Aurora Property Buy-Write Income Trust

ARSN 125 153 648

Annual Report
For the year ended 30 June 2020

Contents

Director's Report

The directors of Aurora Funds Management Limited ("AFML") (ABN 69 092 626 885), in its capacity as the responsible entity of Aurora Property Buy-Write Income Trust (“the Trust”), present their annual report together with the financial statements of the Trust for the year ended 30 June 2020.

Principal activities

On 22 March 2018, as a consequence of its investment in the ASX listed ‘RNY Property Trust ("RNY"), the Trust expanded its Investment Strategy to allow investments in unlisted property related equity and debt instruments, specifically in relation to RNY’s existing North American assets. The Trust primarily invests in these unlisted property related equity and debt instruments.

The Trust did not have any employees during the year.

The Trust is currently listed on the Australian Securities Exchange (ASX: AUP). The securities of the Trust have been suspended from quotation since 2 April 2020.

There were no significant changes in the nature of the Trust's activities during the year.

Directors

The following persons held office as directors of Aurora Funds Management Limited during the year and up to the date of this report, unless otherwise stated:

John Patton
Victor Siciliano
Anthony Hartnell AM

Units on issue

	2020	2019
At 30 June	2,027,801	2,026,165

Review and results of operations

During the year, the Trust continued to invest in accordance with the target asset allocations as set out in the governing documents of the Trust and in accordance with the provisions of the Trust Constitution and Trust updates announced on the ASX.

In March 2020, the World Health Organisation declared the outbreak of a novel coronavirus (COVID – 19) as a pandemic, which continues to spread globally. The spread of COVID-19 has caused significant volatility in Australian and international markets. There is considerable uncertainty regarding the breadth and duration of the business disruptions related to COVID-19. The Trust continues to monitor the performance of its investments closely, and in-particular the investment in units issued by RNY Property Trust ("RNY"), and loans receivable from RNY and RNY Australia Operating Company LLC ("RAOC"). RNY and RAOC have specific exposure to the United States Commercial Property Market. The underlying five (5) US commercial properties held by RNY Property Trust ("RNY") were reassessed by independent third party valuation experts at 30 June 2020, noting no decline in valuation. RNY owns 100% of RNY Australia LPT Corp, which in turn owns 75% of RAOC.

Director's Report

Financial results for the year

The performance of the Trust, as represented by the results of its operations, was as follows:

	2020 $	2019 $
Operating (loss)/profit before finance costs attributable to unitholders	(5,520,327)	6,001,122
Distributions paid and payable	-	(286,474)
Distribution (cents per unit) 30 September	-	3.45
Distribution (cents per unit) 31 December	-	3.44
Distribution (cents per unit) 31 March	-	3.56
Distribution (cents per unit) 30 June	-	3.67

Financial position

Net Tangible Assets (NTA) per unit as disclosed to the ASX are shown as follows:

	2020 $	2019 $
At 30 June	6.3496	3.6591
High during period	6.6260	3.7169
Low during period	6.2455	3.3614

Based on the audited financial statements of the Trust for the year ended 30 June 2020, the NTA at 30 June 2020 is $3.4707 per unit.

Reconciliation of net assets for unit pricing and financial reporting purposes

The key differences between net assets for unit pricing purposes and net assets as reported in the financial statements prepared under Accounting Australian Standards are outlined below:

	2020 $	2019 $
Net assets for unit pricing purposes	12,875,782	7,488,328
Subsequent change in valuation of financial assets held at fair value through profit or loss	(5,837,307)	5,395,279
Performance fee payable as a result of subsequent increase in Net Asset Value	-	(257,089)
Distribution payable	-	(74,360)
Other adjustments	(571)	-
Nets assets under Australian Accounting Standards	7,037,904	12,552,158

Information on Underlying Performance

The performance of the Trust is subject to the performance of the Trust's underlying investment portfolio. There has been no change to the investment strategy of the Trust during the year, and the Trust continues to invest in accordance with target asset allocations as set out in the governing documents of the Trust and in accordance with the provisions of the Trust Constitution and any Trust updates on the ASX.

Director's Report

Strategy and Future Outlook

The Trust primarily invests in ASX listed property companies, and property related debt instruments. This is expected to continue. As markets are subject to fluctuations, it is imprudent to provide a detailed outlook statement or statement of expected results of operations. The Trust provides regular updates, including monthly NTA announcements, which can be found in the announcement section of the Australian Securities Exchange website.

The Trust continues to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Trust and in accordance with the provisions of the Trust's Constitution.

The results of the Trust's operations will be affected by a number of factors, including the performance of investment markets in which the Trust invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Further information on likely developments in the operations of the Trust and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Trust.

Significant changes in state of affairs

RNY Property Trust (ASX: RNY)

As at 30 June 2020, the combined ownership of the units in RNY by entities for which AFML is the Responsible Entity is 80.96%. The Trust owns 67.15% of the units in RNY.

Since 2 July 2018 AFML, in its capacity as the Investment Manager of RNY, has been actively working to create value from its investment in RNY, including by working with the US lender of the underlying five (5) US commercial properties held by RNY, working with the property sub-manager to attract new tenants, and working with various stakeholders to improve the properties.

On 6 October 2020, Huntley Management Limited ("Huntley"), as responsible entity for RNY, announced that the Amended and Restated Senior Loan Agreement ("Loan Agreement") with its US lender, ACORE Capital, has been executed. The term of the Loan Agreement is three years, comprising an initial 6-month term, one 6-month extension and two 12-month extension terms following the initial term.

For the year ended 30 June 2020, the Trust has adopted significant judgements and estimates to calculate the fair value of this investment. The key sources of estimation uncertainty and fair value measurement in relation to RNY are outlined in Notes 4 and 6.

The securities of the Trust have been suspended from quotation on the ASX since 2 April 2020.

ASX Suspension

On 2 April 2020, AFML requested a voluntary suspension of the Trust's securities from trading on the ASX primarily due to the Disclaimer of Auditor's Opinion contained in the Annual Report of RNY Property Trust ("RNY") for the year ended 31 December 2019 and the uncertainty associated the COVID-19 pandemic. RNY recently released its audit reviewed financial statements for the half year ended 30 June 2020 which no longer contained a disclaimer opinion. AFML has been working with the ASX to have this suspension lifted.

Product Disclosure Statement

On 27 April 2017, the Trust's Product Disclosure Statement (PDS) was withdrawn for new off-market retail applications. The PDS is currently being updated and the Trust will re-commence accepting off-market retail applications once the PDS has been lodged with Australian Securities and Investments Commission.

Director's Report

Significant changes in state of affairs (continued)

In the opinion of the Directors, other than the matters already referred to in this report, there were no significant changes in the state of affairs of the Trust that occurred during the financial year.

Matters subsequent to the end of the financial year

On 6 October 2020 Huntley Management Limited ("Huntley"), as responsible entity for RNY, announced that:

- the Amended and Restated Senior Loan Agreement ("Loan Agreement") with its US lender, ACORE Capital ("Lender"), has been executed, and
- Huntley is finalising the documentation for its previously announced 1:1 Non-Renounceable Rights Issue, and will provide unitholders with its proposed timetable after the closure of the off-market all scrip takeover bid for RNY by Keybridge Capital Limited, which will close at 7:00pm on Monday 16 November 2020.

Other than the changes mentioned above, no other matters or circumstances have arisen since 30 June 2020 that have significantly affected, or may significantly affect:

(i) the operations of the Trust in future financial years, or
(ii) the results of those operations in future financial years, or
(iii) the state of affairs of the Trust in future financial years.

