

Aurora Global Income Trust

ARSN 127 692 406

Annual Report For the year ended 30 June 2016

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Directors' Report

The directors of Aurora Funds Management Limited (ABN 69 092 626 885), (the "Responsible Entity") of Aurora Global Income Trust ("the Trust"), present their report together with the financial statements of the Trust for the financial year ended 30 June 2016.

Principal activities

The Trust invests in equities and derivatives, in accordance with the provision of the Trust Constitution and the current Product Disclosure Statement ("PDS").

The Trust did not have any employees during the year.

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

The Trust is currently listed on the Australian Security Exchange (ASX).

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 indicated:

John Patton (appointed 30 June 2016)

Jim Hallam (appointed 30 June 2016)

Betty Poon (appointed 7 September 2015)

Antony Sormann (appointed 25 February 2016, resigned 30 June 2016)

James Schwarz (appointed 25 February 2016, resigned 30 June 2016)

John Corr (resigned 27 June 2016)

Ian Steuart Roe (resigned 7 September 2015)

Simon Lindsay (resigned 14 June 2016)

Review and results of operations

During the year, the Trust continued 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.

Financial results for the year

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

	2016	2015
	\$	\$
Operating (loss)/profit before finance costs attributable to unitholders	(50,210)	355,568
Distributions paid and payable	(451,298)	(651,110)
Distribution (cents per unit) 30 September quarter ended	1.69	2.20
Distribution (cents per unit) 31 December quarter ended	1.71	2.16
Distribution (cents per unit) 31 March quarter ended	1.70	2.15
Distribution (cents per unit) 30 June quarter ended	1.67	2.12

Directors' Report

Financial position

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

	2016	2015
	\$	\$
At 30 June	0.83	0.85
High during period	0.86	0.89
Low during period	0.74	0.82

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 have been outlined below:

	2016	2015
	\$	\$
Net assets for unit pricing purposes	5,118,956	6,141,732
Difference between net assets for unit pricing purposes and bid/ask price held at fair value through profit or loss	(11,759)	(20,413)
Distribution payable	(109,993)	(150,394)
Nets assets under Australian Accounting Standards	4,997,204	5,970,925

Information on Underlying Performance

The performance of the Trust is subject to the performance of the Trust's underlying 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.

Strategy and Future Outlook

The Trust is predominantly invested in listed equities. 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 will continue 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 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.

Significant changes in state of affairs

On 30 June 2016, Seventh Orion Pty Ltd as trustee for the Aurora Investments Unit Trust (Seventh Orion) acquired 100% of the ordinary shares of Aurora Funds Management Limited, being the Responsible Entity of Aurora Global Income Trust.

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 Fund that occurred during the financial year.

Directors' Report

Matters subsequent to the end of the financial year

On 19 August 2016, the Responsible Entity made an ASX Announcement advising that it expected to recognise a non-cash impairment charge against the carrying value of the Antares Energy Limited Convertible Notes held by the Trust as at 30 June 2016.

On 31 August 2016, the Responsible Entity announced an update to the valuation of Antares Convertible Notes, and the resumption of off-market redemptions.

Subsequent to year end, the Responsible Entity has received redemption requests totalling 987,200 units representing approximately 15.1% of the Trust.

Other than changes in investment strategy mentioned above, no matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect:

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

Indemnity and insurance of officers

No insurance premiums are paid for out of the assets of the Trust in regards to insurance cover provided to either the officers of Aurora Funds Management Limited or the auditors of the Fund. 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.

Fees paid and interests held in the Trust by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of the Fund property during the year are disclosed in the Statement of Profit or Loss and Other Comprehensive Income as "Management fees" and are disclosed in Note 13 to the financial statements.

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 13 to the financial statements.

Interests in the Trust

The movement in units on issue in the Trust during the year is disclosed in Note 8 to the financial statements.

The values of the Trust's assets and liabilities are disclosed on the Statement of Financial Position and derived using the basis set out in Note 2 to the financial statements.

Directors' 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 on directors

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

Jim Hallam (appointed 30 June 2016)

B Economics, Accounting, Non-Executive Director

Jim was appointed as Non-Executive Director of Aurora Funds Management Limited on 30 June 2016. Jim has over 20 years' finance and operational experience in Australian funds and investment management experience. Focused on building strong strategically important processes to create and support funds management, Jim's expertise in finance includes his role as CFO at Hastings Funds Management Limited from 1997 to 2006. Whilst at Hastings, funds under management grew from A\$500 million to A\$3,600 million, with investments being made in Australia, UK and the US for listed and unlisted funds. His experience spans a diverse range of businesses including toll roads, airports, electricity and gas transmission networks, water utilities, timber plantations, telecommunications, ports and stadiums

John Patton (appointed 30 June 2016)

B Economics, Executive Director, Managing Director

John was appointed Executive Director and 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 Directorships

John is also director of Keybridge Capital Limited and Metgasco Limited.

Betty Poon (appointed 7 September 2015)

B Bus Accounting, Executive Director, Company Secretary

Betty was appointed Executive Director of Aurora Funds Management Limited on 7 September 2015. She joined Aurora Funds Management Limited in May 2013 as Chief Financial Officer and was appointed Company Secretary on 31 January 2014. Prior to joining Aurora, Betty held a number of senior finance roles at ANZ Banking Group, JP Morgan, Aviva Investors and Pitcher Partners.

Antony Sormann (appointed 25 February 2016, resigned 30 June 2016)

B Economics, Executive Director

Antony was appointed Executive Director of Aurora Funds Management Limited on 25 February 2016 and resigned on 30 June 2016. Antony has over 18 years' experience in investment banking and legal advisory services, including 9 years as a director of SLM Corporate Pty Ltd and 6 years working in the investment banking division of N.M. Rothschild & Sons (Australia) Limited of which 2 years were as an executive in the Rothschild Group's New York office.

Other Directorships

Antony is also director of Molopo Energy Limited.

Directors' Report

Information on directors (continued)

James Schwarz (appointed 25 February 2016, resigned 30 June 2016)

James was appointed Executive Director of Aurora Funds Management Limited on 25 February 2016 and resigned on 30 June 2016. James has over 18 years' experience in merchant banking, corporate finance and private equity investment.

John Corr (resigned 27 June 2016)

B Comm, Executive Director, Chief Investment Officer

John was Executive Director of Aurora Funds Management Limited up until his resignation on 27 June 2016. John has over 28 years' experience in the financial markets. Prior to establishing Fortitude Capital Pty Ltd, he was a director at Citigroup Global Markets Australia. He worked in proprietary trading for 8 years, trading local and overseas equities and equity derivatives, and was responsible for the management and development of a team of equity proprietary traders. John was responsible for the overall portfolio and risk management of Aurora's various investment funds.

Other Directorships

John is also director of SIV Asset Management Limited.

