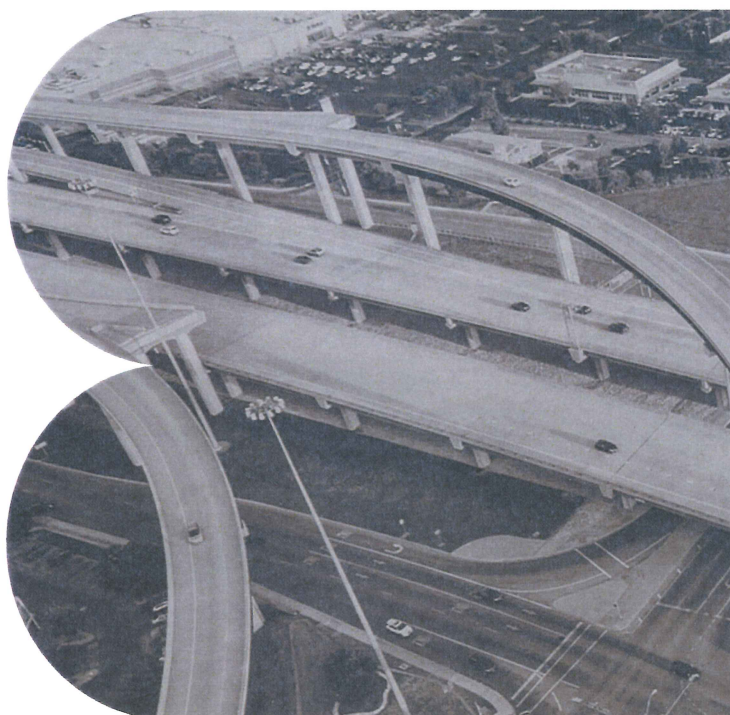
The practices of the NTIDF reflect the compliance and governance standards of comparable regulated institutions.

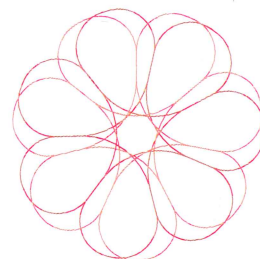
Our Investors (Unit-holders)

As at 30 June 2017, the Crown in the right of the Northern Territory represented by the Central Holding Authority is the sole investor (holder of units) in the NTIDF as represented by the following:

NTIDF Asset Trust:	1,000,100 units	\$ 1,000,100
NTIDF Operating Trust:	1,000,100 units	\$ 1,000,100
Total Drawdown Amount		\$ 2,000,200

It is the intention of all NTIDF stakeholders, including the Northern Territory Government, the Board and the Investment Manager to seek to raise additional investment funds from selected Australian and international institutional investors and sovereign wealth funds. The Northern Territory Government will invest in the NTIDF on the same terms and conditions as all other potential investors.





Foundations of Management and Oversight

The Northern Territory Government established the NTIDF on the basis that it would attract a few selected Australian and international institutional investors and sovereign wealth funds as joint and equal investors.

It is the role of the NTIDF Board to provide management and oversight to all aspects of the operations and performance of the NTIDF, including the appointment and removal of all officers and contractors, including the Investment Manager, the Trustee and the Custodian.

The Investment Manager will be involved in all aspects of the investment process, which will seek to deliver a risk-adjusted commercial rate of return to investors.

The Investment Manager is required to adhere to particular investment guidelines as set by the NTIDF Board and detailed in the signed Investment Management Agreement.

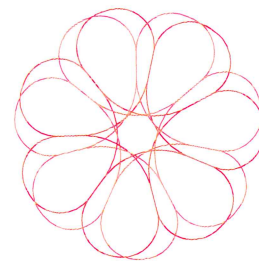
The NTIDF Board retains a veto over all investments and disposals.

The NTIDF Board comprises four non-executive Directors (Les Fallick, Bill Moss, James Paspaley and Mark Burgess), all of whom are considered by the Board to be independent. A fifth director, Jodie Ryan, is not considered to be independent because of her role within the Northern Territory Government. It is the view of the Board that the current non-executive Directors do not hold any positions that might materially affect their ability to exercise independent judgement in the interests of the NTIDF.

In assessing the independence of the Directors, the following factors were taken into consideration:

1. Whether, in the last three years, the Director has been employed in an executive capacity by the NTIDF or the Northern Territory Government.
2. Apart from as noted below, whether, in the last three years, the Director has been a principal of a material professional adviser, or a material consultant to the NTIDF or an employee materially associated with a service provider to the NTIDF.
3. Whether the Director is a material supplier, a customer of the NTIDF or associated with a material supplier or customer.
4. Whether a material contractual relationship exists between the NTIDF and the Director, other than in their capacity as a Director.
5. Whether the Director has any interest and any business or other relationships that could, or could be reasonably perceived to, materially interfere with the ability of the Director to act in the best interests of the NTIDF.