Indemnity and insurance of Aurora Funds Management Limited

No insurance premiums have been paid for out of the assets of the Trust in relation to insurance cover provided to either the officers of Aurora Funds Management Limited or the auditors of the Trust. So long as the officers of Aurora Funds Management Limited act in accordance with the Trust Constitution and the Law, the officers remain indemnified out of the assets of the Trust against losses incurred while acting on behalf of the Trust.

Indemnity of auditors

The auditors of the Trust are in no way indemnified out of the assets of the Trust.

Cost recovery and interests held in the Trust by the Responsible Entity or its associates

Costs recovered by the Responsible Entity and its associates out of Trust property during the year are disclosed in the Statement of Profit or Loss and Other Comprehensive Income.

No fees were paid out of Trust property to the Directors of the Responsible Entity during the year.

The number of interests in the Trust held by the Responsible Entity or its associates as at the end of the financial year are disclosed in Note 15 to the financial statements.

Interests in the Trust

The movement in units on issue in the Trust during the year is disclosed in Note 11 of the financial statements.

The values of the Trust's assets and liabilities are disclosed in the Statement of Financial Position and derived using the accounting polices set out in Note 8 to Note 10 to the financial statements.

Director's Report

Environmental regulation

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

Information about the directors

The following persons were Directors of the Responsible Entity during the whole or part of the year and up to the date of this report.

Name:	**John Patton**
Title:	Managing Director
Qualifications:	Bachelor of Economics (Accounting), Chartered Accountant, Graduate Diploma in Applied Finance and Investment
Experience and expertise:	John was appointed as Managing Director of Aurora Funds Management Limited on 30 June 2016. John was previously a partner with Ernst & Young in the Transactions Advisory Services division and has over 25 years of professional services and industry experience. John has extensive corporate finance credentials, having been involved in over 250 corporate transactions, including mergers & acquisitions, structuring, debt & equity raisings, IPO's, management buy-outs, valuations, due diligence, financial modelling, restructuring and corporate advisory.
Other current directorships:	Metgasco Ltd
Former directorships (in the last 3 years):	Keybridge Capital Limited (retired 21 January 2020). John Patton currently holds the position of Company Secretary of Keybridge Capital Limited.
Special responsibilities:	Managing Director, Member of Compliance Committee
Interests in units:	Holds 47,276 (30 June 2019: 47,276) units in the Trust via his self-managed superannuation fund.

Name:	**Victor Siciliano**
Title:	Executive Director
Qualifications:	Bachelor of Business (Banking & Finance) and Master of Applied Finance (Investment Management) and is RG146 compliant.
Experience and expertise:	Victor was appointed as Executive Director of Aurora Funds Management Limited on 9 January 2018. Victor has over 10 years' equity market experience, most recently as portfolio manager of the HHY Fund at Keybridge Capital Limited. Prior to this, Victor was employed as an assistant portfolio manager at boutique fund manager Sterling Equity and as an investment advisor at Macquarie Group.
Other current directorships:	None
Former directorships (in the last 3 years):	None
Special responsibilities:	Investment Manager
Interests in units:	Holds 5,000 (30 June 2019: 5,000) units in the Trust.

Information about the directors (continued)

Name:	**Anthony Hartnell AM**
Title:	Non-Executive Director
Qualifications:	BEc LLB (Hons) (ANU), LLM (Highest Hons) (George Washington University)
Experience and expertise:	Anthony was appointed as Non-Executive Director of Aurora Funds Management Limited on 2 March 2018. Anthony has over 50 years of legal experience with expertise in Corporate and Commercial Law, particularly, regulatory issues, corporate financing, takeovers, trade practices and collective investments, with more recent emphasis on investigations and enforcement actions.
Other current directorships:	Molopo Energy Limited, Allegra Orthopaedics Limited and Parnell Pharmaceuticals Holdings Ltd.
Former directorships (in the last 3 years):	None
Special responsibilities:	Member of Compliance Committee, Chairman
Interests in units:	Holds 6,131 (30 June 2019: 6,131) units in the Trust.

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorship of all other types of entities, unless otherwise stated.

Board and Committee meetings

Director	Full Board		Compliance Committee	
	Held	**Attended**	**Held**	**Attended**
John Patton	18	18	4	3*
Victor Siciliano	18	18	-	1*
Anthony Hartnell AM	18	15	4	3

Held: represent the number of meetings held during the time the director held office.

*For the Compliance Committee meeting held 12 September 2019, Victor Siciliano was appointed by Internal Member John Patton as his delegated representative.

Interests held by the Responsible Entity and Directors

The number of units in the Trust held by the Responsible Entity, their related parties and Directors at the date of this report are disclosed in Note 15 to the financial statements.

Proceedings on behalf of the Company

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

Director's Report

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001.*

On behalf of the directors

John Patton
Managing Director
30 October 2020
Melbourne

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Auditor's Independence Declaration

To the Directors of Aurora Funds Management Limited as the Responsible Entity of Aurora Property Buy-Write Income Trust

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Aurora Property Buy-Write Income Trust for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton Audit Pty Ltd
Chartered Accountants

B A Mackenzie
Partner – Audit & Assurance

Melbourne, 30 October 2020

Financial Statement

Statement of profit or loss and other comprehensive income
For the year ended 30 June 2020

	Note	2020 $	2019 $
Investment income			
Interest income		560,328	510,490
Net foreign currency gains/(losses)		108,105	171,834
Net gains/(losses) on financial instruments held at fair value through profit or loss		(5,837,307)	5,673,747
Total net investment income/(loss)		(5,168,874)	6,356,071
Expenses			
Management fees	15	124,127	69,096
Performance fees	15	-	257,089
Other operating expenses	13	227,326	285,853
Total operating expenses		351,453	612,038
Operating profit/(loss) for the year		(5,520,327)	5,744,033
Finance costs attributable to unitholders			
Distributions to unitholders	12	-	(286,474)
Decrease/(Increase) in net assets attributable to unitholders	11	5,520,327	(5,457,559)
Profit/(loss) for the year		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		-	-
Earnings/(loss) per unit (basic/diluted)		(2.723)	2.837

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Financial Statement

Statement of financial position
As at 30 June 2020

	Note	2020 $	2019 $
Assets			
Cash and cash equivalents	8	61	352
Interest receivable		1,070,450	510,122
Other receivables		46,100	39,567
Financial assets held at fair value through profit or loss	10	1,945,769	7,913,076
Loans receivable	9	4,387,907	4,709,802
Total assets		7,450,287	13,172,919
Liabilities			
Distributions payable	12	-	74,360
Other payables		412,383	546,401
Total liabilities (excluding net assets attributable to unitholders)		412,383	620,761
Net assets attributable to unitholders – liability	11	7,037,904	12,552,158
Liabilities attributable to unitholders		(7,037,904)	(12,552,158)
Net assets		-	-

The above statement of financial position should be read in conjunction with the accompanying notes.

Financial Statement

Statement of changes in equity
For the year ended 30 June 2020

	Note	2020 $	2019 $
Balance at the beginning of the financial year		-	-
Profit/(loss) for the year		-	-
Other comprehensive income		-	-
Total comprehensive income		-	-
Transactions with unitholders in their capacity as unitholders		-	-
Total equity at the end of the financial year		-	-

Under Australian Accounting Standards, net assets attributable to unitholders are classified as liability rather than equity. As a result, there was no equity at the start or end of the financial year.