Ian Steuart Roe (resigned 7 September 2015)

BSc MAppFin, Executive Director

Ian was Executive Director of Aurora Funds Management Limited up until his resignation on 7 September 2015. Ian was a founder of Sandringham Capital Pty Limited, a related company to the Responsible Entity until its sale to Keybridge Capital Limited. Ian was Executive Director and Head of Equity Risk Management Products for UBS in Australasia. His responsibilities included the origination, structuring and distribution of equity derivative and cash products to corporate, financial intermediaries and retail clients. From 1992 to 2001 he worked for Citigroup (formerly Salomon Smith Barney and County NatWest) holding numerous roles including, Director and Head of Corporate and Retail Equity Derivative Products, Head of Equity Risk Management, Associate Director and Portfolio Manager Structured investments.

Other Directorships

Steuart is also director of SIV Asset Management Limited.

Simon Lindsay (resigned 14 June 2016)

B. BUS, Executive Director, Head of Distribution

Simon was Managing Director of Aurora Funds Management Limited up until his resignation on 14 June 2016. Simon was a founding director of Aurora Funds Management Limited and was responsible for the Australian and New Zealand distribution of Aurora Funds Management Limited's products.

Other Directorships

Simon is also director of SIV Asset Management Limited.

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 13 to the financial statements.

Proceedings on behalf of the Trust

No person has applied for leave of Court to bring proceedings on behalf of the Trust or intervene in any proceedings to which the 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.

Directors' Report

Auditor's Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8 of this financial report.

The report is made in accordance with a resolution of the directors.



John Patton
Managing Director
25 September 2016

The Board of Directors
Aurora Funds Management Limited
Level 4,
1 Alfred Street
Sydney NSW 2000

25 September 2016

Dear Sirs,

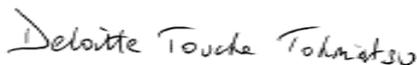
Aurora Global Income Trust

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Aurora Funds Management Limited, the Responsible Entity of Aurora Global Income Trust.

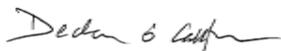
As lead audit partner for the audit of the financial statements of Aurora Global Income Trust for the financial year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Declan O'Callaghan
Partner
Chartered Accountants

Corporate Governance Statement

The Aurora Global Income Trust (the “Trust”) is a registered managed investment scheme under the *Corporations Act 2001* whose units are listed on the Australian Securities Exchange (ASX). Aurora Funds Management Limited (“Aurora”) is the Responsible Entity and Investment Manager of the Trust.

The Responsible Entity’s directors and management recognize the importance of good corporate governance. The Responsible Entity’s corporate governance framework, policies and practices are designed to ensure the effective management and operation of the Trust, and will remain under regular review.

The Corporate Governance Statement reports against the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (“ASX Recommendations”). To the extent that they are relevant to the Trust, the ASX Recommendations have been adopted by the Trust. Where, after due consideration, the Trust’s corporate governance practice departs from an ASX Recommendation, the Corporate Governance Statement will set out the reasons for departure.

1. Lay solid foundations for management and oversight

Role and responsibilities of the Board

The primary role of the Board of the Responsible Entity is to operate the Trust in accordance with the Constitution, the ASX Listing rules and the *Corporations Act 2001*. The Board must ensure it acts in the best interests of unitholders and that the activities of the Trust are conducted in a proper and efficient manner.

Key responsibilities of the Board include:

- reviewing the performance of management, including the Portfolio Manager and the adequacy of resources allocated to Aurora;
- providing input into the final approval of management’s strategy and performance objectives for the Trust;
- reviewing and if appropriate approving significant transactions;
- reviewing the Trust’s policies and procedures;
- oversight and ensuring compliance with best practice corporate governance requirements;
- ensuring the risk management systems, including internal controls, operating systems and compliance processes, are operating efficiently and effectively; and
- establishing formal committees to assist such as the Compliance Committee.

Role of management

Management is responsible for all matters not specifically the responsibility of the Board and for implementing the strategy and performance objectives of the Trust and its day to day operations.

The Board has granted specific delegated authorities to management, including developing and implementing the Trust’s investment strategy, managing the risk and compliance framework, the day to day management and administration of the Trust and ensuring compliance with applicable laws and regulations. The Board oversees the activities of management and provides strategic guidance.

2. Structure the board to add value

The appointment of Directors of the Responsible Entity is governed by the Constitution and the *Corporations Act 2001*. The Board’s policy and procedure for the selection of Directors is included in the Board charter.

Corporate Governance Statement

2. Structure the board to add value (continued)

The Board currently comprises 3 directors: John Patton and Betty Poon as Executive Directors and Jim Hallam as Non-Executive Director. The independence obligations of the Board are fulfilled by the Compliance Committee. The Board considers all relevant circumstances in determining whether a Compliance Committee member is independent, including:

- units owned directly or indirectly by the committee member;
- employment by the Responsible Entity (or its associates) of the committee member (or a family member);
- business relationship between the Responsible Entity (or associates of the committee member (or a family member) or business entity associated with the committee member or with service providers in whom the committee member has an interest;
- any material contractual relationship with the Responsible Entity or its associates other than as a committee member; and
- any other interest or relationship (e.g. as a material supplier or customer) which could interfere with the committee member's ability to act in the best interests of the Responsible Entity.

The Compliance Committee operates under a Compliance Committee Charter, and is responsible for monitoring the Responsible Entity's compliance with the Compliance Plan and reporting any breaches to the Board and ASIC. It is also responsible for reviewing the operations of the Responsible Entity.

Compliance Committee Composition

The Compliance Committee for the Responsible Entity comprises:

- Mr David Lewis (external)
- Mr Mark Hancock (external) (resigned 29 July 2016)
- Ms Kim Rowe (external) (appointed 29 July 2016)

Mr David Lewis is a qualified actuary and has over 43 years' experience in financial services, predominantly in administration and consulting to fund management companies. David serves on the compliance committees of a number of Responsible Entities.

Mr Mark Hancock is a qualified actuary and has over 31 years' experience in the securities and funds management industry. Mark has significant applied research experience in Australian Equity markets accumulated from a variety of roles over a period of some 20 years. He was previously an equity portfolio manager with NRMA and MMI Insurance.

Ms Kim Rowe is a chartered accountant with over 20 years' experience in accounting, governance and risk management within the funds management industry. Kim has a Bachelor of Commerce from the University of Melbourne, is a member of Chartered Accountants Australia and New Zealand and is a member of the Australian Institute of Company Directors.

The external members of the Compliance Committee are nominated and remunerated by the Responsible Entity. The Committee is convened and serviced by Aurora's CFO, Betty Poon. The Compliance Committee Charter is available at Aurora's website www.aurorafunds.com.au.

The details of Aurora's directors during the financial year, including their respective skills, experience, relevant expertise and term of office, are set out on page 5 and 6.

3. Promote ethical and responsible decision making

Code of Conduct

Aurora has established a Code of Conduct which outlines the acceptable standards of behaviour and attitudes expected from staff. The purpose of this Code of Conduct is to:

- Articulate the high standards of honest, ethical and law-abiding behavior that Aurora expects of its staff;
- Encourage the observance of those standards so as to protect and promote the interests of unitholders;
- Set out the responsibilities and accountabilities of Directors to report and investigate reports of unethical practices.