Les Fallick, through a wholly owned company, Granite Capital Pty Ltd, previously advised and acted as a consultant to the Northern Territory Government on certain strategic initiatives that resulted in the creation, development and establishment of the NTIDF.

The NTIDF Board is responsible for overseeing the NTIDF activities and ensuring that it operates in accordance with the principles set out in the Northern Territory Infrastructure Development Fund Limited Constitution, the trust deeds establishing the NTIDF Asset Trust and Operating Trust, the Investment Management Agreement with ICG and other relevant documentation including:

- Role and responsibilities of the Board
- Directors' duties and responsibilities
- Board structure
- Meeting procedures
- Board committees and subsidiaries
- Professional conduct, including conflicts of interest and independence.

In addition to attending NTIDF Board meetings, Directors are expected to allocate sufficient time to prepare for meetings. The Chairman commits further time and meets with executives of the Investment Manager and other officers and stakeholders of the NTIDF on a regular basis.

The Board operates within the general code of conducts and ethics as outlined by the Australian Institute of Company Directors.

Board Appointments and Board Remuneration

At the establishment of the NTIDF, the Northern Territory Government appointed Les Fallick as the interim Chairman of the NTIDF Board. On the recommendation of the interim Chairman, the Northern Territory Government also appointed three other interim Directors.

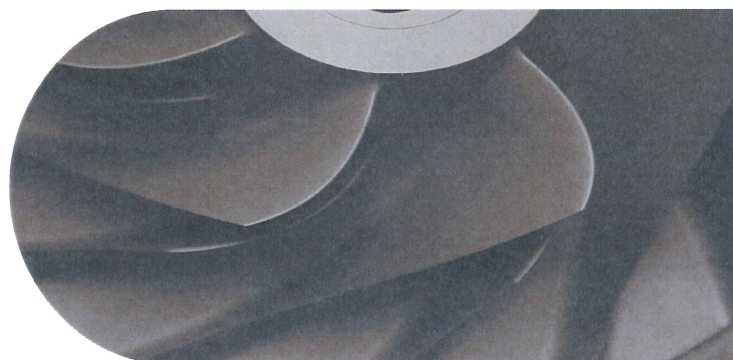
It was agreed at that time, and remains the case, that appointments to the NTIDF Board are skills based and that the composition of the Board be reviewed on a regular basis to ensure that the NTIDF Board has the skills and experience required to competently carry out the mandate of the NTIDF.

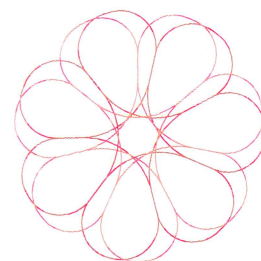
When the NTIDF structure was established, the Northern Territory Government confirmed the interim appointments as continuing NTIDF Board members.

With the assistance of KPMG, a search process for one or more additional NTIDF Board members took place during the year. As a result of national advertisements an additional Director, Mark Burgess, was appointed to the NTIDF Board in June 2016.

NTIDF Board appointments will be reviewed every three years.

A detailed comparative salary analysis was undertaken by KPMG and presented to the NTIDF Board. The Board approved remuneration aligned to the KPMG recommendation. All Board remuneration is reviewed annually.





The NTIDF Constitution states that there will be five directors, comprising:

- a. The NTG Director; and
- b. Up to four Independent Directors

If the number of Independent Directors is below four, the Directors may appoint a Suitable Candidate as an Independent Director. Any resolution to appoint a Suitable Candidate must be passed by other Directors unanimously.

Any appointment of a new NTG Director requires the Treasurer to deliver an NTG Director Nomination Notice.

In addition to the circumstances in which the office of a Director becomes vacant under the Corporations Act, the NTIDF constitution provides that Directors can vacate office by:

- Giving official notice in writing;
- Becoming of unsound mind; or
- In the case of Independent Directors only, are removed by a unanimous resolution of the other Directors

The Directors may elect one of the Independent Directors as Chairperson, and may also determine the period for which the person remains as Chairperson. Les Fallick is specified in the constitution as the initial Chairperson for a period of three years.

Board Committees

The NTIDF Board currently has no formal Board committees.

Risk Management and Internal Audit

The Chairman will work with the auditor (Ernst & Young), the Trustee (One Investment Group) and the Investment Manager (ICG) to develop detailed risk management and internal audit policies for adoption by the Board.