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows
For the year ended 30 June 2020

	Note	2020 $	2019 $
Cash flows from operating activities			
Proceeds from sale of financial instruments held at fair value through profit or loss		130,000	1,897,460
Purchase of financial instruments held at fair value through profit or loss		-	(30,224)
Deposit redeemed from RNY Property Trust		-	2,833,538
Loans advanced by the Trust		-	(4,537,967)
Repayment of loans advanced by the Trust		430,000	-
Repayment of loans advanced to the Trust		(66,263)	(135,094)
Interest received		-	368
Withholding tax received		-	189,276
GST (paid)/recovered		(6,533)	102,415
Management fees paid		(104,585)	(47,178)
Performance fees paid		(34,678)	-
Other operating expenses paid		(279,944)	(200,647)
Net cash inflow/(outflow) from operating activities	16(a)	67,997	71,947
Cash flows from financing activities			
Proceeds from applications by unitholders		-	245,713
Payments for redemptions by unitholders		-	(66,439)
Payments for share buy backs		-	(9,511)
Distributions paid to unitholders		(68,288)	(291,633)
Net cash (outflow)/inflow from financing activities		(68,288)	(121,870)
Net (decrease)/increase in cash and cash equivalents		(291)	(49,923)
Cash and cash equivalents at the beginning of the year		352	50,275
Cash and cash equivalents at the end of the year	8	61	352
Non-cash financing activities	16(b)	6,073	24,713

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

Notes to Financial Statements

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Notes to Financial Statements

Note 1. General information

These financial statements cover Aurora Property Buy-Write Income Trust (the "Trust") as an individual entity. The Trust commenced operations on 19 July 2007, was admitted to the Australian Securities Exchange ("ASX") on 26 July 2007, and is domiciled in Australia.

The Responsible Entity of the Trust is Aurora Funds Management Limited (the "Responsible Entity"). The Responsible Entity's registered office is Suite 613, Level 6, 370 St Kilda Road, Melbourne VIC 3004. The financial statements are presented in Australian currency.

It is recommended that these financial statements are considered together with the Product Disclosure Statement (which is currently being refreshed) and in accordance with the provisions of the governing documents of the Trust, and any public announcements made by the Trust during the year ended 30 June 2020 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001 and ASX listing rules.

The principal activities of the Trust during the financial year were managing its investments in accordance with its investment strategy, the provisions of the Trust Constitution, the Product Disclosure Statement and any Trust updates.

The financial statements were authorised for issue by the directors of the Responsible Entity as at the date of the directors' report. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

Note 2. Adoption of new and revised Accounting Standards

New, revised or amending Accounting Standards and Interpretations adopted

The Trust has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There were no new, revised or amending Accounting Standards and Interpretations that were applicable and had a material impact.

The Trust has adopted AASB 16 Leases, however the impact is not material as the Trust has not entered into any leases as lessee which expire more than twelve months after 30 June 2020.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The financial statements have been prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

Note 3. Significant accounting policies (continued)

Basis of preparation (continued)

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to unitholders. The amount expected to be recovered or settled within twelve months after the end of each reporting period cannot be reliably determined.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Trust's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

Receivables

The Trust recognizes an allowance for Expected Credit Losses (ECLs) for all receivables. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Trust expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Loan receivables are measured initially at fair value plus transaction costs and subsequently amortised using the effective interest rate method, less expected credit losses (ECLs) if any. AASB 9's impairment requirements use more forward looking information to recognize ECLs – the 'expected credit losses model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost, and trade receivables.

The Trust considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Other receivables may include amounts for dividends, interest, trust distributions and securities sold where settlement has not yet occurred. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment. Amounts are generally due for settlement within 30 days of being recorded as receivables. For other receivables, the Trust applies a simplified approach in calculating ECLs. Therefore, the Trust does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

Note 3. Significant accounting policies (continued)

Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. Trades are recorded on trade date, and for equities normally settled within two business days. For amounts due from brokers, the Trust applies a simplified approach in calculating Expected Credit Losses (ECLs). Therefore, the Trust does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets - initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at either amortised cost or at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and business model. With the exception of trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient, the Trust initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Trust commits to purchase or sell the asset.

(ii) Financial assets - subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments). The Trust's financial assets at amortised cost consists of trade receivables, cash and loans to RNY Property Trust and RNY Australia Operating Company LLC.
- Financial assets at fair value through profit or loss. The Trust's financial assets at fair value through profit or loss consists of listed equity investments.

Payables

All expenses, including Responsible Entity's fees, management fees, audit and tax fees and other operating expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income on an accrual basis. Any unpaid amount is recognised in the Statement of Financial Position as other payables.

Investment income

Interest income is recognised in profit or loss for all financial instruments that are not held at fair value through profit or loss using the effective interest method. Interest income on assets held at fair value through profit or loss is included in the net gains/(losses) on financial instruments.

Note 3. Significant accounting policies (continued)

Investment income (continued)
The effective interest method is a method of calculating the amortised cost of a financial asset or financial 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 payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Trust estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts when it is probable that the economic benefit will flow to the Trust and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Dividend income is recognised on the ex-dividend date, inclusive of any related foreign withholding tax. The Trust currently incurs withholding tax imposed by certain countries on investment income. Such income is recorded net of withholding tax in the Statement of Profit or Loss and Other Comprehensive Income.

Dividends declared on securities sold short are recorded as a dividend expense on the ex-dividend date. Trust distributions are recognised on an entitlements basis.

Expenses
All expenses, including Responsible Entity's fees are recognised in the Statement of Profit or Loss and Other Comprehensive Income on an accrual basis.

Goods and Services Tax ('GST')
The GST incurred on the costs of various services provided to the Trust by third parties, have been passed onto the Trust. The Trust qualifies for Reduced Input Tax Credits (RITCs) at a rate of 55% or 75%; hence management fees and other expenses have been recognised in the Statement of Profit or Loss and Other Comprehensive Income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the Statement of Financial Position. Cash flows relating to GST are included in the statement of cash flows on a net basis.

Income tax
Under current legislation, the Trust is not subject to income tax as unitholders are presently entitled to the income of the Trust. The benefit of imputation credits and foreign tax paid is passed on to unitholders.

Foreign currency translation
(i) Functional and presentation currency
Items included in the Trust's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Trust competes for funds and is regulated. The Australian dollar is also the Trust's presentation currency.

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates, of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Note 3. Significant accounting policies (continued)

Foreign currency translation (continued)

(ii) Transactions and balances (continued)

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the Statement of Profit or Loss and Other Comprehensive Income on a net basis within net gains/(losses) on financial instruments held at fair value through profit or loss.

Note 4. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements require management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Key sources of estimation uncertainty

1. RNY Property Trust (ASX: RNY)

The Directors have determined to carry the Trust's investment in RNY Property Trust ("RNY") at $0.011 (being 1.1 cents) per unit at 30 June 2020. In reaching this position, the Directors considered the following factors:

- RNY units are thinly traded on the ASX, and were suspended from trading on 1 April 2019 due to delays experienced in finalising its audited financial statements for the year ended 31 December 2018 and half year ended 30 June 2019, followed by the Audit Disclaimer Opinion issued in relation to the year ended 31 December 2019. Historically, RNY has traded at a discount to the underlying net asset position.

- On 23 September 2019, RNY announced it had completed an independent valuation of its five (5) commercial office properties in the New York tri-state area, resulting in a 16% uplift on previous valuations and a material uplift in RNY's Net Tangible Asset ("NTA") backing. Given RNY's suspension from trading on the ASX, there was no actively traded market available for the Directors to determine the market value for RNY's securities. As such, the independent valuation obtained by RNY was considered the most appropriate basis on which to determine the carrying value of RNY, with the Trust's direct investments being carried at $0.044 per unit, a small discount to RNY's improved NTA of $0.05 per unit.

