

Aurora Dividend Income Trust (Managed Fund)

ARSN 151 947 732

Annual Report

For the year ended 30 June 2014

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Corporate Directory

Directors of Responsible Entity	Aurora Funds Management Limited John Corr Simon Lindsay Oliver Morgan Steuart Roe
Company Secretary	Betty Poon
Principal Registered Office in Australia	Level 4, 1 Alfred Street Sydney, NSW 2000 (02) 9080 2377
Share register	Registry Direct Level 2, Professional Chambers 120 Collins Street East Melbourne, VIC, Australia 3000
Auditor	Deloitte Touche Tohmatsu Grosvenor Place 225 George Street Sydney NSW 2000
Solicitors	Baker & McKenzie Level 27, AMP Centre 50 Bridge Street Sydney NSW 2000
Custodian and Prime Broker	UBS Nominees Pty Ltd 2 Chifley Square Sydney, NSW 2000
Administrator	JP Morgan Nominees Australia Limited 85 Castlereagh Street Sydney, NSW 2000
Website address	www.aurorafunds.com.au

Directors' report

The directors of Aurora Funds Management Limited (ABN 69 092 626 885), (the "Responsible Entity") of Aurora Dividend Income Trust (Managed Fund) ("the Trust"), present their report together with the financial statements of the Trust for the financial year ended 30 June 2014.

Principal activities

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

The Trust did not have any employees during the year.

During the year ended 30 June 2013, the Trust established a new class of units which is quoted on the AQUA market of the Australian Securities Exchange under the code AOD. At year-end, the Trust has two classes of units; an unlisted class and an AQUA quoted class.

The Responsible Entity's Australian Financial Services Licence permits it to facilitate the Trust investing in itself (via 'Treasury Units') in order to provide trading liquidity. The Responsible Entity manages a market making service for the Trust, and offers units for sale and bids to purchase units. Treasury unit trading is conducted to facilitate applications and redemptions through the ASX platform.

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

Directors

The following persons held office as directors of Aurora Funds Management Limited during the year or since the end of the year and up to the date of this report:

John Corr
Alastair Davidson (resigned 12 March 2014)
Simon Lindsay
Oliver Morgan (appointed 4 February 2014)
Stuart Roe

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.

Directors' report (continued)

Financial results for the year

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

	Year Ended	
	30 June 2014	30 June 2013
	\$	\$
Operating profit before finance costs attributable to unitholders	1,580,447	2,701,391
Distributions paid and payable	1,540,599	1,272,835

Unquoted Units

Distribution (cents per unit) 30 September	1.45	1.36
Distribution (cents per unit) 31 December	1.53	1.24
Distribution (cents per unit) 31 March	1.55	1.32
Distribution (cents per unit) 30 April	0.50	-
Distribution (cents per unit) 31 May	0.51	-
Distribution (cents per unit) 30 June	0.50	1.50

Quoted Units

Distribution (cents per unit) 30 September	1.45	-
Distribution (cents per unit) 31 December	1.53	-
Distribution (cents per unit) 31 March	1.55	-
Distribution (cents per unit) 30 April	0.50	-
Distribution (cents per unit) 31 May	0.51	-
Distribution (cents per unit) 30 June	0.50	1.50

Financial Position

Net Tangible Assets per unit as disclosed to the Australian Securities Exchange (ASX)

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

	30 June 2014	30 June 2013
	\$	\$
At 30 June	0.9748	1.0032
High during period	1.0638	1.0032
Low during period	0.9748	0.8063

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 Australian Accounting Standards have been outlined below:

	30 June 2014	30 June 2013
	\$	\$
Net assets for unit pricing purposes (at Cum)	27,636,879	22,790,224
Difference between net assets for unit pricing and fair value (for financial statements, in accordance with AASB 13) of financial assets held at fair value through profit or loss	30,407	(39,140)
Distribution payable	(142,324)	(341,407)
Franking credits included in unit pricing	(36,893)	(585,673)
Net assets under Australian Accounting Standards	27,488,069	21,824,004

Directors' report (continued)

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 predominately invested in listed equities, with a focus on Australian equity securities. 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 ASX 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. As investment conditions change over time, past returns should not be used to predict future returns.