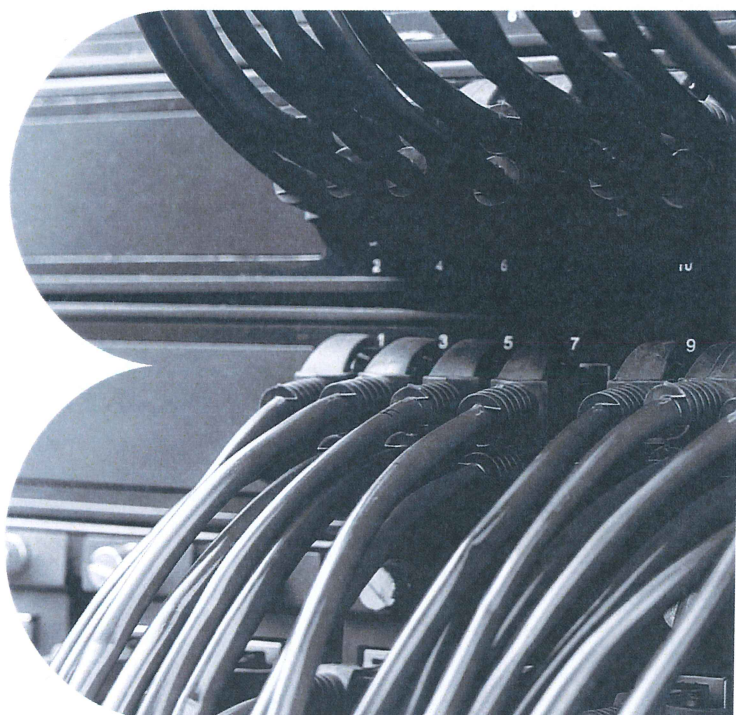
Meetings of Directors

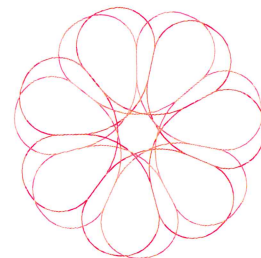
The number of meetings of the Board of Directors of the NTIDF held during the period 27 April 2016 to 30 June 2017, and the number of meetings attended by each Director were:

	A	B
Les Fallick	6	6
Jodie Ryan	6	6
Bill Moss	6	6
James Paspaley	5	6
Mark Burgess	5	5

A: Equals the number of meetings attended

B: Equals the number of meetings held during the time the Director held office.





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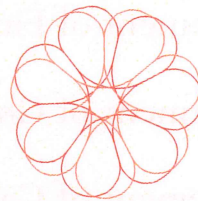
GPO Box 3993

Sydney NSW 2001

NTIDF

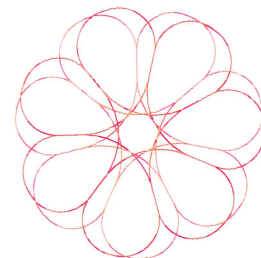
Financial Statements

For the period ending 30 June 2017



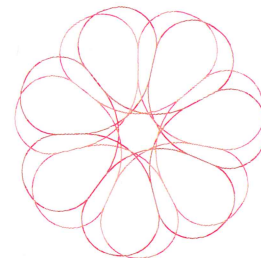
2017

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Trustee's Declaration

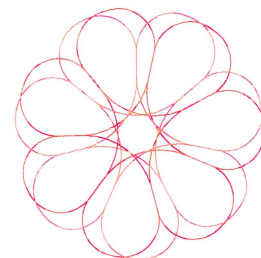


1. In the opinion of the Directors of the Trustees of Northern Territory Infrastructure Development Fund – Asset Trust and Northern Territory Infrastructure Development Fund – Operating Trust (together the “Northern Territory Infrastructure Development Fund”):
 - a. the Northern Territory Infrastructure Development Fund is not a reporting entity, and therefore this special purpose combined financial report is prepared to satisfy the Fund's reporting requirements under the Trust Deeds;
 - b. the combined financial statements and notes, set out on pages 2 to 16:
 - i. present fairly the combined financial position of the Northern Territory Infrastructure Development Fund as at 30 June 2017 and its performance, as represented by the results of its operations and its cash flows, for the financial period ended on that date in accordance with the statement of compliance and basis of preparation described in Note 3a and 3b; and
 - ii. comply with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 3; and
 - c. there are reasonable grounds to believe that the Northern Territory Infrastructure Development Fund will be able to pay its debts as and when they become due and payable.
2. In respect of the period ended 30 June 2017 the Northern Territory Infrastructure Development Fund has:
 - a. kept such accounting records as correctly record and explain its transactions and financial position;
 - b. kept its accounting records so that combined financial statements are presented, can be prepared from time to time; and
 - c. kept its accounting records so that the combined financial statements can be conveniently and properly audited in accordance with the Trust Deed of each Trust.