- On 29 June 2020, Keybridge Capital Limited ("Keybridge") announced its intention to make an off-market all scrip takeover bid for RNY at an implied offer price of $0.011 per RNY unit ("Keybridge Offer"), with its Bidder's Statement being dispatched on 28 August 2020. On 28 September 2020, Keybridge issued a substantial holder notice stating it had acquired a relevant interest of 1.01% in RNY (from parties not related to AFML) through acceptances into the Keybridge Offer. AFML has also elected to accept a portion of the holdings of the Managed Investment Schemes for which it is the Responsible Entity into the Keybridge Offer. On 14 October 2020 Keybridge announced the extension of offer period for the Keybridge Offer. The Keybridge Offer will now close at 7pm on Monday 16 November 2020.

Having regard to the above factors, and as consequence of the acceptances into the Keybridge Offer, the implied offer price of $0.011 per RNY unit is now the most readily observable price for RNY securities. Therefore, the Directors have determined a fair value of $0.011 per unit in RNY.

Note 4. Critical accounting judgements, estimates and assumptions (continued)

Key sources of estimation uncertainty (continued)

1. RNY Property Trust (ASX: RNY) (continued)

On 6 October 2020 Huntley Management Limited ("Huntley"), as responsible entity for RNY, announced that:

- the Amended and Restated Senior Loan Agreement ("Loan Agreement") with its US lender, ACORE Capital ("Lender"), has been executed.
- Huntley is finalising the documentation for its previously announced 1:1 Non-Renounceable Rights Issue, and will provide unitholders with its proposed timetable after the closure of the Keybridge Offer.

The Trust has loans receivable from RNY Australia Operating Company ("RAOC" : $4,279,049) and RNY Property Trust ("RNY" : $108,858) at 30 June 2020. RNY has a positive net asset position of $12.26 million as per the Appendix 4D lodged by RNY with the ASX on 31 August 2020. The Directors consider the loans owing by RAOC and RNY to the Trust at 30 June 2020 to be fully recoverable and therefore there is no Expected Credit Loss associated with these loans.

For the majority of the Trust's other financial instruments, quoted market prices are readily available. However, there may be certain financial instruments, for example, over-the-counter derivatives or unquoted securities which are fair valued using valuation techniques. Where valuation techniques are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the team that created them. For more information on how fair value is calculated please see Note 6 to the financial statements.

The carrying amount of loan receivables are assessed at each reporting date, and require the Trust to make determinations as to the likelihood of recovery.

For certain other financial instruments, including payables, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

Note 5. Operating segments

Identification of reportable operating segments
The Trust comprised the single business segment which operates solely in the business of investment management within Australia. While the Trust operates within Australia only (the geographical segment), the Trust may have asset exposures in different countries and across different industries.

Operating segment information
As the Trust operates in a single operating segment, these financial statements represent the required financial information of that segment.

Accounting policy for operating segments
Operating segments are presented using the ‘management approach’, where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers (‘CODM’) which has been identified as the Board of Directors. The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 6. Financial Instruments

Capital risk management
The Trust considers its net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Trust is subject to daily applications and redemptions at the discretion of unitholders.

Daily applications and redemptions are reviewed relative to the liquidity of the Trust's underlying assets on a daily basis by the Responsible Entity. Under the terms of the Trust Constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

Financial risk management
The Trust’s activities expose it to a variety of financial risks which is reflected in the Trust’s net gains/losses: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk.

The Trust’s overall risk management program focusses on ensuring compliance with the Trust’s Product Disclosure Statement and seeks to maximize the returns derived for the level of risk to which the Trust is exposed. Financial risk management is carried out by the investment management department of the Responsible Entity under policies approved by the Board of Directors of the Responsible Entity ("the Board").

The Trust uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

(a) Market risk

(i) Price risk
Price risk is the risk that the value of the Trust’s investment portfolio will fluctuate as a result of changes in market prices. This risk is managed by the Responsible Entity through ensuring that all activities are transacted in accordance with mandates, overall investment strategy and within approved limits. Market price risk analysis is conducted regularly by the investment manager on a total portfolio basis, which includes the effect of any derivatives.

The Trust is exposed to equity securities and derivative securities price risk. This arises from investments held by the Trust for which prices in the future are uncertain. Investments are classified in the Statement of Financial Position as at fair value through profit or loss. All securities investments present a risk of loss of capital. Except for equities sold short, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Possible losses from equities sold short can be unlimited.

A sensitivity analysis was performed showing how the effect of a 10% increase (2019: 10%) and a 10% decrease (2019: 10%) in market prices would have increased/decreased the impact on operation profit/net assets attributable to unitholders as at 30 June 2020. The results of this analysis are disclosed in Note 6(b).

(ii) Foreign exchange risk
Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

The Trust's exposure to the risk of changes in foreign exchange rates relates primarily to the Trust's loans to RNY Australia Operating Company LLC ("RAOC") and RNY Property Trust ("RNY") which are denominated in $USD. Refer to Note 9 for further information on the loans receivable from RAOC and RNY.

Note 6. Financial Instruments (continued)

(ii) Foreign exchange risk (continued)
The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held variables held constant.

	Impact on operating profit/net assets attributable to unitholders	
	-5%	**5%**
	$	**$**
30 June 2020	(219,395)	219,395
30 June 2019	(235,490)	235,490

(iii) Interest rate risk
The Trust is exposed to interest rate risk on financial instruments with variable interest rates.

The Trust's interest-bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis. The only financial assets held by the Trust subject to interest rate risk are cash and cash equivalents.

The Trust has direct exposure to interest rate changes on the valuation and cash flows of its interest-bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Trust invests and impact on the valuation of certain assets that use interest rates as input in their valuation model. Therefore, the sensitivity analysis may not fully indicate the total effect on the Trust's net assets attributable to unitholders of future movements in interest rates.

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. There is no significant direct interest rate risk in the Trust as the Trust does not hold interest rate sensitive financial instruments. The interest rates on deposits at bank and on bank overdrafts are both rates referenced to RBA cash rate.

A sensitivity analysis was performed showing how the effect of a 100 basis point increase and a 100 basis point decrease in interest rates on cash and cash equivalents would have increased/decreased the impact on operating profit/net assets attributable to unitholders as at 30 June 2020. The results of this analysis are disclosed in Note 6(b).

The table below summarises the Trust's exposure to interest rate risks. It includes the Trust's assets and liabilities at fair value, categorised by the earlier of contractual repricing or maturity dates.