Corporate Governance Statement

3. Promote ethical and responsible decision making (continued)

Security Trading

Aurora has established a Security Trading Policy which applies to all staff, Directors and Officers. The aim of the policy is to ensure that public confidence is maintained in Aurora's employees and the trading of units in the Trust.

The Security Trading Policy prohibits trading in the Trust's units by persons in possession of non-public inside information and regulates trading during trading windows and blackouts.

Under the policy, staff, Directors and Officers must provide details of any trade of units in the Trust to the Company Secretary.

4. Safeguard integrity in financial reporting

In accordance with section 295A of the *Corporations Act 2001*, the Chief Executive Officer and Chief Financial Officer have declared in writing to the Board that the financial records of the Trust for the financial year have been properly maintained and the Trust's financial statements present a true and fair view of the financial position and performance and are in accordance with relevant accounting standards.

Deloitte Touche Tohmatsu is the current auditor for the Responsible Entity, the Trust and the Compliance Plan. The Board reviews the results of the external audit process of the Trust and the Compliance Plan to ensure:

- The Trust and Compliance auditor are appropriately qualified and legally eligible to act at all times;
- The terms of their appointment are appropriate and accord with the *Corporations Act 2001*; and
- The auditors have access to all relevant information as required.

The external auditors are invited to attend Board and Compliance Committee meetings where financial reports and compliance plan audits are discussed.

As at the date of this statement, no board committees have been established by Aurora.

5. Make timely and balanced disclosure

As the Responsible Entity of an ASX quoted Trust, the Trust must comply with the continuous disclosure provisions of the ASX Listing rules.

The Trust is required to immediately notify the ASX of any information concerning the Trust of which it is or becomes aware, which a reasonable person would expect to have a material effect on the price or value of units in the Trust.

The Managing Director and the Company Secretary have been appointed as the persons responsible for communicating with the ASX. These people are also responsible for ensuring compliance with the continuous disclosure requirements in the ASX Listing rules.

6. Respect the rights of unitholders

The Trust has procedures in place to ensure that all unitholders have access to timely information concerning the operations of the Trust. The Managing Director and Company Secretary are primarily responsible for ensuring communications with unitholders.

The Trust principally communicates with unitholders through its website, which contains the following information:

- Current and archived annual and half year financial statements;
- ASX announcements;
- Significant developments relating to the Trust; and
- Current and archived monthly performance reports.

Corporate Governance Statement

7. Recognise and manage risk

The Board and management recognise that having a well-developed system in place for risk management is an integral part of good management practice. Aurora actively promotes a culture of compliance and risk management awareness with the aim of ensuring all activities comply with laws, regulations, policies and procedures.

Aurora has designed and implemented a risk management and internal control process to manage its business risks and the business risks of the managed investment schemes that it operates.

Compliance Plan

The purpose of the compliance plan is to set out key processes, systems and measures the Responsible Entity will apply to ensure compliance with:

- The Corporations Act;
- The Constitution of the Trust;
- Industry practice standards relevant to the Trust; and
- Internal policies and procedures.

The Compliance Plan describes the key obligations that the Responsible Entity must meet under the *Corporations Act 2001* and the Constitution of the Trust, the measures in place to comply with these obligations and how compliance with these measures is monitored.

In respect of the financial year end, the Board has received the following certifications:

- Certification from the Chief Executive Officer and Chief Financial Officer that the Trust's financials statements and notes represent a true and fair view of its financial position and performance, and comply with the requirements of the *Corporations Act 2001*, and Accounting Standards; and
- The risk management and internal compliance control systems are sound, appropriate, operating efficiently and effectively managing material business risks.

The Compliance Plan of the Trust is audited each year. The audit report, which is lodged with ASIC, includes an assessment on:

- Whether the procedures and controls set out in the Compliance Plan sufficiently address the requirements of the *Corporations Act 2001*; and
- If the controls and procedures described in the Compliance Plan have been in place and operating effectively over the financial year.

8. Remunerate fairly and responsibly

Members of the senior executive team of the Responsible Entity signs a formal employment contract at the time of their appointment covering a range of matters including their duties, rights, responsibilities and any entitlements on termination. The standard contract refers to a specific formal job description.

The Board is responsible for the review of the performance of the Board and senior management. The review of the managing director is carried out, and approved by, the Board. The performance of senior management (that is, those who report directly to the Managing Director) is reviewed at the end of each financial year by the Executive Directors.

At the review:

(a) performance objectives and development plans are set (having regard to both the corporate goals set by the Board and individual performance goals) for the forthcoming financial year; and

(b) individual performance is assessed against last year's performance objectives and the amount of "at risk" remuneration to be paid and securities to be granted under the parent entity's incentive plan is determined by reference to that individual's performance.

Financial Statement

Statement of profit and loss and other comprehensive income For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Investment Income			
Interest income		154,835	122,816
Dividend and distribution income		177,673	77,927
Net gains/(Losses) on financial instruments held at fair value through profit or loss		(197,345)	304,200
Total net investment income/(loss)		135,163	504,943
Expenses			
Dividend expense		28,842	39,935
Interest expense		19,183	17,685
Management fees	13	71,953	82,125
Performance fees	13	56,742	-
Transaction costs		8,653	9,630
Total operating expenses		185,373	149,375
Operating profit/(loss) for the year		(50,210)	355,568
Finance costs attributable to unitholders			
Distributions to unitholders	8	(451,298)	(651,110)
Decrease in net assets attributable to unitholders	7	501,508	295,542
Profit/(loss) for the year		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		-	-

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 2016

	Notes	2016 \$	2015 \$
Assets			
Cash and cash equivalents	9	4,714,193	4,300,749
Dividends Receivable		6,535	-
Receivables		15,132	10,390
Due from brokers - receipts for securities sold		1	399,294
Financial assets held at fair value through profit or loss	10	2,143,653	2,287,678
Total assets		6,879,514	6,998,111
Liabilities			
Bank overdrafts	9	1,024,654	373,283
Distributions payable	8	109,993	150,394
Due to brokers - payable for securities purchased		-	429,908
Financial liabilities held at fair value through profit or loss	11	666,078	66,142
Other payables		81,585	7,459
Total liabilities (excluding net assets attributable to unitholders)		1,882,310	1,027,186
Net assets attributable to unitholders - liability	7	4,997,204	5,970,925
Liabilities attributable to unitholders		(4,997,204)	(5,970,925)
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 2016

	Notes	2016 \$	2015 \$
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.