Signed in accordance with a resolution of the Directors of the trustees:

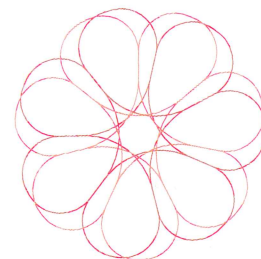
Frank Tearle
Director
30 August 2017

Combined Statement of Comprehensive Income for the period ended 30 June 2017



	Notes	Combined 5 December 2016 to 30 June 2017 \$
Revenue		
Interest income		7,900
Expenses		
Administration fees	4	88,416
Manager's costs	5	561,644
Operating costs	6	499,791
Formation costs	10a	278,417
Total expenses		<u>1,428,268</u>
Net (loss) for the year		<u>(1,420,368)</u>
Other comprehensive income		<u>-</u>
Total comprehensive loss attributable to unit holders		<u>(1,420,368)</u>

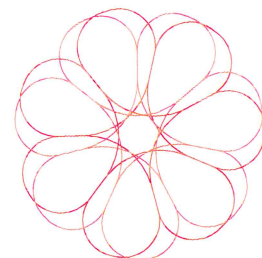
The above Combined Statement of Comprehensive Income should be read in conjunction with the accompanying notes.



Combined Statement of Financial Position as at 30 June 2017

	Notes	Combined 30 June 2017 \$
Assets		
Current assets		
Cash and cash equivalents	7	640,250
Other current assets	8	86,070
Total current assets		726,320
Total assets		726,320
Liabilities		
Current liabilities		
Trade creditors		90,411
Accrued charges	9	56,077
Total current liabilities		146,488
Total liabilities (excluding net assets attributable to unitholders)		146,488
Net assets attributable to unitholders		579,832

The above Combined Statement of Financial Position should be read in conjunction with the accompanying notes.

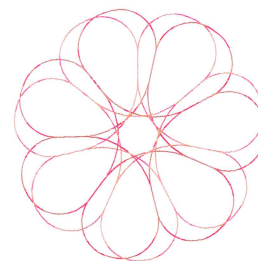


Combined Statement of Changes in Net Assets Attributable to Unitholders for the financial period ended 30 June 2017

	Notes	Total \$
Opening balance as at 5 December 2016		-
Units issued during the period		2,000,200
Changes in net assets attributable to unitholders		(1,420,368)
Balance as at 30 June 2017		579,832

The above Combined Statement of Changes in Net Assets Attributable to Unitholders should be read in conjunction with the accompanying notes.

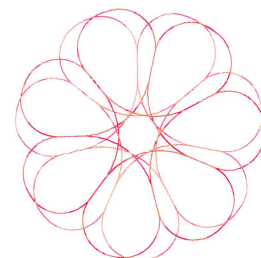
Combined Statement of Cash Flows for the financial period ended 30 June 2017



		Combined 5 December 2016 to 30 June 2017 \$
	Notes	
Cash flows from operating activities		
Interest received		7,900
Payment to suppliers		(1,367,850)
Net cash used in operating activities	7b	(1,359,950)
Cash flows from financing activities		
Proceeds from issue of units		2,000,200
Net cash provided by financing activities		2,000,200
Net increase in cash and cash equivalents at the end of the period		640,250
Cash and cash equivalents at the beginning of the period		-
Net increase in cash and cash equivalents at the end of the period		640,250
Cash and cash equivalents at the end of the period	7a	640,250

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

Notes to the Financial Statements



1. General Information

The Northern Territory Infrastructure Development Fund (the "Fund") comprises:

- Northern Territory Infrastructure Development Fund – Asset Trust (ABN 30 802 585 489) (the "Asset Trust"); and
- Northern Territory Infrastructure Development Fund – Operating Trust (ABN 56 721 967 197) (the "Operating Trust")

The combined financial statements cover the period from 5 December 2016 to 30 June 2017. There are no prior period comparatives as the Fund is in its first period of operations.

The Fund's investment strategy is to build a diversified portfolio of mature, infrastructure investments that support the long term economic growth and development of the Northern Territory by investing in appropriate infrastructure projects.

The Fund is not, nor is it required to be, registered as a managed investment scheme under the Corporations Act 2001 as no issue of units will require the issuance of a disclosure document or a product disclosure statement under the Corporations Act 2001. The Fund comprises two for-profit unit trusts for the purpose of preparing the financial statements.