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

Significant changes in state of affairs

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect:

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

Indemnity and insurance of Aurora Funds Management Limited

No insurance premiums 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 Trust. So long as the officers of Aurora Funds Management Limited act in accordance with the Trust Constitution and the Law, the officers remain indemnified out of the assets of the Trust against losses incurred while acting on behalf of the Trust.

Indemnity of auditors

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

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 Trust property during the year 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.

Directors' report (continued)

Interests in the Trust

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

Environmental regulation

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

Directors' report (continued)

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.

John Corr B Comm, *Executive Director, Chief Investment Officer, Age 51*

John is the Managing Director and founder of Fortitude Capital Pty Ltd, a related company to the Responsible Entity. John has over 27 years experience in the financial markets. Prior to establishing Fortitude Capital, he was a director at Citigroup Global Markets Australia. He worked in proprietary trading for eight 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 is responsible for the overall portfolio and risk management of Fortitude's various investment funds.

Alastair Davidson B.Sc Economics (Hons) CA, *Executive Director, Head of Institutional Business, Age 56*

Alastair is a founding director of Aurora Funds Management Limited. He has over 30 years experience in senior executive roles in the United Kingdom, United States and Australian banking and financial services industries.

Prior to Aurora Funds Management Limited, Alastair was the Head of Investment Banking at Challenger International Limited. There, he was instrumental in developing investment products including hedge funds, hybrids, fixed interest, and venture capital. Previous to that he was co head of the structured product group at Salomon Smith Barney (County NatWest) in Sydney, and specialised in equity derivative based investment products. Alastair is also a director of Australasian Wealth Investment Limited, Chairman of Biotech Capital Limited, and Treasurer of the Centenary Institute of Medical Research. Alastair Davidson resigned as a director on 12 March 2014.

Simon Lindsay B. BUS, *Executive Director, Head of Distribution, Age 43*

Simon is a founding director of Aurora Funds Management Limited and is responsible for the Australian and New Zealand distribution of Aurora Funds Management Limited's products. He brings to the Company over 20 years experience in financial services, and has an extensive knowledge of the Australian financial planning market from his previous business development experience at both Challenger International Limited and Ord Minnett Limited.

Oliver Morgan B.E. Civil B.A. Accounting, Grad Dip Fin PI, *Current Independent Non-Executive Chairman of the Board, Age 69*

Oliver is a founder of Aurora Funds Management Limited and is Chairman (Independent Non-Executive Director) of Aurora Funds Management Limited. Oliver has over 40 years experience in stockbroking, corporate banking and funds management. Prior to his appointment as Chairman, Oliver served as an Executive Director of Aurora Funds Management Limited and has held numerous business development roles in stockbroking, local and international banks and financial services companies. Oliver is responsible for the existence of an effective strategic planning program and for the consideration of future development possibilities of the Company. He acts as an advisor for the Managing Director and other members of the Board.

Ian Steuart Roe BSc MAppFin, *Former Chairman and Managing Director, Age 47*

Prior to founding Sandringham Capital Pty Limited in 2005, a related company to the Responsible Entity. Steuart 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.

Interests held by the Responsible Entity and Directors

The number of units in the Trust held by the Responsible Entity and Directors at the date of this report are disclosed in Note 13 to the financial statements.

Remuneration report

The Responsible Entity of Aurora Dividend Income Trust (Managed Fund) is Aurora Funds Management Limited. Aurora Funds Management Limited is a wholly owned subsidiary of Aurora Funds Limited. The key management remuneration disclosures are provided in the financial statements of Aurora Funds Limited, which are publicly available through the ASX.

Directors' report (continued)

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.

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 10.

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



Steuart Roe

Director

29 August 2014

Corporate Governance Statement

Corporate Structure

The Aurora Dividend Income Trust (Managed Fund) (the "Trust") is a registered Managed investment scheme under the *Corporations Act 2001*, and Aurora Funds Management Limited ("Aurora") is the Responsible Entity of the Trust.