30 June 2020	**Floating interest rate**	**Fixed interest rate**	**Non interest bearing**	**Total**
Financial assets	AUD	AUD	AUD	AUD
Cash and cash equivalents	61	-	-	61
Loans receivable		4,387,907	-	4,387,907
Interest receivable			1,070,450	1,070,450
Other receivables	-	-	46,100	46,100
Financial assets held at fair value through profit or loss	-	-	1,945,769	1,945,769
Financial liabilities				
Other payables	-	-	(412,383)	(412,383)
Net exposure	61	4,387,907	2,649,936	7,037,904

Note 6. Financial Instruments (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

30 June 2019	Floating interest rate	Fixed interest rate	Non interest bearing	Total
Financial assets	AUD	AUD	AUD	AUD
Cash and cash equivalents	352	-	-	352
Loans receivable		4,709,802	-	4,709,802
Interest receivable			510,122	510,122
Other receivables	-	-	39,567	39,567
Financial assets held at fair value through profit or loss	-	-	7,913,076	7,913,076
Financial liabilities				
Distribution payable	-	-	(74,360)	(74,360)
Other payables	-	-	(546,401)	(546,401)
Net exposure	352	4,709,802	7,842,004	12,552,158

(b) Price risk and Interest rate risk

The following table summarises the sensitivity of the Trust's operating profit and net assets attributable to unitholders to the price risk and interest rate risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates, foreign exchange rates and historical market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of and/or correlation between the performance of the economies, markets and securities in which the Trust invests. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

	Price Risk		Interest Rate Risk	
	Impact on operating profit/net assets attributable to unitholders unitholders			
	-10%	10%	-100 bps	+100 bps
	$	$	$	$
30 June 2020	(194,577)	194,577	(1)	1
30 June 2019	(791,308)	791,308	(4)	4

In determining the impact of an increase/decrease in net assets attributable to unitholders arising from market risk, the Responsible Entity has considered prior period and expected future movements of the portfolio information in order to determine a reasonably possible shift in assumptions.

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Trust.

The main concentration of credit risk to which the Trust is exposed arises from cash and cash equivalents and amounts due from other receivables.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved; and
- ensuring transactions are undertaken with a large number of counterparties.

Note 6. Financial Instruments (continued)

(c) Credit risk

The Trust has a prime brokerage agreement with Interactive Brokers, the Trust's Prime Broker, and some of the Trust's assets will be pledged as collateral for amounts drawn under the overdraft facility. There was no overdraft position as at 30 June 2020 (2019: nil).

Certain assets of the Trust will be held by the Prime Broker in segregated accounts together with assets deposited by it on behalf of other customers of the Prime Broker. Such assets will not be mixed with the property of the Prime Broker and should not be available to third party creditors of the Prime Broker in the event of insolvency of the Prime Broker. However, the assets of the Trust held by the Prime Broker will be subject to a charge to secure the Trust's obligations to the Prime Broker.

The main concentration of credit risk to which the Trust is exposed arises from loans receivable.

The Trust has a material credit risk exposure to parties from whom loans and interest are receivable (RNY Australia Operating Company LLC and RNY Property Trust) at 30 June 2020.

The Trust has a credit risk exposure to the banks (Westpac and Interactive Brokers) that hold the Trust's cash assets at 30 June 2020.

An analysis of exposure by rating is set out in the table below:

	2020 $	2019 $
Rating		
AA (Westpac Bank)	5	196
BBB (Interactive Brokers)	56	156
BBB (RNY Australia Operating Company LLC)	4,279,049	4,603,015
BBB (RNY Property Trust)	108,858	106,787
Total	4,387,968	4,710,154

(i) Settlement of securities transactions
All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment. Payment is made once purchase on the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

(ii) Cash and cash equivalents
The exposure to credit risk for cash and cash equivalents is considered low as all counterparties have a rating of BBB or higher.

In accordance with the Trust's Constitution, the investment manager monitors the Trust's credit position of a daily basis, and the Board of Directors reviews it on a quarterly basis.

(iii) Loans and interest receivable
The exposure to credit risk for loans and interest receivable is considered low given the net asset position of RNY Australia Operating Company LLC and RNY Property Trust.

Note 6. Financial Instruments (continued)

(c) Credit risk (continued)

(iv) Other
The Trust is not materially exposed to credit risk on other financial assets.

The maximum exposure to credit risk at the end of each reporting period is the carrying amount of the financial assets. None of these assets are impaired, nor past due.

(d) Liquidity risk

Liquidity risk is the risk that the Trust may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Trust is exposed to daily cash redemptions of redeemable units and daily margin calls on derivatives. It therefore primarily holds investments that are traded in an active market and can be readily disposed. Only a limited proportion of its assets are held in investments not actively traded on a stock exchange.

The majority of the Trust's listed securities are considered readily realisable, as they are listed on the Australian Securities Exchange.

Derivatives may also be used to improve the efficiency of implementing the investment strategy. Derivatives will only be held for a short period of time. The investment manager may not use derivatives or borrowings to gear the portfolio.

In order to manage the Trust's overall liquidity, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders. Units are redeemed on demand at the unitholder's option. However, the Board does not envisage that the contractual maturity disclosed in the table below will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

The table below analyses the Trust's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period. The amounts in the table are the contractual undiscounted cash flows.

30 June 2020	**Less than 1 month**	**1-6 months**	**6-12 months**	**1-2 years**	**Total**
Liabilities					
Distribution payable	-	-	-	-	-
Other payables	-	412,383	-	-	412,383
Net assets attributable to unitholders	-	7,037,904	-	-	7,037,904
Contractual cash flows (excluding gross settled derivatives)	-	7,450,287	-	-	7,450,287

30 June 2019	**Less than 1 month**	**1-6 months**	**6-12 months**	**1-2 years**	**Total**
Liabilities					
Distribution payable	74,360	-	-	-	74,360
Other payables	-	546,401	-	-	546,401
Net assets attributable to unitholders	-	12,552,158	-	-	12,552,158
Contractual cash flows (excluding gross settled derivatives)	74,360	13,098,559	-	-	13,172,919

Note 6. Financial Instruments (continued)

(d) Liquidity risk (continued)

Offsetting of financial assets and liabilities
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 amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Note 7. Fair value measurement

The Trust measures and recognises the following assets and liabilities at fair value on a recurring basis through profit or loss (FVTPL).

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy:

Fair value hierarchy
- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

(i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Trust values its investments in accordance with the accounting policies within this note to the financial statements. For the majority of its investments, the Trust relies on information provided by independent pricing services for the valuation of its investments.

The quoted market price used for financial assets held by the Trust is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Trust holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(ii) Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models, volume weighted average prices or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

Note 7. Fair value measurement (continued)

(ii) Fair value in an inactive or unquoted market (level 2 and level 3) (continued)

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Trust holds.

The following tables detail the Trust's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

30 June 2020	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets				
Financial assets designated at fair value through profit or loss:				
Listed equity securities	-	1,945,769	-	1,945,769
Total financial assets	-	1,945,769	-	1,945,769

30 June 2019	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets				
Financial assets designated at fair value through profit or loss:				
Listed equity securities	-	-	7,913,076	7,913,076
Total financial assets	-	-	7,913,076	7,913,076

Refer to Note 4 for further information on how the fair value of the Level 3 investment has been determined.

Transfers between levels

There was one transfer between levels for the year ended 30 June 2020, being the transfer of the investment in RNY Property Trust from Level 3 to level 2 (30 June 2019: no transfers).

Valuation techniques for fair value measurements

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

The investment in RNY Property Trust (ASX: RNY) was valued at 30 June 2020 based on the most recent off-market selling price. The investment in RNY Property Trust was valued at 30 June 2019 using the discounted Net Tangible Assets.

Note 7. Fair value measurement (continued)

Reconciliation of level 2 fair values

Financial assets measured using significant unobservable inputs (level 2) are shown below:

	2020 $	2019 $
Opening balance	-	-
Transfers in/(out) of level 2	1,945,769	-
Closing balance	1,945,769	-

Reconciliation of level 3 fair values

Financial assets measured using significant unobservable inputs (level 3) are shown below:

	2020 $	2019 $
Opening balance	7,913,076	2,677,954
Disposal of financial asset held at fair value through profit or loss	(130,000)	-
Change in value of financial asset held at fair value through profit or loss	(5,837,307)	5,235,122
Transfers in/(out) of level 3	(1,945,769)	-
Closing balance	-	7,913,076

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assume that the transaction will take place either: in the principal market; or in the absence of a principal market; in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison where applicable, with external sources of data.