The Trustee of the Fund is One Funds Management Limited (ACN 117 797 403) (the "Trustee"). The Trustee's registered office and principal place of business is Level 11, 20 Hunter Street, Sydney, NSW 2000 Australia.

The Northern Territory Infrastructure Development Fund Limited (ABN 51 611 734 680) (the "Sponsor") is a public company limited by guarantee. The Sponsor is registered under the Corporations Act 2001 in the Northern Territory. The date of commencement and registration is 27 April 2016. The Sponsor has been established by the Northern Territory Government to manage the development and success of the Fund.

The Investment Manager of the Fund is Infrastructure Capital Group Limited (ACN 094 815 513) (the "Manager"). The Manager's registered office and principal place of business is Level 15, 14 Martin Place, Sydney, NSW 2000 Australia.

The combined financial statements were authorised for issue by the directors on 30 August 2017.

2. The New and Revised Accounting Standards

a. Adoption of new and revised Accounting Standards

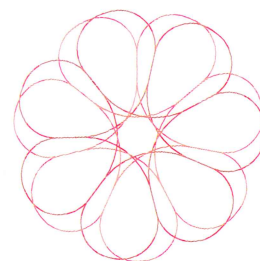
The Asset Trust and Operating Trust have adopted all the amendments to Australian Accounting Standards issued by the Australian Accounting Standards Board, which are relevant to and effective for the Fund's financial statements for the financial period from 5 December 2016 until 30 June 2017.

None of the amendments have had a significant impact on the financial statements of the Fund.

b. Standards and interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Notes to the Financial Statements



2. The New and Revised Accounting Standards (continued)

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 15 'Revenue from Contracts with Customers', AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	1 January 2018	30 June 2019
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 16 "Leases" and the relevant amending Standards	1 January 2019	30 June 2020

AASB15

The new revenue standard establishes a single, comprehensive framework for revenue recognition effective for annual periods. The standard does not apply to leases, financial instruments or insurance contracts.

AASB9

The standard replaces AASB 139 Financial Instrument: Recognition and Measurement and is effective for the Fund from 1 July 2018. The Fund does not intend to early adopt the standard.

The standard makes changes to the classification of financial assets for the purpose of determining their measurement basis, as well as to the amounts relating to fair value changes to be taken directly to equity. The standard replaces the incurred loss model of AASB 139 with a new expected loss model which can result in the acceleration of impairment recognition on financial instruments.

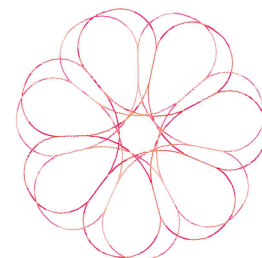
The standard requires entities to account for expected credit losses on financial instruments at the point at which the financial instruments are first recognised and to estimate the expected loss applicable to those financial instruments over the period for which they are held. This requirement can result in expected losses on financial instruments being recognised in full much earlier than would have been the case under AASB 139. In addition, there are also significant changes to hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and associated disclosures.

AASB16

This standard amends the accounting for leases. The amendment removes the distinction between operating and finance leases. Lessees will be required to bring all leases on to the statement of financial position. Lessor accounting remains largely unchanged.

The Fund has not yet assessed the potential impact and applicability of the above new standards as the Fund is still at an early stage of its operations.

Notes to the Financial Statements



2. The New and Revised Accounting Standards (continued)

There are no other standards that are not yet effective and that are expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

3. Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the combined financial statements.

a. Statement of compliance

The Fund is not a reporting entity, as in the opinion of the Directors of the Fund, there are unlikely to exist any users of the consolidated 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 combined financial report has been prepared to satisfy the Fund's reporting requirements under the Trust Deeds.

This special purpose combined financial report has been prepared in accordance with the recognition and measurement requirements specified by all Accounting Standards and Interpretations adopted by the Australian Accounting Standards Boards and the disclosure requirements of Accounting Standards AASB 101 "Presentation of Financial Statements", AASB 107 "Statement of Cash Flows", AASB 108 "Accounting Policies, Changes in Accounting", AASB 1048 "Interpretation of Standards", and AASB 1054 "Australian Additional Disclosures", with exception of AASB 10 "Consolidated Financial Statements".

b. Basis of preparation

This special purpose combined financial report is measured and presented in Australian dollars. It has been prepared on an accruals and historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

c. Going concern basis

This special purpose combined financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The current loss in the Combined Statement of Comprehensive Income is as a result of a start-up phase of the Fund which incurred administrative, management and operational costs but received no operating income except interest income.

d. Basis of combination

This combined financial statement comprises the combination of:

Northern Territory Infrastructure Development Fund – Asset Trust	(ABN 30 802 585 489)
Northern Territory Infrastructure Development Fund – Operating Trust	(ABN 56 721 967 197)

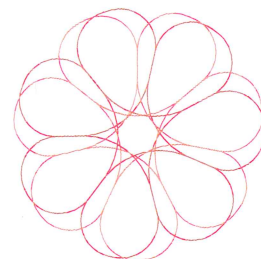
It is intended that the Asset Trust and the Operating Trust will be stapled on or around the time the Fund makes its first investment, therefore, it is appropriate to present the financial statements as a "combined" report of the two entities detailed above, thus providing more meaningful financial reports.

