

1 April 2019

Manager
ASX Market Announcements
Australian Securities Exchange
Level 4, 20 Bridge Street
Sydney NSW 2000

Progress 2018-1 Trust (ASX: POV)

Special Purpose Financial Statements for Progress 2018-1 Trust

Attached are the special purpose financial statements for Progress 2018-1 Trust for the period ended 31 December 2018.

Gwenneth O'Shea
Head of Securitisation
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Progress 2018-1 Trust

ABN: 18 159 286 622

**Special Purpose Financial Report
for the seven months ended
31 December 2018**

Progress 2018-1 Trust

ABN: 18 159 286 622

Special Purpose Financial Report For the seven months ended 31 December 2018

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PROGRESS 2018-1 TRUST

Trustee's Report

for the seven months ended 31 December 2018

The financial statements for the seven months ended 31 December 2018 have been prepared by the Trust Manager, Priority One Agency Services Pty Limited as required by the Trust Deed.

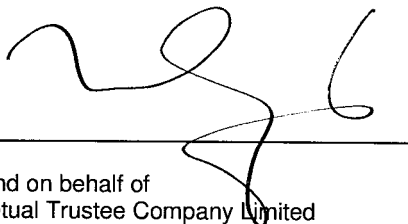
The Auditor of the Trust, Ernst & Young, who has been appointed by us in accordance with the Master Trust deed, has conducted an audit of these financial statements.

A review of the operations of the Trust and the results of those operations for the seven months ended 31 December 2018 is contained in the Trust Manager's Report.

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

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

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



For and on behalf of
Perpetual Trustee Company Limited

Sydney, 22nd March 2019

PROGRESS 2018-1 TRUST

Trust Manager's Report

for the seven months ended 31 December 2018

The Trust Manager presents its report on the financial statements of the Progress 2018-1 Trust ("the Trust") for the seven months ended 31 December 2018.

Trust manager

The Trust Manager of the Trust throughout the seven months ended 31 December 2018 was Priority One Agency Services Pty Limited.

Principal activities

The principal activities of the Trust during the period were the holding of assets of the Trust and the distribution to the unitholders of the Trust.

Review of operations

The Trust was established under a Master Trust Deed dated 24 June 1997 (amended 24 November 2004) and the Trust Series Notice dated 25 June 2018.

Financial results and distributions

The net liabilities attributable to the unitholders as at 31 December 2018 were \$12,231k (2017: \$nil) following distributions to unitholders, as reported in the Statement of comprehensive income, of \$2,107k (2017: \$nil).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Trust during the period.

Environmental regulations

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

Events occurring after the reporting date

As at the date of this report, the Trust Manager is not aware of any matter or circumstance that has arisen since the reporting date that has significantly affected or may significantly affect the Trust's operations in future years, the results of those operations in future years, or the Trust's state of affairs in future years which is not already reflected in this report.

Likely developments

In the opinion of the Trust Manager, disclosure of further information about likely developments in the operations of the Trust is commercially sensitive and would likely be detrimental and result in unreasonable prejudice to the Trust.

Indemnification and insurance of Trust Manager and officers

Under its Constitution, the Trust Manager indemnifies, to the extent permitted by law, all current and former officers of the Trust Manager, (including the directors), against any liability (including the reasonable costs and expenses of defending proceedings for an actual or alleged liability) incurred in their capacity as an officer of the Trust Manager. This indemnity is not extended to current or former employees of the AMP group against liability incurred in their capacity as an employee unless approved by or on behalf of AMP Limited Board.

During (and since the end of) the financial seven months ended 31 December 2018, AMP Limited (the Trust Manager's ultimate parent company) maintained, and paid the premium for, directors' and officers' and Company reimbursement insurance for the benefit of all of the officers of AMP group (including each director, secretary and senior manager of the Trust Manager) against certain liabilities (including legal costs) as permitted by the Corporations Act 2001. The insurance policy prohibits disclosure of the nature of the liabilities covered, the amount of the premium payable, the limit of liability and other terms.