For certain other financial instruments, including amounts due from/to brokers and payables, the carrying amounts approximate fair value due to the immediate or short term nature of these financial instruments.

Note 8. Cash and cash equivalents

	2020 $	2019 $
Cash at bank	61	352
Total cash and cash equivalents	61	352

Accounting policy for cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities in the Statement of Cash Flows, as movements in the fair value of these securities represent the Trust's main income generating activity.

Note 9. Loans receivable

	2020 $	2019 $
Loans receivable from RNY Australia Operating Company LLC:		
USD$1,540,450 maturing 2 July 2023. Interest charged at 12% p.a.	2,235,863	2,598,692
USD$491,360 maturing 20 August 2023. Interest charged at 12% p.a.	713,177	699,612
USD$211,591 maturing 1 October 2023. Interest charged at 12% p.a.	307,110	301,269
USD$704,750 maturing 15 November 2023. Interest charged at 12% p.a.	1,022,899	1,003,442
Total loans receivable from RNY Australia Operating Company LLC:	4,279,049	4,603,015
Loan receivable from RNY Property Trust:		
USD$75,000 maturing date 2 July 2023. Interest charged at 12% p.a.	108,858	106,787
Total loans receivable	4,387,907	4,709,802

The loans receivable by the Trust from RNY Australia Operating Company LLC and RNY Property Trust which are denominated in US dollars have been translated to Australian dollars at the rate of USD$1 = AUD$1.451435 at 30 June 2020 (30 June 2019: USD$1 = AUD$1.423827).

The spread of COVID-19 has caused significant volatility in Australian and international markets. There is considerable uncertainty regarding the breadth and duration of the business disruptions related to COVID-19. The Trust continues to monitor the performance of its investments closely, and in-particular the investment in units issued by RNY Property Trust ("RNY"), and loans receivable from RNY and RNY Australia Operating Company LLC ("RAOC"). RNY and RAOC have specific exposure to the United States Commercial Property Market. The underlying five (5) US commercial properties held by RNY Property Trust ("RNY") were reassessed by independent third party valuation experts at 30 June 2020, noting no decline in valuation. RNY owns 100% of RNY Australia LPT Corp, which in turn owns 75% of RAOC.

Note 10. Financial assets held at fair value through profit or loss

	2020 $	2019 $
Designated at fair value through profit or loss		
Listed Australian equity securities	1,945,769	7,913,076
Total financial assets held at fair value through profit or loss	1,945,769	7,913,076

An overview of the risk exposure relating to financial assets held at fair value through profit or loss is included in Note 6.

Note 11. Net assets attributable to unitholders

Movements in the number of units and net assets attributable to unitholders during the year were as follows:

	2020 No.	2019 No.	2020 $	2019 $
Opening balance	2,026,165	1,973,165	12,552,158	6,907,537
Applications	-	65,000	-	221,000
Redemptions	-	(18,900)	-	(49,139)
Buy backs	-	-	-	(9,511)
Units issued upon reinvestment of distributions	1,636	6,900	6,073	24,712
Increase/(decrease) in net assets attributable to unitholders	-	-	(5,520,327)	5,457,559
Closing balance	2,027,801	2,026,165	7,037,904	12,552,158

As stipulated within the Trust Constitution, each unit represents a right to an individual share in the Trust and does not extend to a right to the underlying assets of the Trust.

Accounting policy for net assets attributable to unitholders

Applications and redemptions for units can be conducted on the ASX platform (on market) or by using the current PDS (off market).

On Market
Unitholders may instruct their stockbroker or financial adviser to purchase or sell units on the ASX platform.

Off Market
Applications received for units in the Trust are recorded net of any entry fees payable prior to the issue of units in the Trust. Redemptions from the Trust are recorded gross of any exit fees payable after the cancellation of units redeemed.

Unit redemption prices are determined by reference to the net assets for the Trust, divided by the number of units on issue.

Units are redeemable at the unitholders' option; however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders. The units are classified as financial liabilities as the Trust is required to distribute its distributable income. The units can be put back to the Trust at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the end of the reporting period if unitholders exercised their right to redeem units in the Trust.

Note 12. Distributions to unitholders

The distributions for the year were as follows:

	2020 $	2020 CPU	2019 $	2019 CPU
Distributions paid	-	-	212,114	10.45
Distributions payable	-	-	74,360	3.67
Total distributions	-	-	286,474	14.12

Accounting policy for distribution to unitholders

The Trust distributes its distributable income in accordance with the Trust Constitution, to unitholders by cash or reinvestment. The distributions are recognised in profit or loss as finance costs attributable to unitholders. The unpaid amount is recognised in the Statement of Financial Position.

Income not distributed is included in net assets attributable to unitholders. Movements in net assets attributable to unitholders are recognised in the Statement of Profit or Loss and Other Comprehensive Income as finance costs.

Note 13. Expenses

Other operating expenses

	2020 $	2019 $
ASX fees	-	32,605
Bank fees	710	837
Interest charges	3,179	8,215
Recoverable costs of Responsible Entity	125,118	125,118
Recovery expenses	98,319	109,395
Other operating expenses	-	9,683
Total other operating expenses	227,326	285,853

Note 14. Remuneration of auditors

During the financial year, the following fees were paid or payable by the Responsible Entity on behalf of the Trust for services provided by the auditor of the Trust. The auditor of the Trust is Grant Thornton Audit Pty Ltd. The Responsible Entity is responsible for paying this remuneration of auditor on behalf of the Trust.

	2020 $	2019 $
Audit and other assurance services		
Audit and review of financial statements	21,500	17,282
Audit of compliance plan	4,500	4,692
Total remuneration for audit and other assurance services	26,000	21,974
Taxation services		
Tax compliance services	8,550	8,550
Total remuneration for tax services	8,550	8,550
Total remuneration of auditors	34,550	30,524

Note 15. Related party transactions (continued)

Note 15. Related party transactions

Responsible Entity

The Responsible Entity of Aurora Property Buy-Write Income Trust is Aurora Funds Management Limited.

Key management personnel unitholdings

As at 30 June 2020, John Patton, Managing Director, holds 47,276 (30 June 2019: 47,276) units in the Trust via his self-managed superannuation fund.

As at 30 June 2020, Victor Siciliano, executive Director, holds 5,000 (30 June 2019: 5,000) units in the Trust.

As at 30 June 2020, Anthony Hartnell AM, Non-Executive Director, holds 6,131 (30 June 2019: 6,131) units in the Trust.

Key management personnel compensation

Key management personnel are paid by Aurora Funds Management Limited. Payments made from the Trust to Aurora Funds Management Limited do not include any amounts directly attributable to the compensation of key management personnel.

Related party unitholdings

Aurora Fortitude Absolute Return Fund holds 414,936 units (30 June 2019: 454,044 units) in the Trust, the fair value of which is $1,440,118 (30 June 2019: $794,577). Distributions of $Nil (30 June 2019: $64,111) were paid/payable by the Trust to Aurora Fortitude Absolute Return Fund.

Aurora Dividend Income Trust (Managed Fund) holds 39,108 units (30 June 2019: Nil units) in the Trust, the fair value of which is $135,732 (30 June 2019: $Nil). Distributions of $Nil (30 June 2019: $Nil) were paid/payable by the Trust to Aurora Dividend Income Trust (Managed Fund).