Financial Statement

Statement of cash flows For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Cash flows from operating activities			
Proceeds from sale of financial instruments held at fair value through profit or loss		60,454,454	88,459,934
Purchase of financial instruments held at fair value through profit or loss		(59,938,453)	(90,141,760)
Transaction costs on sale and purchase of financial instruments		(8,930)	(8,998)
Dividends and distributions received		171,138	76,410
Dividends and distributions paid		(28,842)	(39,935)
Interest received		138,178	113,121
GST recovered/(paid)		575	(898)
Management fees paid		(66,474)	(83,193)
Withholding tax paid		4,339	1,517
Net cash inflow/(outflow) from operating activities	14(a)	725,985	(1,623,802)
Cash flows from financing activities			
Payments for redemptions by unitholders (excluding treasury units)		(280,469)	(542,927)
Proceeds from applications by unitholders (excluding treasury units)		400	339,650
Payments for share buy backs		(249,500)	(471,145)
Proceeds from applications by unitholders (treasury units)		-	126,212
Payments for redemptions by unitholders (treasury units)		-	(293,455)
Distributions paid		(434,343)	(602,404)
Net cash (inflow)/outflow from financing activities		(963,912)	(1,444,069)
Net (decrease)/increase in cash and cash equivalents		(237,927)	(3,067,871)
Cash and cash equivalents at the beginning of the year		3,927,466	6,995,337
Cash and cash equivalents at the end of the year	9	3,689,539	3,927,466
Non-cash financing activities	14(b)	57,356	77,605

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

Notes to the Financial Statement

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Notes to the Financial Statement

1. General information

These financial statements cover Aurora Global Income Trust (the "Trust") as an individual entity. The Trust commenced operations on 18 December 2007 and was admitted to the Australian Securities Exchange ("ASX") on 24 December 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 Level 4, 1 Alfred Street, Sydney, NSW 2000. The financial statements are presented in Australian currency.

It is recommended that these financial statements are considered together with the current product disclosure document 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 2016 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 investment strategy in accordance with the provision of the Trust Constitution and the Product Disclosure Statement.

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.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

(a) Basis of preparation

Statement of compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Accounting Standards Board and the *Corporations Act 2001* in Australia. Aurora Global Income Trust is a for-profit unit trust for the purpose of preparing the financial statements.

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

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.

Compliance with International Financial Reporting Standards

The financial statements of the Trust also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Notes to the Financial Statement

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

New and amended standards

The Trust has adopted all the new and revised Standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to the operations and effective for the financial year:

AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'

This amendment completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn.

The adoption of AASB 1031 does not have any material impact on the disclosures or the amounts recognized in the Trust's financial statements.

(b) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting period and have not been early adopted by the Trust as disclosed in the table below.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers', AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15', AASB 2015-8 'Amendments to Australian Accounting Standards – Effective date of AASB 15'	1 January 2018	30 June 2019
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	1 January 2016	30 June 2017
AASB 2015-5 'Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception'	1 January 2016	30 June 2017
AASB 2016-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107'	1 January 2017	30 June 2018

The Trust has not yet assessed the potential impact of these standards.

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

(c) Financial instruments

(i) Classification

The Trust's investments are classified as at fair value through profit or loss. They comprise:

- Financial instruments held for trading

Derivative financial instruments such as futures, forward contracts, options, equity swaps and interest rate swaps are included under this classification. The Trust does not designate any derivatives as hedges in a hedging relationship.

Notes to the Financial Statement

2. Summary of significant accounting policies (continued)

(c) Financial instruments (continued)

(i) Classification (continued)

- Financial instruments designated at fair value through profit or loss upon initial recognition

These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange traded equity instruments.

Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Trust's documented investment strategy. The Trust's Constitution is for the Responsible Entity to evaluate the information about these financial instruments on a fair value basis together with other related financial information.

(ii) Recognition/derecognition

The Trust recognises financial assets and financial liabilities on the date that it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Trust has transferred substantially all risks and rewards of ownership.

(iii) Measurement

Financial assets and liabilities held at fair value through profit or loss

At initial recognition, the Trust measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit or Loss and Other Comprehensive Income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Profit or Loss and Other Comprehensive Income within net gains/(losses) on financial instruments held at fair value through profit or loss in the period in which they arise.

Fair value is 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.

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by the Trust is the current bid price and the quoted market price for financial liabilities is the current asking price.

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques. The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Further details on how the fair value of financial instruments is determined are disclosed in Note 4.

Notes to the Financial Statement

2. Summary of significant accounting policies (continued)

(c) Financial instruments (continued)

(iv) Offsetting financial instruments

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

The Trust has no offsetting arrangement in place during the financial year 30 June 2016 (2015: nil).

(d) Net assets attributable to unitholders

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.

(e) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, 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 from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in the Statement of Financial Position.

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

(f) 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. Other changes in fair value for such instruments are recorded in accordance with the policies described in Note 2(c).

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.

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.

Notes to the Financial Statement

2. Summary of significant accounting policies (continued)

(g) Expenses

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

(h) 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.

(i) Distributions

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.

(j) Increase/decrease in net assets attributable to unitholders

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.

(k) 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.

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.

(l) Due from 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 three business days. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Trust will not be able to collect all amounts due from the relevant broker. Indicators that the amount due from brokers is impaired include significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation and default in payments.

Notes to the Financial Statement

2. Summary of significant accounting policies (continued)

(m) Receivables

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 in accordance with the policy set out in Note 2(f). Amounts are generally received within 30 days of being recorded as receivables.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the Statement of Profit or Loss and Other Comprehensive Income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the Statement of Profit or Loss and Other Comprehensive Income.

(n) Payables

Payables include liabilities and accrued expenses owing by the Trust which are unpaid as at the end of the reporting period.

As the Trust has a contractual obligation to distribute its distributable income, a separate distribution payable is recognised in the Statement of Financial Position as at the end of each reporting period where this amount remains unpaid as at the end of the reporting period

(o) Applications and redemptions

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.

Notes to the Financial Statement

2. Summary of significant accounting policies (continued)

(p) Goods and Service 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, custodial 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 gross basis.

(q) Use of estimates

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities 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 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.

(r) Segment information

The Trust is organised into one main 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.

The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

3. 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 focuses on ensuring compliance with the Trust's Product Disclosure Statement and seeks to maximise 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 price risk and ratings analysis for credit risk.

Notes to the Financial Statement

3. Financial risk management (continued)

(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 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 (2015: 10%) and a 10% decrease (2015: 10%) in market prices would have increased/decreased the impact on operation profit/net assets attributable to unitholders as at 30 June 2016. The results of this analysis are disclosed in Note 3(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 has exposure to foreign exchange risk on international equity securities and cash accounts denominated in foreign currencies.

The tables below summarise the Trust's assets and liabilities (monetary and non-monetary), which are denominated in a currency other than the Australian dollar.