The effects of all transactions between entities in the combined financial statements are eliminated in full. Consistent accounting policies are employed in the preparation and presentation of these combined financial statements.

e. Revenue and income

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent

Notes to the Financial Statements



3. Significant Accounting Policies (continued)

that it is probable that the economic benefits will flow to the Fund and the revenue can be measured reliably.

f. Expense

Expenses are recognised when it is probably that the consumption or loss of future economic benefits resulting in a reduction in asset and/or an increase in liabilities has occurred and the amount can be measured reliably.

g. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank with an original maturity of three months or less.

h. Trade and other receivables

Trade and other receivables are recognised when it is probably to receive future economic benefits and the cost can be measured reliably.

i. Trade and other payables

Trade and other payables are recognised when the Fund becomes obliged to make future payments resulting from the purchase of goods and services.

j. Distributions

The Fund distributes its distributable income, calculated in accordance with each Trust's trust deed and applicable tax legislation, to unitholders who are presently entitled to the income under each Trust's trust deed.

k. Taxation

Under current income tax legislation, the Fund is not subject to income tax, provided that unitholders are presently entitled to the income of the Fund as calculated for fund accounting purposes.

l. Goods and services tax

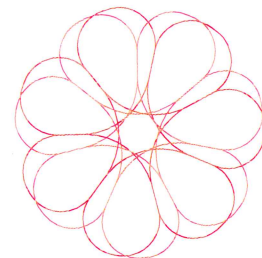
Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST") except:

- where the amount of GST is not recoverable from the taxation authority, it is recognised as part of the acquisition of an asset or part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is recognised as a receivable or payable on the Combined Statement of Financial Position. Cash flows relating to GST are included in the Combined Statement of Cash Flows on a gross basis.

The GST component of cash flows arising from financing activities which is recoverable from or payable to the taxation authority is classified under operating cash flows.

Notes to the Financial Statements



4. Administration Fees

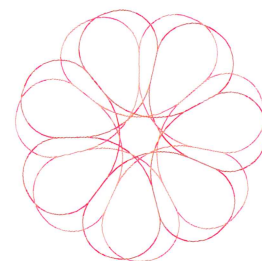
	Combined 5 December 2016 to 30 June 2017 \$
Trustee and custody fees	45,523
Audit fees	25,000
Administration and accounting fees	13,742
Registry fees	2,733
Filing fees	1,176
Other fees	242
Total Administration Fees	88,416

5. Manager's Cost

	Combined 5 December 2016 to 30 June 2017 \$
Commitment fees	561,644
Total Manager's Costs	561,644

The Manager is entitled to receive a pro-rata commitment fee of 0.5% per annum of commitment amount in accordance with the Investment Manager Agreement dated 8 December 2016.

Notes to the Financial Statements



6. Operating Costs

Combined
5 December 2016
to 30 June 2017
\$

Directors' fees	339,019
Consulting fees	76,533
Corporate secretarial fees	43,766
Travel expenses	19,838
Insurance	15,007
Rent expenses	4,876
Other costs	752
Total Operating Costs	499,791

7. Cash and Cash Equivalents

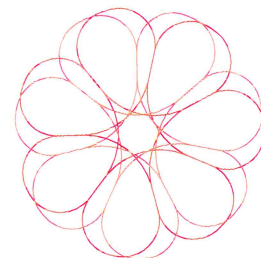
a. Cash and cash equivalents comprise cash at bank. Cash at the end of the period as shown in the Combined Statement of Cash Flows is reconciled to the related items in the Combined Statement of Financial Position as follows:

Combined
30 June 2017
\$

Cash at bank	640,250
Balance at period end	640,250

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Notes to the Financial Statements



7. Cash and Cash Equivalents (continued)

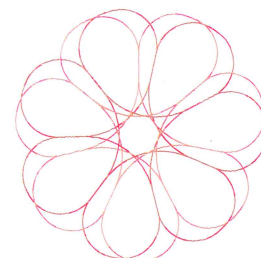
b. Reconciliation of total comprehensive loss for the period to net cash flows used in operating activities:

	Combined 5 December 2016 to 30 June 2017 \$
Total comprehensive loss	(1,420,368)
Changes in assets and liabilities:	
Net changes in other assets	(86,070)
Net changes in payables	146,488
Net cash used in operating activities	<u>(1,359,950)</u>

8. Other Current Assets

	Combined As at 30 June 2017 \$
GST receivable	43,417
Prepaid insurance	<u>42,653</u>
Total Other Current Assets	<u>86,070</u>

Notes to the Financial Statements



9. Accrued Charges

	Combined As at 30 June 2017 \$
Trustee and custody fee	8,000
Consulting fees	18,000
Registry fee	900
Audit fee	25,000
Traveling expenses	1,477
Corporate secretarial fees	2,700
Total Accrued Charges	56,077

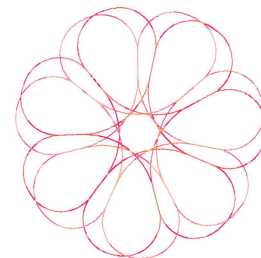
10. Reconciliation of Net Assets Attributable to Unitholders

a. The Net Assets Attributable to Unitholders per financial statement can be reconciled to the net assets attributable to unitholders in accordance with the Trust Deeds as follows:

	Combined As at 30 June 2017 \$
Net assets attributable to unitholders in accordance with AASB	579,832
Adjustment for formation costs (non AASB)	246,684
Net assets attributable to unitholders in accordance with the Trust Deeds	826,516
NAV per unit in accordance with AASB	0.2899
Adjustment for formation costs (non AASB)	0.1233
NAV per unit in accordance with the Trust Deeds	0.4132

The Trust Deeds require that for net asset valuation purposes, the formation costs in connection with the establishment of the Fund is to be amortised over a five year period. Under AASB an adjustment to the reported valuation is required to write-off the unamortised balance of formation costs in full in the first period of operations.

Notes to the Financial Statements



10. Reconciliation of Net Assets Attributable to Unitholders (continued)

b. Adjustment for formation costs in accordance with the Trust Deeds

	Combined As at 30 June 2017 \$
Formation costs – incurred for the current period (non AASB)	278,417
Accumulated amortisation	(31,733)
Carrying Value of the Formation Costs	246,684

Formation costs include all costs, charges, expenses and outgoings reasonably and properly incurred by the Trustee or the Sponsor in the proper performance of its duties regarding the setup and establishment of the Fund. Formation costs of \$278,417 were incurred and expensed through profit and loss.

In accordance with the Trust Deeds, formation costs are capitalised and amortised over five years.

11. Related Party Transactions

a. Transactions with Trustee and its Associated Entities

The trustee of the Fund is One Funds Management Limited (ACN 117 797 403) ("OFML" or the "Trustee").

The key management personnel of the Trustee for the financial period ended 30 June 2017 were:

Name	Title
Frank Tearle	Executive Director and Company Secretary
Justin Epstein	Executive Director
Elizabeth Reddy	Non-executive Director
Sarah Wiesener	Company Secretary

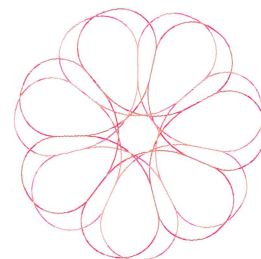
Key management personnel of the Trustee and their associated entities did not hold any units in the Fund as at 30 June 2017.

No fees or remuneration was paid directly to the key management personnel of the Trustee from the Fund during the period.

Trustee and Custody fees

Trustee and custody fees of \$45,523 plus GST were incurred for the financial period ended 30 June 2017, of which \$37,523 plus GST were paid and \$8,000 plus GST were payable to the Trustee. Refer to Note 4 & Note 9.

Notes to the Financial Statements



11. Related Party Transactions (continued)

Administration and Accounting Fees

Administration and accounting services were provided to the Trusts by Unity Fund Services Pty Ltd (ACN 146 747 122) and its wholly owned subsidiary Unity Tax Services Pty Ltd (ACN 147 393 557) for the period ended 30 June 2017, which is an entity associated with the Trustee.

Administration and accounting fees of \$13,742 plus GST were incurred and paid for the financial period ended 30 June 2017. Refer to Note 4.

Registry Fees

During the course of the financial period ended 30 June 2017, One Registry Services Pty Limited ("ORS") provided registry services to the Fund. ORS is a related entity to the Trustee.

Registry fees of \$2,733 plus GST were incurred for the financial period ended 30 June 2017, of which \$1,833 plus GST were paid and \$900 plus GST were payable to ORS. Refer to Note 4 and Note 9.

b. Transactions with Manager and its Associated Entities

Infrastructure Capital Group Limited (ACN 094 815 513) (the "Manager") is the Investment Manager of the Fund.