A Responsible Entity (the "RE") of a scheme must perform the duties detailed in the Constitution of the Trust and those regulated by the *Corporations Act 2001*. The duties of the RE include, amongst other things:

- Acting honestly
- Exercising a duty of care and diligence
- Act in the best interest of unitholders
- Treat unit holders equally where they hold the same class
- Treat unit holders fairly where they hold different classes
- Make sure the Trust property is valued at regular intervals
- Ensure that all payments from the Trust are in accordance with the Constitution
- Report any breaches that may have a material adverse impact on the interests of unitholders
- Make sure that information acquired through being the RE is not used to gain advantage for the RE or used to harm the interests of unit holders.

The Board

The Board of Aurora Funds Management Limited is responsible for ensuring that the best corporate governance standards are applied. The names of the directors are set out in the Directors' Report. These directors each have a number of years of experience in the funds management industry, the duties of the RE and in the Trust. 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 (detailed below) is independent, including the following:

- company shares owned directly or indirectly by the committee member;
- employment by the company (or its associates) of the committee member (or a family member) either currently, or in the past;
- business relationship between the company (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 company 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 company.

The RE has an established code of conduct which covers Directors and staff, and is available at Aurora's website at www.aurorafunds.com.au. This code of conduct, together with the Compliance Committee Charter, also covers Aurora's compliance with legal obligations and the interest of other stakeholders.

In addition, the RE operates the Trust as a scheme under the *Corporations Act 2001* and therefore the RE must comply with the Compliance Plan lodged with ASIC prior to units in the Trust being issued. The Corporate Governance of the Trust is regulated by the Compliance Committee, which must have a majority of independent members. The Compliance Committee operates under a Compliance Committee charter, and is responsible for monitoring the RE's compliance with the Compliance Plan and reporting any breaches to the Board of the RE and ASIC. It is also responsible for reviewing the operations on the RE.

The Compliance Committee

The Compliance Committee for the RE comprises:

- Mr David Lewis (external)
- Mr Mark Hancock (external)

Mr David Lewis is a qualified actuary and has over 42 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 30 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.

The external members of the Compliance Committee are nominated and remunerated by the RE. 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 Compliance Committee (continued)

The Chair of the Compliance Committee rotates amongst the three members. Meetings are held at least quarterly and all members have access

- to the books and records and any other relevant information on the Trust and the RE, including all the staff of the RE
- the auditors of the RE
- the auditors of the Trusts issued by the RE; and
- the auditor of the Compliance Plan

Financial Reporting

The auditor of the Compliance Plan must be different from the auditor of the RE and the Trust and both report independently to the Compliance Committee. The CEO and CFO provide written sign off to the board and the compliance committee on the veracity of the financial reporting systems and the risk management procedures outlined below.

The RE Board reviews the results of the external audit process of the Trust and the Compliance Plan to ensure:

- That the Compliance Plan and Trust auditor are appropriately qualified, and legally eligible to act at all times
- That the terms of their appointment are appropriate and accord with the *Corporations Act 2001*
- That the auditors have access to all relevant information as required
- That the auditors conduct all enquiries and provide all reports as required by the *Corporations Act 2001*

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

Public Disclosure

The Board believes that market sensitive information should be released as quickly as possible and has policies in place to ensure that the Trust meets its disclosure obligations under the ASX Listing Rules.

Rights of Unitholders

The Constitution of the Trust and the *Corporations Act 2001* governs the rights of unitholders, including their rights to the income and assets of the Trust. The RE is not required to hold an annual general meeting of unitholders, however a meeting may be called by unitholders with at least 5% of the votes that may be cast on a resolution or by 100 unitholders who are entitled to vote. The RE runs an extensive website that provides all publicly available information to unitholders that ensures compliance with the general principles of “good reporting” and compliance with our statutory obligations, under *Corporations Act 2001*, ASIC, and ASX regulations.

Risk Management and Oversight

The RE manages risks in the Trust through the following methods:

- Appointment of an appropriately qualified external asset manager, reviewed quarterly
- Appointment of appropriately qualified service providers, such as registry, administration and custody
- Compliance with all of ASIC’s and ASX’s policies and guidelines
- Recording and reporting complaints by unitholders

The Compliance Committee meets and reviews all external service providers on a quarterly basis. The board of the RE reviews the management contracts of external managers and investment advisers, which are publicly available contracts. Key terms are disclosed in the current Product Disclosure Statement which is available at www.aurorafunds.com.au, as well as summarised in this Annual Report.