30 June 2016	United States Dollar	British Pounds	Swiss Franc	Europe Euro	Other *
Assets	A\$	A\$	A\$	A\$	A\$
Cash and cash equivalents	-	26,448	-	31,830	-
Receivables	-	5,895	-	12	640
Financial assets held at fair value through profit or loss	384,140	929	-	-	667,800
Total assets	384,140	33,272	-	31,842	668,439
Liabilities					
Bank overdrafts	(285,175)	-	(9,021)	-	(689,241)
Financial liabilities held at fair value through profit or loss	(250,507)	-	-	-	-
Other payables	-	-	-	-	-
Total liabilities (excluding net assets attributable to unitholders)	(535,682)	-	(9,021)	-	(689,241)
Net assets attributable to unitholders - liability	(151,542)	33,272	(9,021)	31,842	(20,802)

* Other is represented as follows:

Financial Assets:

Singapore Dollar \$224,000

Hong Kong Dollar \$443,800

Bank overdrafts:

Singapore Dollar (\$224,000)

Hong Kong Dollar (\$446,241)

Canadian Dollar (\$19,000)

Notes to the Financial Statement

3. Financial risk management (continued)

(a) Market risk (continued)

(ii) Foreign exchange risk (continued)

30 June 2015

	United States Dollar	British Pounds	Swiss Franc	Europe Euro	Other
Assets	A\$	A\$	A\$	A\$	A\$
Cash and cash equivalents/(bank overdraft)	-	18,423	1	16,114	13,316
Receivables	-	-	-	11	-
Financial assets held at fair value through profit or loss	165,654	-	-	-	-
Total assets	165,654	18,423	1	16,125	13,316
Liabilities					
Bank overdrafts	(360,305)	-	-	-	-
Financial liabilities held at fair value through profit or loss	-	-	-	-	-
Other payables	-	-	-	-	-
Total liabilities (excluding net assets attributable to unitholders)	(360,305)	-	-	-	-
Net assets attributable to unitholders - liability	(194,651)	18,423	1	16,125	13,316

(iii) Interest rate risk

The Trust is exposed to cash flow interest rate 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 (2015: 100 basis point) and a 100 basis point decrease (2015: 100 basis point) 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 2016. The results of this analysis are disclosed in Note 3(b).

Notes to the Financial Statement

3. Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

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.

	Floating interest rate \$	Fixed interest rate \$	Non interest bearing \$	Total \$
2016				
Financial assets				
Cash and cash equivalents	4,714,193	-	-	4,714,193
Receivables	-	-	21,667	21,667
Due from brokers - receipts for securities sold	-	-	1	1
Financial assets held at fair value through profit or loss	-	-	2,143,653	2,143,653
Financial liabilities				
Bank overdrafts	(1,024,654)	-	-	(1,024,654)
Distribution payable	-	-	(109,993)	(109,993)
Due to brokers - receipts for securities bought	-	-	-	-
Financial liabilities held at fair value through profit or loss	-	-	(666,078)	(666,078)
Other payables	-	-	(81,585)	(81,585)
Net exposure	3,689,539	-	1,307,665	4,997,204

	Floating interest rate \$	Fixed interest rate \$	Non interest bearing \$	Total \$
2015				
Financial assets				
Cash and cash equivalents	4,300,749	-	-	4,300,749
Receivables	-	-	10,390	10,390
Due from brokers - receipts for securities sold	-	-	399,294	399,294
Financial assets held at fair value through profit or loss	-	-	2,287,678	2,287,678
Financial liabilities				
Bank overdrafts	(373,283)	-	-	(373,283)
Distribution payable	-	-	(150,394)	(150,394)
Due to brokers - receipts for securities bought	-	-	(429,908)	(429,908)
Financial liabilities held at fair value through profit or loss	-	-	(66,142)	(66,142)
Other payables	-	-	(7,459)	(7,459)
Net exposure	3,927,466	-	2,697,362	5,970,925

Notes to the Financial Statement

3. Financial risk management (continued)

(b) Summarised sensitivity analysis

The following table summarises the sensitivity of the Trust's operating profit and net assets attributable to unitholders to 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			
	-10%	10%	-100 bps	+100 bps
	\$	\$	\$	\$
30 June 2016	(147,758)	147,758	(36,895)	36,895
30 June 2015	(222,154)	222,154	(39,275)	39,275

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

The Trust is exposed to credit risk which is the risk that the counterparty will be unable to pay amounts in full when fall due.

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.

The Trust has a prime brokerage agreement with UBS, 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 2016 (2015: nil).

Certain assets of the Trust will be held by the Custodian in segregated accounts together with assets deposited by it on behalf of other customers of the Custodian or Prime Broker. Such assets will not be mixed with the property of the Custodian or the Prime Broker and should not be available to third party creditors of the Custodian or Prime Broker in the event of insolvency of the Custodian or Prime Broker (as the case may be). However, the assets of the Trust held by a Custodian 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 cash and cash equivalents.

The Trust has a material credit risk exposure to the banks (Westpac and UBS) that hold the Trust's cash assets at 30 June 2016.

Notes to the Financial Statement

3. Financial risk management (continued)

(c) Credit risk (continued)

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

Cash at bank with broker and short term bank deposits	2016 \$	2015 \$
Rating		
AA	213,973	112,484
A	4,500,220	4,188,265
Total	4,714,193	4,300,749

(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 low as all counterparties have a rating of A 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) Other

The Trust is not materially exposed to credit risk on other financial assets, including receivables.

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 but not impaired.

(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 was exposed to daily cash redemptions up until February 2016. Daily cash redemptions and applications were suspended between February 2016 and August 2016. The Trust was also exposed to 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.

Notes to the Financial Statement

3. Financial risk management (continued)

(d) Liquidity risk (continued)

However, the Board of Directors of the Responsible Entity 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.

	Less than 1 month \$	1-6 months \$	6-12 months \$	1-2 years \$	Total \$
2016					
Liabilities					
Bank overdrafts	1,024,654	-	-	-	1,024,654
Distributions payable	109,993	-	-	-	109,993
Due to brokers - payments for securities purchased	-	-	-	-	-
Financial liabilities held at fair value through profit or loss	666,078	-	-	-	666,078
Other liabilities	81,585	-	-	-	81,585
Net assets attributable to unitholders	-	4,997,204	-	-	4,997,204
Contractual cashflows (excluding gross settled derivatives)	1,882,310	4,997,204	-	-	6,879,514

	Less than 1 month \$	1-6 months \$	6-12 months \$	1-2 years \$	Total \$
2015					
Liabilities					
Bank overdrafts	373,283	-	-	-	373,283
Distributions payable	150,394	-	-	-	150,394
Due to brokers - payments for securities purchased	429,908	-	-	-	429,908
Financial liabilities held at fair value through profit or loss	66,142	-	-	-	66,142
Other liabilities	7,459	-	-	-	7,459
Net assets attributable to unitholders	5,970,925	-	-	-	5,970,925
Contractual cashflows (excluding gross settled derivatives)	6,998,111	-	-	-	6,998,111

The table below analyses the Trust's net settled derivative financial instruments for which the contractual maturities are considered important to understanding the timing of cash flows based on the Trust's investment strategy.

Notes to the Financial Statement

4. 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:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

(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 set out in Note 2. 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 ask 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 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 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.

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.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Trust would receive or pay to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

Investments in other unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such trusts.

Notes to the Financial Statement

4. Fair value measurement (continued)

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

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Trust for similar financial instruments.

Recognised fair value measurements

The following table presents the Trust's assets and liabilities measured and recognised at fair value for the year ended 30 June 2016 and 30 June 2015.