PROGRESS 2018-1 TRUST
Trust Manager's Report (continued)
for the seven months ended 31 December 2018

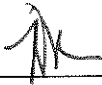
Indemnification and insurance of Trust Manager and officers (continued)

In addition, AMP Group Holdings Limited ("AMPGH") and each of the current and former directors and secretaries of the Trust Manager are parties to deeds of indemnity, insurance and access. Those deeds provide that:

- those officers will have access to board papers and specified records of the Trust for their period of office and for at least ten (or, in some cases, seven) years after they cease to hold office (subject to certain conditions);
- AMPGH indemnifies the relevant officers to the extent permitted by law, and to the extent and for the amount that the relevant officer is not otherwise entitled to be, and is not actually, indemnified by another person;
- the indemnity covers liabilities (including legal costs) incurred by the relevant officer in their capacity as a current or former director or secretary (and, in the case of directors, as a current or former officer or specified representative) of the Trust Manager, or of another AMP group company or, in certain cases, of an external company (where the person holds the relevant external position at the AMP group's request), and;
- the AMP group will maintain directors' and officers' insurance cover for those officers, to the extent permitted by law, for the period of their office and for at least ten years after they cease to hold office.

Rounding

The amounts in the accompanying financial report have been rounded off to the nearest thousand Australian dollars unless stated otherwise.



Gwenneth O'Shea
On behalf of the Trust Manager
Priority One Agency Services Pty Ltd (ABN 18 159 286 622)

Date: 22nd March 2019

PROGRESS 2018-1 TRUST
Statement of comprehensive income

for the seven months ended 31 December 2018

		7 months ended 31 Dec 2018 \$'000
	Note	
Interest income	3	19,554
Interest expense	3	(16,288)
Net interest income		3,266
Fee income		109
Net changes in fair value of financial instruments		(12,231)
Operating expenses	4	(1,268)
Net loss attributable to unitholders before finance costs		(10,124)
Finance costs - distribution to unitholders		(2,107)
Increase in net liabilities attributable to unitholders		12,231
Total comprehensive income attributable to unitholders		-

PROGRESS 2018-1 TRUST
Statement of financial position

as at 31 December 2018

	Note	2018 \$'000
Assets		
Cash and cash equivalents	12(b)	7,446
Receivables from related parties		22,608
Loans to related parties	5	820,893
Other assets	6	81
Total assets		851,028
Liabilities		
Derivative financial liabilities		12,231
Debt securities on issue	7	848,524
Other liabilities	8	2,504
Total liabilities		863,259
Net liabilities attributable to unitholders		(12,231)

PROGRESS 2018-1 TRUST

Statement of changes in net liabilities attributable to unitholders

for the seven months ended 31 December 2018

7 months ended
31 Dec 2018
\$'000

Balance at the beginning of the year	-
Increase in net liabilities attributable to unitholders	(12,231)
Balance at the end of the year	(12,231)

PROGRESS 2018-1 TRUST
Statement of cash flows

for the seven months ended 31 December 2018

	7 months ended 31 Dec 2018
Note	\$' 000
Cash flows from operating activities	
Interest received	18,068
Interest paid	(14,783)
Fees received	109
Other operating expenses paid	(1,268)
Cash flows from operating activities before changes in operating assets and liabilities	2,126
Cash flows used in changes in operating assets and liabilities	
<i>Net funds (paid) / received with respect to:</i>	
Loans to related parties	(819,407)
Receivables from related parties	(22,608)
Payables to related parties	353
Other assets	(81)
Other payables	45
Net cash flows used in operating activities	(839,572)
	12(a)
Cash flows from financing activities	
Net proceeds from debt securities on issue	847,019
Distribution to unitholders	(1)
Net cash flows from financing activities	847,018
Net increase in cash held	7,446
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	7,446
	12(b)