Corporate Governance Practices of Aurora and the Trust

The Trust and Aurora have complied with all the Corporate Governance Principles as at 30 June 2014, except where stated below.

Recommendation 8.1: *Process for the performance evaluation of the board and compliance committee members*

Aurora does not have a formal process to evaluate the performance of board or compliance committee members. All executive directors and staff are required to complete a minimum amount of continuing professional development each year, which is reviewed by the board each year.

The Directors
Aurora Funds Management Limited
Level 4, 1 Alfred Street
SYDNEY NSW 2000

29 August 2014

Dear Directors

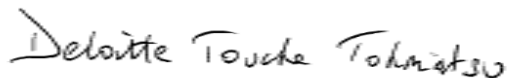
Independence Declaration – Aurora Dividend Income Trust (Managed Fund)

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 Dividend Income Trust (Managed Fund).

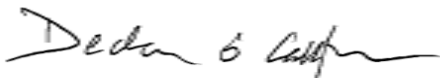
As lead audit partner for the audit of the financial statements of Aurora Dividend Income Trust (Managed Fund) for the financial year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Declan O'Callaghan
Partner
Chartered Accountants

Aurora Dividend Income Trust (Managed Fund)
 ARSN 151 947 732
Statement of Profit or Loss and Other Comprehensive Income
 For the year ended 30 June 2014

Statement of Profit or Loss and Other Comprehensive Income

		Year ended	
	Notes	30 June 2014	30 June 2013
		\$	\$
Investment income			
Interest income		299,350	298,459
Dividends and distribution income		1,463,584	1,373,870
Net gains on financial instruments held at fair value through profit or loss	7	676,456	5,812,686
Other operating income		<u>2,350</u>	<u>13,303</u>
Total net investment income		<u>2,441,740</u>	<u>7,498,318</u>
Expenses			
Responsible Entity fees	13	317,515	281,487
Dividend expense short sold		452,914	4,377,993
Transaction costs		18,084	31,183
Other operating expenses	5	<u>72,780</u>	<u>106,264</u>
Total operating expenses		<u>861,293</u>	<u>4,796,927</u>
Operating profit		<u>1,580,447</u>	<u>2,701,391</u>
Finance costs attributable to unitholders			
Distributions to unitholders	9	(1,540,599)	(1,272,835)
(Increase)/decrease in net assets attributable to unitholders	8	<u>(39,848)</u>	<u>(1,428,556)</u>
Profit/(loss) for the year		<u>-</u>	<u>-</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income		<u>-</u>	<u>-</u>

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

		As at	
	Notes	30 June 2014 \$	30 June 2013 \$
Assets			
Cash and cash equivalents	10	14,573,008	10,988,029
Receivables		348,026	225,227
Due from brokers - receivable for securities sold		-	131,740
Financial assets held at fair value through profit or loss	11	<u>26,473,938</u>	<u>21,765,210</u>
Total assets		<u>41,394,972</u>	<u>33,110,206</u>
Liabilities			
Distributions payable	9	142,324	341,407
Financial liabilities held at fair value through profit or loss	12	13,610,541	10,845,839
Other payables		<u>154,038</u>	<u>98,956</u>
Total liabilities (excluding net assets attributable to unitholders)		<u>13,906,903</u>	<u>11,286,202</u>
Net assets attributable to unitholders - Liability	8	<u>27,488,069</u>	<u>21,824,004</u>
Liability attributable to unitholders		<u>(27,488,069)</u>	<u>(21,824,004)</u>
Net assets		<u>-</u>	<u>-</u>

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

Statement of Changes in Equity

	Year ended	
	30 June 2014	30 June 2013
	\$	\$
Total equity at the beginning of the financial year	-	-
Profit/(loss) for the year	-	-
Other comprehensive income	-	-
Total comprehensive income	<u>-</u>	<u>-</u>
Transactions with unitholders in their capacity as unitholders	-	-
Total equity at the end of the financial year	<u>-</u>	<u>-</u>