2016	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Financial assets held for trading:				
Derivatives	9,370	-	-	9,370
Financial assets designated at fair value through profit or loss:				
Equity securities	2,134,283	-	-	2,134,283
Total financial assets	2,143,653	-	-	2,143,653
Financial liabilities				
Financial assets held for trading:				
Derivatives	6,071	-	-	6,071
Financial liabilities designated at fair value through profit or loss:				
Equity securities	660,007	-	-	660,007
Total financial liabilities	666,078	-	-	666,078

2015	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Financial assets held for trading:				
Derivatives	12,396	-	-	12,396
Financial assets designated at fair value through profit or loss:				
Equity securities	2,275,282	-	-	2,275,282
Total financial assets	2,287,678	-	-	2,287,678
Financial liabilities				
Financial liabilities designated at fair value through profit or loss:				
Equity securities	66,142	-	-	66,142
Total financial liabilities	66,142	-	-	66,142

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities and certain listed unit trusts.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include certain listed equities, certain listed unit trusts, and over-the-counter derivatives. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. As at 30 June 2016, \$nil (2015: \$nil) financial instruments were classified as level 3.

Notes to the Financial Statement

4. Fair value measurement (continued)

Transfers between levels

The Trust's accounting policy for determining timing of transfers between levels is to recognize all transfers in/out at the end of each reporting period.

There has been one transfer between levels for the year ended 30 June 2016 (30 June 2015: no transfers) However, the value of this investment is \$nil.

For the level 3 investment, Antares Energy Limited Convertible Notes, please refer to Note 5 Key sources of estimation uncertainty for any relevant information.

Reconciliation level 3 fair values

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

	2016	2015
	\$	\$
Opening balance	-	-
Transfers in/(out) of Level 3	474,015	-
Change in value of financial asset held at fair value through profit or loss	(474,015)	-
Closing balance	-	-

5. Use of estimates and judgments

In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

As at 30 June 2016, the Trust held investments in Antares Energy Limited Convertible Notes (ASX: AZZG), which had been suspended from trading on the Australian Stock Exchange on 15 September 2015 and remain suspended as at the date of this report.

In February 2016, Aurora made the decision to freeze applications and redemptions in the Trust, on the basis that it could not accurately determine a value for the AZZG Notes.

For the purposes of the June 2016 year-end financial statements, and after careful consideration of all of the available information, Aurora has formed the view that the AZZG Notes should be recognised at a nil value. In forming this view, Aurora has relied on the following information:

- On 8 April 2016, Antares Energy Limited ("Antares") issued a notice of resumed meeting of noteholders (to be held on 29 April 2016) to, amongst other things, extend the reset date of the AZZG Notes to 31 March 2017 and amend the next interest payment date to 30 April 2017. This meeting did not proceed.

Notes to the Financial Statement

5. Use of estimates and judgments (continued)

Key sources of estimation uncertainty (continued)

- On 29 April 2016, Antares appointed Bryan Kevin Hughes and Daniel Johannes Bredenkamp of Pitcher Partners as Joint and Several Administrators.
- On 10 May 2016, following a resolution passed at the first meeting of creditors, Quentin James Olde and Michael Joseph Ryan of FTI Consulting replaced Bryan Kevin Hughes and Daniel Johannes Bredenkamp of Pitcher Partners as Joint and Several Administrators of Antares.
- As part of the 30 June 2016 year end procedures, Aurora engaged an external independent valuer in the US, South Texas Reservoir Alliance LLC (STXRA), to perform an independent valuation of the underlying assets of Antares, being Northern Star and Big Star (STXRA conducted a similar valuation for the purposes of Aurora's 31 December 2015 financial statements). In summarising the STXRA valuation, the following observations are relevant:
 - STXRA reviewed, in the course of its analysis, both recent market transactions and public land records to provide both a liquidation and transactional evaluation of the assets;
 - The Administrator of Antares, FTI Consulting, made an ASX Announcement on 30 August 2016 calling for Expressions of Interest. In that Announcement, the Administrator advised that circa 5,000 acres of leased land had expired, leaving circa 15,900 acres;
 - STXRA indicated that "there is a trend in the E&P industry right now to only focus on core acreage and this leasehold is not considered core in the Midland basin so the number of potential purchasers for this asset are pretty limited";
 - STXRA provided a valuation range of between USD\$985,000 (representing 2X the lower end of the Liquidation value) to USD\$12,312,500 (representing 5X the upper end of the Liquidation value) (being AUD\$1,279,055 to AUD\$15,988,183). The face value of the AZZG Notes is AUD\$47.5 million;
 - STXRA concluded that Antares, given its financial situation and inaction on its leases, would probably tend more towards lower end of liquidation pricing;
 - STXRA also noted that "due to Antares lease position falling apart and the recent lower price per acre metrics, it appears that this asset will tend to the lower values";
 - The STXRA valuation range excludes any other liabilities and costs that need to be satisfied by the Administrator;
 - The Trust holds circa 1.0% of the AZZG Notes, thereby bringing the valuation range (before other liabilities and Administration costs) to circa AUD\$12.5K to AUD\$156.7K;
 - Antares has been trying to sell the asset for a number of years, with no sale forthcoming; and
 - The external valuation is based on the value of the acreage, so any costs of administration would need to be paid first.

In addition to the STXRA valuation, Aurora management had regard to confidential information and reports provided by the Administrators.

The fair value of the AZZG Notes is based on significant estimates and judgements adopted by management of Aurora based on the prevailing market conditions and all available information about Antares as at the date of this report.

Aurora management considered the range of possible values and determined that the fair value of the AZZG Notes held by the Trust should be \$nil as at 30 June 2016.

Notes to the Financial Statement

6. Auditors remuneration

During the 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 Deloitte Touche Tohmatsu (2015: Deloitte Touche Tohmatsu). The Responsible Entity is responsible for paying this remuneration of auditor on behalf of the Trust.

	2016 \$	2015 \$
Audit and other assurance services		
Audit and review of financial statements	20,798	12,870
Audit of compliance plan	2,000	4,000
Total remuneration for audit and other assurance services	22,798	16,870
Taxation services		
Tax compliance services	3,000	3,000
Total remuneration for tax services	3,000	3,000
Total remuneration of Deloitte Touche Tohmatsu	25,798	19,870

7. Net assets attributable to unitholders

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

	2016 No.	2015 No.	2016 \$	2015 \$
Opening balance - excluding treasury units	7,089,097	7,955,124		
Applications	463	536,506		
Redemptions	(4,500,250)	(927,312)		
Buy backs	3,871,896	(565,517)		
Units issued upon reinvestment of distributions	67,452	90,296		
Closing balance - excluding treasury units	6,528,658	7,089,097		
Opening balance - treasury units	-	462,948		
Applications	-	335,546		
Redemptions	-	(126,732)		
Cancellation of treasury units	-	(671,762)		
Closing balance - treasury units	-	-		
Opening balance - including treasury units	7,089,097	8,418,072	5,970,925	6,984,630
Applications	463	872,052	400	465,862
Redemptions	(4,500,250)	(1,054,044)	(280,469)	(790,485)
Buy backs	3,871,896	(565,517)	(249,500)	(471,145)
Units issued upon reinvestment of distributions	67,452	90,296	57,356	77,605
Creation/(cancellation) of treasury units	-	(671,762)	-	-
Decrease in net assets attributable to unitholders	-	-	(501,508)	(295,542)
Closing balance - including treasury units	6,528,658	7,089,097	4,997,204	5,970,925

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.