Other related party information

Aurora Corporate

Aurora Corporate Pty Ltd (formerly Seventh Orion Pty Ltd) as Trustee for the Aurora Investments Unit Trust (Aurora Corporate) owns 100% of the ordinary shares of Aurora Funds Management Limited, being the Responsible Entity of Aurora Property Buy-Write Income Trust.

Aurora Corporate Pty Ltd (formerly Seventh Orion Pty Ltd) is 50% owned by John Patton, the Managing Director of Aurora Funds Management Limited, and 50% owned by Victor Siciliano, an Executive Director of Aurora Funds Management Limited.

Directorships

Mr John Patton was appointed to the Boards of the following listed entities held by other managed investment schemes also managed by the Responsible Entity:

- Mr Patton was appointed to the Board of Keybridge Capital Limited as a Non-Executive Director on 10 August 2016 and was subsequently appointed to the role of Chairman on 13 October 2016. On 21 January 2020, Mr Patton retired from his position as Director and Chairman of Keybridge Capital Limited.
- Mr Patton was appointed to the Board of Metgasco Limited as a Non-Executive Director on 19 September 2016.

Note 15. Related party transactions (continued)

Directorships (continued)

Aurora Funds Management Limited ("AFML") was appointed as Investment Manager of RNY Property Trust ("RNY") on 2 July 2018. Mr Victor Siciliano was appointed to the Boards of the following entities:

- Aurora Funds Management Corp. ("AFMC")
- Aurora Asset Management Corp. ("AAMC")
- RNY Australia Operating Company LLC ("RAOC")
- RA 560 White Plains Road LLC ("RA560")
- RA 580 White Plains Road LLC ("RA580")
- RA 55 CLB LLC ("RA55CLB")
- RA 6800 Jericho Turnpike LLC ("RA6800")
- RA 6900 Jericho Turnpike LLC ("RA6900")
- RNY Australia AC Mezz Borrower LLC ("RAAMB")

RNY owns 100% of RNY Australia LPT Corp ("RALPT"), which in turn owns 75% of RAOC, which in turn owns 100% of RAAMB, which in turn owns 100% of each of RA560, RA580, RA55CLB, RA6800 and RA6900. AFMC owns the other 25% of RAOC.

AFML owns 100% of each of AFMC and AAMC.

Investments

The Trust holds 176,888,097 units (30 June 2019: 179,842,642 units) in RNY Property Trust, the fair value of which is $1,945,769 (30 June 2019: $7,913,076). Distributions of $Nil (30 June 2019: $Nil) were paid/payable by RNY Property Trust to the Trust. Aurora Funds Management Limited was appointed as Investment Manager of RNY Property Trust on 2 July 2018.

On 31 October 2019 the Trust sold 2,954,545 units in RNY Property Trust to Aurora Fortitude Absolute Return Fund ("AFARF") for consideration of $130,000. AFML is the Responsible Entity of AFARF.

Responsible Entity's/manager's fees and other transactions

Under the terms of the Trust Constitution, the Responsible Entity is entitled to receive fees, calculated by reference to the average daily net assets (excluding net assets attributable to unitholders) of the Trust as follows:

- Management fee payable to the Responsible Entity is 1.03% (including GST) per annum;
- Performance fee of 10.25% (including GST) per annum is applied to the total excess between the Total Unit Holder Return (TUR) and the RBA Cash Rate plus 1% daily. Performance fees are payable half-yearly.

The Trust announced via a fund update on its website that effective 8 August 2017, Aurora Funds Management Limited may begin charging all of its normal operating expenses to the Trust in accordance with the Trust's Constitution.

The transactions during the year and amounts payable at year end between the Trust and the Responsible Entity were as follows:

	2020 $	2019 $
Management fees for the year paid/payable by the Trust to the Responsible Entity	124,127	69,096
Performance fees for the year paid/payable by the Trust to the Responsible Entity	-	257,089
Recoverable costs of Responsible Entity for the year paid/payable by the Trust to the Responsible Entity	125,118	125,118
Other expenses reimbursed for the year paid/payable by the Trust to the Responsible Entity	98,319	109,395
Balance owing to the Responsible Entity at the end of the reporting period	344,728	478,746

No amounts were paid by the Trust directly to the key management personnel of Aurora Funds Management Limited.

Note 15. Related party transactions (continued)

Loans

The Trust owns 67.15% of the units in RNY Property Trust, which in turn owns 100% of RNY Australia LPT Corp, which in turn owns 75% of RNY Australia Operating Company LLC.

The Trust has advanced loans totalling $4,279,049 to RNY Australia Operating Company LLC at 30 June 2020 (30 June 2019: $4,603,015), denominated in $USD. Interest is payable on these loans at 12% per annum. The loans are unsecured. For the year ended 30 June 2020 interest of $546,984 (30 June 2019: $497,343) is payable on the loans.

The Trust has advanced a loan of $108,858 to RNY Property Trust at 30 June 2020 (30 June 2019: $106,787), denominated in $USD. Interest is payable on this loan at 12% per annum. The loan is unsecured. For the year ended 30 June 2020 interest of $13,344 (30 June 2019: $12,779) is payable on the loan.

Note 16. Reconciliation of profit to net cash inflow/(outflow) from operating activities

	2020 $	2019 $
(a) Reconciliation of (loss)/profit to net cash inflow from operating activities		
Profit/(loss) for the year	-	-
Increase in net assets attributable to unitholders	316,980	5,457,558
Distribution to unitholders	-	286,474
Proceeds from purchase or sale of financial instruments held at fair value through profit or loss	130,000	1,897,461
Purchase of financial instruments held at fair value through profit or loss	-	(30,224)
Deposit redeemed	-	2,833,538
Loans advanced by the Trust	-	(4,537,967)
Repayment of loans advanced by the Trust	430,000	-
Repayment of loans advanced to the Trust	(66,263)	(135,094)
Net (gains)/losses on financial instruments held at fair value through profit or loss	(108,105)	(5,845,581)
Net change in receivables	(566,860)	(278,599)
Net change in payables	(67,755)	424,381
Net cash inflow/(outflow) from operating activities	67,997	71,947

	2020 $	2019 $
(b) Non-cash financing activities		
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	6,073	24,713

Note 17. Events after the reporting period

On 6 October 2020 Huntley Management Limited ("Huntley"), as responsible entity for RNY, announced that:

- the Amended and Restated Senior Loan Agreement ("Loan Agreement") with its US lender, ACORE Capital ("Lender"), has been executed, and
- Huntley is finalising the documentation for its previously announced 1:1 Non-Renounceable Rights Issue, and will provide unitholders with its proposed timetable after the closure of the off-market all scrip takeover bid for RNY by Keybridge Capital Limited, which will close at 7:00pm on Monday 16 November 2020.

Other than the events mentioned above, no significant events have occurred since the end of the reporting period which would impact on the financial position of the Trust disclosed in the Statement of Financial Position as at 30 June 2020 or on the results and cash flows of the Trust for the year ended on that date.

Note 18. Commitments

There were no commitments for the expenditure as at 30 June 2020 (2019: Nil).

Note 19. Contingent assets and liabilities

There were no contingent assets and liabilities as at 30 June 2020 (2019: Nil).

Director's Declaration

The Directors of the Responsible Entity declare that:

(a) In the directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable;

(b) In the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards as stated in Note 2 to the financial statements;

(c) In the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Fund; and

(d) The directors have been given the declarations of the Responsible Entity made pursuant to s295(5) of the *Corporations Act 2001*.

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

On behalf of the Responsible Entity, Aurora Funds Management Limited.