PROGRESS 2018-1 TRUST

Notes to the financial statements

for the seven months ended 31 December 2018

1. Basis of preparation and summary of significant accounting policies

The principal accounting policies adopted in the preparation of the special purpose financial report are set out below. These policies have been consistently applied to the current period. Where necessary, comparative information has been reclassified to be consistent with current period disclosure. The financial report includes financial statements for the Progress 2018-1 Trust ("the Trust") as a single entity.

a) Basis of preparation

Progress 2018-1 Trust was constituted on 25 June 2018 and will terminate on 11 June 2049, in accordance with the provisions of the Master Trust Deed.

The Trust is not a reporting entity because, in the opinion of the Trust Manager (Priority One Agency Services Pty Limited), it is unlikely that there are any users of the financial report who are unable to command the preparation of reports that satisfy all of their information needs. Accordingly, this special purpose financial report has been prepared to satisfy the Trust Manager's reporting requirements under the Master Trust Deed.

b) Summary of significant accounting policies

The Financial Report has been prepared in accordance with the recognition and measurement basis of accounting specified by all applicable Australian Accounting Standards and the disclosure requirements of the following Australian Accounting Standards:

- (a) AASB 101 'Presentation of Financial Statements'
- (b) AASB 107 'Statement of Cash Flows'
- (c) AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors'

The Financial Report has been rounded to the nearest thousand Australian Dollars unless stated otherwise.

The Financial Report has been prepared on the historical cost basis, except for derivative financial liabilities which are at fair value.

Changes in accounting policy

The Trust has adopted all mandatory standards and amendments for the financial period beginning 1 January 2018. Adoption of these standards and amendments has not had any effect on the financial position or performance of the Trust.

Adoption of AASB 15 'Revenue from Contracts with Customers'

The Trust has adopted AASB 15 Revenue from Contracts with Customers ("AASB 15") effective from 1 January 2018.

AASB 15 defines principles for recognising revenue and introduces new disclosure requirements. Under AASB 15, revenue will be recognised at an amount that reflects the consideration which an entity expects to be entitled to in exchange for transferring goods or services to a customer.

From the Trust's perspective, AASB 15 applies primarily to fee revenue. The adoption of this standard does not have any material effect on the Trust's financial statements.

Adoption of AASB 9 'Financial Instruments'

The Trust has adopted AASB 9 Financial Instruments ("AASB 9") effective from 1 January 2018.

The adoption of this standard does not have any material effect on the Trust's financial statements.

The key changes in the Trust's accounting policies resulting from the adoption of AASB 9 are summarised below:

Classification and measurement

The Trust Manager determines the classification of financial assets based on the business model it uses to manage the financial assets and the contractual characteristics of the financial assets.

Classification of financial assets

- Financial assets carried at amortised cost

Impairment of financial assets

The Trust recognises expected credit losses (ECL) for financial assets measured at amortised cost together with loan commitments. ECLs are probability weighted estimates of credit losses and are measured as the present value of all cash shortfalls discounted at the effective interest rate of the financial instrument.

PROGRESS 2018-1 TRUST

Notes to the financial statements (continued)

for the seven months ended 31 December 2018

1. Basis of preparation and summary of significant accounting policies (continued)

c) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank that is available on demand and money market deposits that are held at call with financial institutions. They are held for the purpose of meeting short-term cash commitments (rather than for investment or other purposes). Interest is taken to the Statement of comprehensive income using the effective interest rate method when earned.

d) Receivables from related parties

Receivables from related parties are recognised at amortised cost including interest receivable.

e) Loans to related parties

Loans to related parties are financial assets initially recognised at fair value including direct and incremental transaction costs. After initial recognition, loans are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of comprehensive income over the period of the loan using the effective interest method. Loans with no stated interest rates, which are held at call, are recognised at their nominal amount.

f) Other assets

Other assets comprise sundry receivables and are accounted at amortised cost.

g) Recognition and derecognition of financial assets and financial liabilities

Financial assets and financial liabilities are recognised at the date the Trust becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or are transferred. A transfer occurs when substantially all the risks and returns of ownership the financial asset are passed to an unrelated third party. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

h) Impairment of assets

Assets measured at fair value, where changes in value are reflected in the Statement of comprehensive income are not subject to impairment testing. All other assets are reviewed each reporting date to determine whether there is objective evidence of impairment.