Notes to the Financial Statement

7. Net assets attributable to unitholders (continued)

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. The Fund was exposed to daily cash applications and redemptions up until February 2016. Daily cash redemptions and applications were suspended between February 2016 and August 2016.

Daily applications and redemptions were 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.

8. Distribution to unitholders

The distributions for the year were as follows:

	2016		2015	
	\$	CPU	\$	CPU
Distributions paid	341,305	5.10	500,716	6.51
Distributions payable (30 June 2016 quarter)	109,029	1.67	150,394	2.12
Other distributions payable from previous quarters	964		-	
Total distributions	451,298	6.77	651,110	8.63

9. Cash and cash equivalents

	2016	2015
	\$	\$
Cash at bank	4,714,193	4,300,749
Total cash and cash equivalents	4,714,193	4,300,749
Bank overdrafts	1,024,654	373,283
Total bank overdrafts	1,024,654	373,283

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

	2016	2015
	Fair value	Fair value
	\$	\$
Held for trading		
Derivatives		
International share price index options	7,070	12,396
Warrants	2,300	-
Total held for trading	9,370	12,396
Designated at fair value through profit or loss		
Equity securities		
Listed Australian equity securities	1,088,484	2,122,024
International equity securities	1,045,799	153,258
Total designated at fair value through profit or loss	2,134,283	2,275,282
Total financial assets held at fair value through profit or loss	2,143,653	2,287,678

An overview of the risk exposure relating to financial assets at fair value through profit or loss is included in Note 3.

Notes to the Financial Statement

11. Financial liabilities held at fair value through profit or loss

	2016	2015
	\$	\$
Held for trading		
Derivatives		
Swaps	6,071	-
Total held for trading	6,071	-
Designated at fair value through profit or loss		
Equity securities		
Listed Australian equity securities	409,500	66,142
International equity securities	250,507	-
Total designated at fair value through profit or loss	660,007	66,142
Total financial liabilities held at fair value through profit or loss	666,078	66,142

An overview of the risk exposure relating to financial liabilities at fair value through profit or loss is included in Note 3.

12. Derivative financial instruments

In the normal course of business, the Trust enters into transactions in various derivative financial instruments with certain risks. A derivative is a financial instrument or other contract which is settled at a future date whose value changes in response to a change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative transactions include many different instruments, such as forwards, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Trust portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Trust against a fluctuation in market values or to reduce volatility
- a substitution for trading of physical securities
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Trust.

The Trust holds the following derivative instruments:

(a) Equity swaps

An equity swap is a financial derivative contract (a swap) where a set of future cash flows are agreed to be exchanged between two counterparties at set dates in the future. The two cash flows are usually referred to as "legs" of the swap; one of these "legs" is usually pegged to a floating rate. The other leg of the swap is based on the performance of either a share of stock or a stock market index. Most equity swaps involve a floating leg versus an equity leg, although some exist with two equity legs.

An equity swap involves a notional principal, a specified tenor and predetermined payment intervals. Equity swaps are typically traded by Delta One trading desks.

Notes to the Financial Statement

12. Derivative financial instruments (continued)

(b) Futures

Futures are contractual to buy or sell financial instruments on a future date at a specified price established in an organised market. The future contracts are collateralised by cash or marketable securities. Changes in future contracts' values are settled daily with the exchange. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest at a future date at a specified price, established in an organised financial market.

(c) Options

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of future securities price risk. Options held by the Trust are exchange-traded and over-the-counter. The Trust is exposed to credit risk on purchased options to the extent of their carrying amount, which is their fair value. Options are settled on a gross basis. Exchange traded options comply with the conditions of the Options Clearing House.

(d) Warrants

A warrant is a contractual arrangement under which the issuer grants the holder the right to purchase securities (usually equity) from the issuer at a specific price within a certain time frame. Warrants held by the Fund are exchange traded.

The Trust's derivative financial instruments at year end are detailed as follows:

2016	Contractual/notional \$	Fair values	
		Assets \$	Liabilities \$
International index options	13,425	7,070	-
Swaps	60,460	-	6,071
Warrants	-	2,300	-

2015	Contractual/notional \$	Fair values	
		Assets \$	Liabilities \$
International fixed interest options	8,943	12,396	-
Swaps	-	-	-

Risk exposures and fair value measurements

Information about the Trust's exposure to credit risk, interest rate risk and about the methods and assumptions used in determining fair values is provided in Note 3 to the financial statements. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of derivative financial instruments disclosed above.

13. Related party transactions

Responsible Entity

The Responsible Entity of Aurora Global Income Trust is Aurora Funds Management Limited.

Notes to the Financial Statement

13. Related party transactions (continued)

Key management personnel unitholdings

The key management personnel of Aurora Global Income Trust held units in the Trust as follows:

2016	No. units held opening	No. units held closing	Fair value of investments (\$)	Interest held	No of units acquired	No. of units disposed	Distributions paid/payable by the Trust (\$)
Simon Lindsay	113,025	147,529	\$113,228	2.26%	34,504	-	10,887
2015	No. units held opening	No. units held closing	Fair value of investments (\$)	Interest held	No of units acquired	No. of units disposed	Distributions paid/payable by the Trust
Simon Lindsay	-	113,025	95,517	1.59%	113,025	-	1,237

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 unit holdings

There was no interest in the Trust held by other management investment schemes also managed by the Responsible Entity.

The Trust may purchase and sell units in itself as part of its Treasury Unit trading activities. Details of the Trust's investments in itself are set out below:

During 30 June 2016, there were no treasury units held or traded in the Trust.

30 June 2015

Unitholder	No. units held opening	No. units held closing	Fair value of investments (\$)	Interest held	No of units acquired	No. of units disposed	Distributions paid/payable by the Trust (\$)
Aurora Global Income Trust	462,948	-	-	0.00%	335,546	798,494	14,545

Other transactions within the Trust

The Trust outsources its unit registry functions to Registry. Fees paid to Registry Direct were directly paid by the Responsible Entity and not reimbursed by the Trust. The transactions between Registry Direct and the Responsible Entity are detailed below:

	2016	2015
Fees paid to Registry Direct by the Responsible Entity on behalf of AIB	\$ 14,731	\$ 10,060

Notes to the Financial Statement

13. Related party transactions (continued)

Other related party information

On 30 June 2016, Seventh Orion Pty Ltd as trustee for the Aurora Investments Unit Trust (Seventh Orion) acquired 100% of the ordinary shares of Aurora Funds Management Limited, being the Responsible Entity of Aurora Global Income Trust.

The sole owner of Seventh Orion Pty Ltd is John Patton, the Managing Director of Aurora Funds Management Limited.

John Patton was appointed Non-executive director of Keybridge Capital Limited on 10 August 2016.

Investments

The Trust did not hold any investments in any schemes which are also managed by the Responsible Entity.

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:

- (i) Investment fee payable to the investment manager is 1.3325% (including GST) per annum.
- (ii) From 1 July 2015, the Trust charges a performance fee that is equal to 20.5% per annum (including GST) of the gross performance (net of fees) over the RBA cash rate (the benchmark) subject to a high water mark.