The key management personnel of the Manager for the financial period ended 30 June 2017 were:

Name	Title
Andrew Pickering	Chairman
Tom Laidlaw	Managing Director
Craig Whalen	Executive Director

Key management personnel of the Manager and their associated entities did not hold any units in the Fund as at 30 June 2017.

No fees or remuneration was paid directly to the key management personnel of the Manager from the Fund during the period.

Management Fee

There is nil management fee paid or payable to the Manager during the financial period ended 30 June 2017.

Commitment Fee

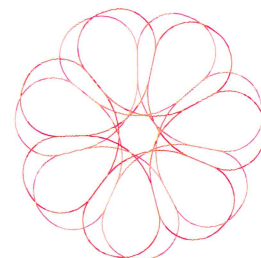
The Manager is entitled to receive a commitment fee of an amount equal to 0.5% per annum of the Commitment Amount of \$200 million in accordance with the Investment Management Agreement.

Commitment fees of \$561,644 plus GST were incurred for the financial period ended 30 June 2017, of which \$479,452 plus GST were paid and \$82,192 plus GST were payable to Infrastructure Capital Group Limited. Refer to Note 5.

c. Transactions with Northern Territory Infrastructure Development Fund Limited (the "Sponsor")

The Northern Territory Infrastructure Development Fund Limited (the "Sponsor") was established by The Crown of the Northern Territory to manage and to oversee the successful development of the Fund. The Sponsor has significant influence over the management of the Fund.

Notes to the Financial Statements



11. Related Party Transactions (continued)

The names of the Directors in office during the period 27 April 2016 to 30 June 2017 and until the date of this report are:

Name	Title
John Leslie Fallick	Chairman
William James Moss	Director
James Nicholas Edward Paspaley	Director
Jodie Elizabeth Ryan	Director
Mark David Burgess	Director Appointed 17 June 2016

The Directors were in office from 27 April 2016 until the date of this report unless otherwise stated.

No remuneration was paid directly to the key management personnel of the Sponsor from the Fund during the period.

All expenses paid prior to the establishment of the Fund were borne by the Sponsor. These expenses related to the period from 27 April 2016 to 5 December 2016. In accordance with the Trust Deeds, these costs, totalling \$369,917 plus GST were recharged to the Fund upon establishment date.

Directors' Fees

For the period to 30 June 2017, directors' fees of \$339,019 plus GST were incurred and paid. Refer to Note 6.

12. Subsequent Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Fund, the results of those operations, or the state of affairs of the Fund in future financial year.

13. Commitments and Contingencies

There were no other contingent assets and liabilities or commitments as at 30 June 2017.

Independent Auditor's Report to the Unitholders of Northern Territory Infrastructure Fund (Asset Trust) and Northern Territory Infrastructure Development Fund (Operating Trust)

Opinion

We have audited the financial report, being a special purpose combined financial report, of Northern Territory Infrastructure Fund (Asset Trust) and Northern Territory Infrastructure Development Fund (Operating Trust) (collectively the 'Fund'), which comprises the combined statement of financial position as at 30 June 2017, the combined statement of comprehensive income, statement of changes in net assets attributable to unitholders and combined statement of cash flows for the period 5 December 2016 to 30 June 2017, notes to the financial statements, including a summary of significant accounting policies, and the Trustee's declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Fund as at 30 June 2017, and its financial performance and its cash flows for the period 5 December 2016 to 30 June 2017 in accordance with the financial reporting requirements of the Trust Deed.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to Note 3 to the financial statements which describes the basis of accounting. The financial report is prepared to assist the Fund to meet the requirements of the Trust Deed. As a result the financial report may not be suitable for another purpose. Our report is intended solely for the Fund and should not be distributed to parties other than the Recipients. A party other than the Recipients accessing this report does so at their own risk and Ernst & Young expressly disclaims all liability to a party other than the Recipients for any costs, loss, damage, injury or other consequence which may arise directly or indirectly from their use of, or reliance on the report. Our opinion is not modified in respect of this matter.

Other Information

The Trustee of the Fund is responsible for the other information. The other information comprises the Trustees' declaration accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustee for the Financial Report

The Trustee of the Fund is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 3 to the financial statements is appropriate to meet the requirements of the Trust Deed and is appropriate to meet the needs of the unitholders. The Trustees' responsibility also includes such internal control as the Trustee determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustee is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Trustee either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trust Manager.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

Ernst & Young

Rohit Khanna

Rohit Khanna
Partner
Sydney
30 August 2017