An impairment expense is recognised in the Statement of comprehensive income, being the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Impairment of financial assets

The Trust recognises expected credit losses (ECL) for financial assets measured at amortised together with loan commitments. ECLs are probability weighted estimates of credit losses and are measured as the present value of all cash shortfalls discounted at the effective interest rate of the financial instrument.

The Trust applies a three-stage approach to measure the expected credit loss as follows:

Stage 1 (12-month ECL)

The Trust manager collectively assesses and a provision at an amount equal to 12-month ECL is recognised in the trust when financial assets are current and/or have had a good performance history.

Stage 2 (Lifetime ECL - not credit impaired)

The Trust manager collectively assesses and a provision at an amount equal to lifetime ECL on financial assets is recognised in the trust where there has been a significant increase in credit risk since initial recognition but are not credit impaired.

Stage 3 (Lifetime ECL - credit impaired)

The Trust recognises a loss allowances at an amount equal to lifetime ECL on financial assets that are determined to be credit impaired based on objective evidence of impairment.

Financial assets are classified as impaired when payment is 90 days past due or when there is no longer reasonable assurance that principal or interest will be collected in their entirety on a timely basis.

PROGRESS 2018-1 TRUST

Notes to the financial statements (continued)

for the seven months ended 31 December 2018

1. Basis of preparation and summary of significant accounting policies (continued)

i) Taxes

Income tax

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

Goods and services tax (GST)

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

Receivables and payables are recorded with the amount of GST included. The net amount of GST recoverable from or payable to the tax authorities is included as a receivable or payable in the Statement of financial position.

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

j) Financial liabilities

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

Debt securities on issue

The Trust issues long term debt in the wholesale debt markets as part of its securitisation activities. Premiums, discounts and associated issue expenses are recognised using the effective interest method through the Statement of comprehensive income from the date of issue to ensure that securities attain their redemption values by maturity date.

Other liabilities

Other liabilities include payables to related parties, interest payable on derivatives, and other payables. These are measured at the nominal amount payable. Given the short term nature of most payables, the nominal amount approximates fair value.

k) Derivative financial assets and derivative financial liabilities

Fair value estimation

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

l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis, or realise the asset and liability simultaneously.

m) Interest income and expense

Interest income and expense for all financial instruments measured at amortised cost is recognised in the Statement of comprehensive income using the effective interest method.

When financial assets become credit-impaired and are, therefore, regarded as "stage 3", interest income is required to be calculated by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets are no longer credit-impaired, interest income is calculated on a gross basis.

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

PROGRESS 2018-1 TRUST

Notes to the financial statements (continued)

for the seven months ended 31 December 2018

1. Basis of preparation and summary of significant accounting policies (continued)

n) Fee income

Fee income includes service fees from housing loans and are generally recognised as incurred.

o) Operating expenses

Operating expenses are accrued or paid as incurred.

p) Distribution to unitholders

In accordance with the Trust Deed, the Trust fully distributes its distributable income to unitholders each tax period. Such distributions are determined by reference to the realised profit of the Trust. Distributions are recognised in the Statement of comprehensive income as finance costs – distribution to unitholders.

Distributable income does not include unrealised gains and losses on the changes in fair value of financial instruments held at fair value.

q) Going concern

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

The net liabilities position in the trust represents the net unrealised negative fair value related to the interest rate swap contracts which is expected to reverse out to zero on the termination of the swaps.