John Patton
Managing Director
30 October 2020

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Independent Auditor's Report

To the Unitholders of Aurora Property Buy-Write Income Trust

Report on the audit of the financial report

Opinion

We have audited the financial report of Aurora Property Buy-Write Income Trust (the Trust), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Trust is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Trust's financial position as at 30 June 2020 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 Trust in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Grant Thornton

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation and existence of financial assets held at fair value through profit or loss (Notes 4, 7 and 10)	
As at 30 June 2020, the Trust's financial assets held at fair value through profit or loss amounted to $1,945,769 as disclosed in Note 10. The investment portfolio is comprised of units of RNY Property Trust ("RNY"), which is listed on the Australian Securities Exchange. However, RNY was not actively trading at 30 June 2020 and thus a significant amount of management judgement and estimation is involved in these valuations in the absence of quoted market prices. Additionally, due to the size of the investment portfolio, both existence and valuation of the financial assets held at fair value through profit or loss is considered a key audit matter. It is an area which had the greatest effect on our overall audit strategy and allocation of time and resources in planning and completing our audit.	Our procedures included, amongst others: • Documenting and assessing the processes and control environment in place to buy and sell investments in the portfolio, including the process to value investments within the portfolio; • Comparing the number of shares or units held to third party share or unit registry records; • Obtaining management's assessment for the investment valuations and assessing the appropriateness of the valuation methodologies utilised in accordance with AASB 13 *Fair Value Measurement*, with specific reference to the fair value hierarchy; • Obtaining and assessing publically available information on RNY, including ASX announcements and audited / reviewed financial statements, and considering the impact on management's judgement used; • Agreeing inputs in management's valuation to supporting documentation; • Consulting Corporate Finance specialists regarding valuation judgements; and • Assessing the related disclosures in accordance with AASB 13.

Information other than the financial report and auditor's report thereon

The Directors of the Responsible Entity (the "Directors") are responsible for the other information. The other information comprises the information included in the Trust's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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 Directors for the financial report

The Directors of the Responsible Entity of the Trust are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Trust 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2_2020.pdf. This description forms part of our auditor's report.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

B A Mackenzie
Partner – Audit & Assurance

Melbourne, 30 October 2020

Additional Information

The additional information required by Australian Stock Exchange Limited Listing Rules and not disclosed anywhere in the report.

Investments

As at 30 June 2020, the Trust held the following investments:

RNY Property Trust

Target Asset Allocation

Asset Allocation ranges are as follows:

Cash	0-100%
Equities	0-100%
Exchange traded derivatives	0-100%
Over-the-counter derivatives	0-100%

Investment Strategy

The Trust seeks to capture returns from investing in some of Australia's ASX listed property securities, with the objective of increasing the income generated by implementing a call option selling ('writing') strategy. Aurora will use detailed quantitative and qualitative analysis to identify property securities within the Australian property sector that can be expected to:

- provide a higher than average dividend yield over the medium term (including the influence of franking credits, and special dividends and other financial restructuring); and
- provide the scope for additional income generation by the Trust systematically writing call options on these securities.

The weighting of each security will be subject to the Investment Manager's discretion, but generally no single investment will account for more than 20% of the S&P/ASX200 A-REIT (Sector) Index (or other relevant Index) weight of the security (whichever is the greater) of the total portfolio. Subject to market conditions, borrowing availability and costs, and the investment risk-reward opportunity the LVR may vary opportunistically (without notice) between 0% and 25%.

On 22 March 2018 as a consequence of its investment in the ASX listed 'RNY Property Trust' (RNY), the trust amended its Investment Strategy to allow investments in unlisted property related equity and debt instruments, specifically in relation to RNY's existing North American assets.

Investment Transactions

The total number of trades for the Aurora Property Buy-Write Income Trust for the year was 1.

The total brokerage paid on these trades was $Nil.

Unitholder Information

The unitholder information set out below was applicable as at 28 October 2020.

Distribution of holdings

	Total holders	Units	Percentage of issued units
1 - 1,000	128	60,183	2.97%
1,001 - 5,000	123	314,958	15.53%
5,001 - 10,000	29	206,791	10.20%
10,001 - 100,000	28	830,391	40.95%
100,001 and over	2	615,478	30.35%
Total	310	2,027,801	100.00%

The names of the twenty largest unitholders of ordinary units are listed below:

		Number of units held	Percentage of issued units
1	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	454,434	22.41%
2	WONFAIR INVESTMENTS PTY LTD	161,044	7.94%
3	MR BARRY NEVILLE COLMAN	100,000	4.93%
4	FULLFIELD PTY LTD <DL RODD FAMILY A/C>	61,393	3.03%
5	CITICORP NOMINEES PTY LIMITED	55,881	2.76%
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	50,003	2.47%
7	MESK PTY LTD <K & S PITTS SUPER FUND A/C>	50,000	2.47%
8	MR BRETT DAVID SELLARS & MRS JANELLE MARIE SELLARS <B & J SELLARS FAMILY A/C>	47,912	2.36%
9	WAIROA NOMINEES PTY LTD <PATTON SUPER FUND A/C>	47,276	2.33%
10	JOJAK INVESTMENTS PTY LIMITED	45,000	2.22%
11	KEYBRIDGE CAPITAL LIMITED	42,034	2.07%
12	MS MARIA PAOLINA STEFANELLI <EST ANTONIO STEFANELLI A/C>	32,174	1.59%
13	MR JEFFREY JAY JOHNS	28,398	1.40%
14	GSCP PTY LTD <THE POPPLE SUPERFUND>	27,912	1.38%
15	VENUS BAY PTY LTD <HAGAN SUPER FUND A/C>	27,336	1.35%
16	MR ROGER HEARNDEN	23,049	1.14%
17	HAGAN SUPERANNUATION PTY LTD <HAGAN SF A/C>	20,000	0.99%
18	DERBY AMBER PTY LTD <FRANCK SUPER FUND A/C>	20,000	0.99%
19	IDP INVESTMENTS PTY LTD <IAN PITTS SUPER FUND A/C>	20,000	0.99%
20	GALE SUPER PTY LTD <GALE FAMILY SUPER FUND A/C>	20,000	0.99%
	Total held by top twenty holders	1,333,846	65.78%

Unitholder Information

Substantial holders

The substantial shareholders of the Trust as at 28 October 2020, as notified to the ASX, are listed below:

Unitholder	Number of Units	Percentage of issued units
AURORA FORTITUDE ABSOLUTE RETURN FUND	414,936	20.46%
WONFAIR INVESTMENTS PTY LTD	161,044	7.94%
Total	414,936	20.46%

Corporate Directory

Directors of Responsible Entity	John Patton - *Managing Director* Victor Siciliano - *Executive Director* Anthony Hartnell AM – *Non-Executive Director*
Company Secretary	John Patton
Registered Office	Suite 613, Level 6, 370 St Kilda Road Melbourne, VIC 3004
Share Register	Boardroom Pty Limited Level 12, 225 George Street Sydney, VIC 3000
Auditor and Taxation Advisor	Grant Thornton Audit Pty Ltd Collins Square, Tower 5 727 Collins Street Melbourne, VIC 3008
Solicitors	Jeremy Kriewaldt Lawyers Suite 502, 75-85 Elizabeth Street Sydney, NSW 2000
Stock Exchange Listing	Aurora Property Buy-Write Income Trust units are listed on the Australian Securities Exchange (ASX code: AUP)
Website	www.aurorafunds.com.au
Corporate governance statement	Aurora Funds Management's Corporate Governance Statement can be found on its website: http://www.aurorafunds.com.au/wp-content/uploads/Corporate-Governance-Statement.pdf