All expenses in connection with the preparation of accounting records and the maintenance of the unit register are reimbursed in accordance with the Trust Constitution.

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

	2016 \$	2015 \$
Management fees for the year paid by the Trust to the Responsible Entity/ Investment Manager	71,953	82,125
Aggregated amounts payable to the Responsible Entity for management fees and administration expenses at the end of the reporting period	12,306	6,827

As at 30 June 2016, there was no performance fee payable to the Responsible Entity (30 June 2015: \$nil). In addition, performance fee for the year incurred by the Trust to the Responsible Entity are \$56,742 (30 June 2015: \$nil).

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

	2016 \$	2015 \$
(a) Reconciliation of (loss)/profit to net cash inflow from operating activities:		
Profit/(loss) for the year	-	-
(Decrease)/increase in net assets attributable to unitholders	(501,508)	(295,542)
Distribution to unitholders	451,298	651,110
Proceeds from sale of financial instruments held at fair value through profit or loss	60,454,454	88,459,934
Purchase of financial instruments held at fair value through profit or loss	(59,938,453)	(90,141,760)
Net losses/(gains) on financial instruments held at fair value through profit or loss	197,345	(304,200)
Net change in receivables	(11,277)	7,092
Net change in payables	74,126	(436)
Net cash inflow/(outflow) from operating activities	725,985	(1,623,802)

Notes to the Financial Statement

14. Reconciliation of profit to net cash inflow/(outflow) from operating activities (continued)

	2016 \$	2015 \$
(b) Non-cash financing activities		
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	57,356	77,605

As described in Note 2(j), income not distributed is included in net assets attributable to unitholders. The change in this amount each year (as reported in (a) above) represents a non-cash financing cost as it is not settled in cash until such time as it becomes distributable.

15. Events occurring after the reporting period

On 19 August 2016, the Responsible Entity made an ASX Announcement advising that it expected to recognise a non-cash impairment charge against the carrying value of the Antares Energy Limited Convertible Notes held by the Trust as at 30 June 2016.

On 31 August 2016, the Responsible Entity announced an update to the valuation of Antares Convertible Notes, and the resumption of off-market redemptions.

Subsequent to year end, the Responsible Entity has received redemption requests totaling 987,200 units representing approximately 15.1% of the Trust.

16. Commitments

There were no commitments for expenditure at 30 June 2016 (2015: Nil).

17. Contingent assets and liabilities

There were no contingent assets and liabilities at 30 June 2016 (2015: Nil).

Directors' 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(a) 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 Trust; 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 Fund Management Limited.



John Patton
Managing Director
25 September 2016

Independent Auditor's Report to the Unitholders of Aurora Global Income Trust

We have audited the accompanying financial report of Aurora Global Income Trust ("the Trust"), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Trust as set out on pages 13 to 42.

Directors' Responsibility for the Financial Report

The directors of the Responsible Entity, Aurora Funds Management Limited, 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 Note 2, the directors of the Responsible Entity also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

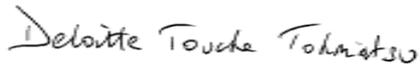
Auditor's Independence Declaration

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

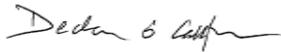
Opinion

In our opinion:

- (a) the financial report of Aurora Global Income Trust is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Trust's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 2.



DELOITTE TOUCHE TOHMATSU



Declan O'Callaghan
Partner
Chartered Accountants

Sydney, 25 September 2016

Additional Information

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

Investments

Bauxite Resources Ltd
Karoon Gas Australia Ltd
Mobile Embrace Ltd
Metgasco Ltd
Molopo Australia Ltd
Rio Tinto Ltd
Stonewall Resources Ltd
AZZAU 10 10/30/23
CTNAU 5 1/2 03/31/20
Aura Energy Ltd
MQGAU 0 01/29/49
NABHA
WOWAU 0 11/24/36
9 Spokes International Ltd
APAC Resources Ltd
Melco International Development Ltd
Global Investments Ltd
Melco Crown Entertainment Ltd
Rio Tinto PLC

Investment transactions

The total number of contract notes that were issued for the transactions in securities during the financial year was 1,185.

The total brokerage paid on these contract notes was \$35,410.

Unitholder Information

The unitholder information set out below was applicable as at 22 September 2016.

Distribution of holdings

Range	Total holders	Units	% of issued units
1 to 1,000	30	8,207	0.15
1,001 to 5,000	52	157,749	2.83
5,001 to 10,000	40	309,105	5.55
10,001 to 100,000	85	2,661,498	47.80
100,001 and over	12	2,431,899	43.47
Total	219	5,568,458	100

Largest Unitholders

The names of the 20 largest unitholders of ordinary units as at 22 September 2016 are listed below:

Name	Number of Units held	% of issued units
PAUL MELLING AND ASSOCIATES PTY LTD	705,974	12.68
MR NOEL GODFREY MATTOCKS	210,000	3.77
PUBLIC TRUST CLASS 10 NOMINEES LTD	207,800	3.73
BT PORTFOLIO SERVICES LIMITED	203,000	3.65
BT PORTFOLIO SERVICES LIMITED	195,602	3.51
MR PETER MANNING + MRS ANN MANNING	155,000	2.78
VENUS BAY PTY LTD	140,000	2.51
MESK PTY LTD	140,000	2.51
MRS ILA JOYCE CLARKE	140,000	2.51
BURBANK PTY LTD	124,523	2.24
HEATSUPER PTY LTD	105,000	1.89
MR DAVID BUTLER + MRS MARGARET BUTLER	105,000	1.89
ILEWISE PTY LTD	98,000	1.76
MR PETER JAMES PLUMMER + MS SARAH RUSH + MS SAMANTHA ANNE PLUMMER	70,000	1.26
JAMES E KENWORTHY + GWENDOLINE KENWORTHY	70,000	1.26
ROJEX MINING SERVICES PTY LTD	70,000	1.26
MCMAHONS EXCAVATIONS PTY LTD	70,000	1.26
JETCORP NOMINEES PTY LTD	70,000	1.26
WESTPALM PTY LTD	70,000	1.26
SUPERLAND PTY LTD	63,166	1.13
Total held by top 20 Holders	3,013,065	54.11

Corporate Directory

Directors of Responsible Entity

Jim Hallam
John Patton
Betty Poon

Company Secretary

Betty Poon

Registered Office

Level 4, 1 Alfred Street
Sydney, NSW 2000

Share Register

Registry Direct
Level 6
2 Russell Street
Melbourne, VIC 3000

Auditor and Taxation Advisor

Deloitte Touche Tohmatsu
Grosvenor Place
225 George Street
Sydney, NSW 2000

Solicitors

To 30 June 2016
Baker & McKenzie
Level 27, AMP Centre
50 Bridge Street
Sydney, NSW 2000

Solicitors

From 1 July 2016
Atanaskovic Hartnell
Atanaskovic Hartnell House
75-78 Elizabeth Street
Sydney, NSW 2000

Securities Exchange Listing

Australian Securities Exchange (ASX)
ASX Code: (ABW)

Website

<http://www.aurorafunds.com.au>