The ability of the Trust to continue to pay its debts as and when they fall due is dependent upon the continuing generation of positive operating cash flows and profitable operations. The Trust Manager is of the opinion that the Trust is a going concern and can pay its debts as and when they fall due.

2. Significant accounting judgements, estimates and assumptions

The making of judgements, estimates and assumptions is a necessary part of the financial reporting process and these judgements, estimates and assumptions can have a significant effect on the reported amounts in the financial statements. Estimates and assumptions are determined based on information available to management at the time of preparing the financial report and actual results may differ from these estimates and assumptions. Had different estimates and assumptions been adopted, this may have had a significant impact on the financial statements. Significant accounting judgements, estimates and assumptions are re-evaluated at each reporting period in the light of historical experience and changes to reasonable expectations of future events. Significant accounting judgements, estimates and assumptions include but are not limited to:

a) Fair value of financial assets and financial liabilities

The Trust Manager measures certain financial assets and financial liabilities at fair value through the Statement of comprehensive income. Where available, quoted market prices for the same or similar instruments are used to determine fair value. Where there is no market price available for an instrument, a valuation technique is used. The Trust Manager applies judgement in selecting valuation techniques and setting valuation assumptions and inputs.

b) Provisions

Provisions for impairment

The accounting policy, as explained in Note 1(h) relating to impairment of financial assets, requires the Trust Manager to assess impairment at least each reporting date. The impairment provisions represent outputs of ECL model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

Key elements of the ECL models that are considered accounting judgements and estimates include the counterparty's probability of default and the Trust Manager's criteria for assessing if there has been a significant increase in credit risk.

The use of judgements and reasonable estimates is considered by the Trust Manager to be an essential part of the process for calculating impairment provisions.

PROGRESS 2018-1 TRUST

Notes to the financial statements (continued)

for the seven months ended 31 December 2018

3. Net interest income

7 months ended
31 Dec 2018
\$'000

Interest income

Cash and cash equivalents	92
Receivables from related parties	190
Loans to related parties	19,272
Total interest income	19,554

Interest expense

Derivatives	(1,645)
Debt securities on issue	(14,643)
Total interest expense	(16,288)

Net interest income	3,266
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4. Operating expenses

7 months ended
31 Dec 2018
\$'000

Trust Manager fees	(142)
Service fees	(991)
Trustee fees	(81)
Other expenses	(54)
Total operating expenses	(1,268)

5. Loans to related parties

2018
\$'000

Housing loans	820,893
Total loans to related parties	820,893

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

Under the terms of the Master Trust Deed, AMP Bank Limited assigns housing loan assets to Warehouse Trusts. Subsequently, housing loan assets have been transferred from the Warehouse Trusts to the Progress Trust.

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

Accordingly, the assignment of the housing loans from AMP Bank Limited to the Trust does not meet the derecognition requirements set out in current accounting standards. For the seven months ended 31 December 2018 the loans have been recognised as housing loan assets in the financial statements of AMP Bank Limited with a corresponding liability payable to the Trust. The recognition of these amounts as loans to related parties in the Trust ensures consistency in reporting.

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

As Progress 2018-1 Trust has been equitably assigned the housing loans, the Trust has entered into, in accordance with the Master Trust Deed, various facilities and arrangements relating to the housing loans including a redraw facility.

PROGRESS 2018-1 TRUST

Notes to the financial statements (continued)

for the seven months ended 31 December 2018

6. Other assets

	2018 \$'000
Sundry receivables	81
Total other assets	81

7. Debt securities on issue

	2018 \$'000
Term borrowings ⁽¹⁾	848,524
Total debt securities on issue	848,524

Footnote:

⁽¹⁾ Term borrowings consist of Class A, Class AB, Class B, Class C and Class D floating rate notes which pay interest at BBSW plus a specified margin. As security for the obligations to the note holders, the Trustee grants a charge over the assets of the Trust to the Security Trustee.

8. Other liabilities

	2018 \$'000
Payables to related parties	2,459
Other payables	45
Total other liabilities	2,504

9. Units on issue

	2018 Number	2018 \$
Residual capital units	10	50
Residual income units	1	5

Residual capital units

The beneficial interest held by the holders of the residual capital units is limited to the Trust and each asset of the Trust (other than any asset of the Trust for the holders of residual income units). Residual capital units have no right to receive distributions in respect of the Trust other than the right to receive, on the termination of the Trust, the issue price paid for the residual capital unit and the entire beneficial interest of the Trust, subject to the right of the holders of residual income units.

Residual income units

The beneficial interest held by the holder of a residual income unit is limited to the right to receive distributions. A residual income unit must not be issued to any person unless that person is also then the holder of a residual capital unit.

The residual income unit holder has vested interest and is entitled to net Trust income of \$100 under the Trust Deed.

10. Auditor's remuneration

The audit fee for the Trust is \$13k for the seven months ended 31 December 2018 (2017: \$nil).

PROGRESS 2018-1 TRUST

Notes to the financial statements (continued)

for the seven months ended 31 December 2018

11. Commitments

	2018 \$'000
Commitments to provide credit facilities ⁽¹⁾	89,758
Total commitments	89,758

Footnote:

⁽¹⁾ Commitments to provide credit facilities include all obligations on the Trust to provide credit facilities. As facilities may expire without being drawn upon, the notional amounts do not necessarily reflect future cash payments.

12. Notes to the statement of cash flows

7 months ended
31 Dec 2018
\$'000

a) Reconciliation of net loss attributable to unitholders before finance costs to net cash flows used in operating activities	
Net loss attributable to unitholders before finance costs	(10,124)
<i>Add / (deduct) non cash items in the statement of comprehensive income:</i>	
Net changes in fair value of financial instruments	12,231
Increase in interest receivable	(1,486)
Increase in interest payable	1,505
Changes in operating assets and liabilities arising from cash flow movements	(841,698)
Net cash flows used in operating activities	(839,572)
b) Reconciliation of cash and cash equivalents	
Cash at bank and cash on deposits	7,446
Balance at the end of the year	7,446
c) Changes in liabilities arising from financing activities	
Balance at the beginning of the year	-
Cashflow from debt securities on issue	847,019
Other	1,505
Balance at the end of the year	848,524

13. Events occurring after the reporting date

As at the date of this report, the Trust Manager is not aware of any matter or circumstance that has arisen since the reporting date that has significantly affected or may significantly affect the Trust's operations in future years, the results of those operations in future years, or the Trust's state of affairs in future years which is not already reflected in this report.

PROGRESS 2018-1 TRUST

Trust Manager's Declaration

for the seven months ended 31 December 2018

As detailed in Note 1(a) to the financial statements, the Trust is not a reporting entity because in the opinion of the Trust Manager there are unlikely to exist users of the financial report who are unable to command the preparation of the reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the Trust Manager's reporting requirements under the Trust Deed.

In accordance with a resolution, the Trust Manager declares that:

- (a) in the opinion of the Trust Manager the financial statements presents fairly the financial performance and the cash flows for the seven months ended 31 December 2018, and the financial position of the Trust as at 31 December 2018;
- (b) in the opinion of the Trust Manager, the Trust has operated during the seven months ended 31 December 2018 in accordance with the provisions of the Master Trust Deed dated 24 June 1997 (amended 24 November 2004); and
- (c) in the opinion of the Trust Manager, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Gwenneth O'Shea
On behalf of the Trust Manager
Priority One Agency Services Pty Ltd (ABN 18 159 286 622)

Date: 22nd March 2019

PROGRESS 2018-1 TRUST
Independent Auditor's Report
for the seven months ended 31 December 2018

EY to Insert