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

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

Statement of Cash Flows

	Notes	Year ended	
		30 June 2014	30 June 2013
		\$	\$
Cash flows from operating activities			
Proceeds from sale of financial instruments held at fair value through profit or loss		33,113,860	132,175,116
Purchase of financial instruments held at fair value through profit or loss		(34,249,689)	(124,141,823)
Transaction costs on purchase of financial instruments at fair value through profit or loss		(18,084)	(31,183)
Dividends and distributions received		1,344,553	1,327,657
Interest received		294,181	318,978
Other income		2,350	13,303
Stock loan fees paid		(65,785)	(103,795)
Dividend expense short sold		(405,608)	(8,884,558)
Management fees paid		(311,611)	(299,404)
Payment of operating expenses		<u>(12,329)</u>	<u>(88,935)</u>
Net cash (outflow)/inflow from operating activities	14(a)	<u>(308,162)</u>	<u>285,356</u>
Cash flows from financing activities			
Proceeds from applications by unitholders (excluding treasury units)		5,440,272	1,353,802
Payments for redemptions by unitholders (excluding treasury units)		(25,983)	(4,473,499)
Proceeds from applications by unitholders (treasury units)		5,701,155	6,685,797
Payments for redemptions by unitholders (treasury units)		(5,738,937)	-
Distributions paid		<u>(1,483,366)</u>	<u>(1,231,554)</u>
Net cash inflow from financing activities		<u>3,893,141</u>	<u>2,334,546</u>
Net increase in cash and cash equivalents		3,584,979	2,619,902
Cash and cash equivalents at the beginning of the year		<u>10,988,029</u>	<u>8,368,127</u>
Cash and cash equivalents at the end of the year	10	<u>14,573,008</u>	<u>10,988,029</u>
Non-cash financing activities	14(b)	<u>247,710</u>	<u>1,042,368</u>

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

Notes to the Financial Statements

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1 General information

These financial statements cover Aurora Dividend Income Trust (Managed Fund) ("the Trust") as an individual entity. The Trust commenced operations on 8 February 2011 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 the 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 2014 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The principal activities of the Trust during the financial year was establishing 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 on 29 August 2014. 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

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001* in Australia. Aurora Dividend Income Trust (Managed Fund) 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.

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 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13

In accordance with AASB 13, the standard has been applied prospectively and the Trust has adopted a definition of fair value, as set out in Note 4. The change had no material impact on the measurement of the Trust's assets and liabilities. However the Trust has included new disclosures in Note 4 of the financial statements which are required under AASB 13.

AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendments have been applied retrospectively. As the Trust does not have any offsetting arrangements in place, the application of the amendments has had no material impact on disclosures or on the amounts recognised in the financial statements.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements

This standard removes the individual key management personnel disclosure requirements in AASB 124 'Related Party Disclosures'. The Trust has removed the key individual management remuneration disclosures from Note 13. This is provided in the financial statements of Aurora Funds Limited.

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle

The Annual Improvements to AASBs 2009 - 2011 have made a number of amendments to AASBs. The amendments that are relevant to the Trust are the amendments to AASB 101 regarding when a Statement of Financial Position as at the beginning of the preceding period (third Statement of Financial Position) and the related notes are required to be presented. The amendments specify that a third Statement of Financial Position is required when a) an entity applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items in its financial statements, and b) the retrospective application, restatement or reclassification has a material effect on the information in the third Statement of Financial Position. The amendments specify that related notes are not required to accompany the third Statement of Financial Position.

AASB 2012-9 Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039

This standard makes amendment to AASB 1048 'Interpretation of Standards' following the withdrawal of Australian Interpretation 1039 'Substantive Enactment of Major Tax Bills in Australia'. The adoption of this amending standard does not have any material impact on the financial statements.

AASB CF 2013-1 Amendments to the Australian Conceptual Framework and AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments (Part A Conceptual Framework)

This amendment has incorporated IASB's Chapters 1 and 3 Conceptual Framework for Financial Reporting as an Appendix to the Australian Framework for the Preparation and Presentation of Financial Statements. The amendment also included not-for-profit specific paragraphs to help clarify the concepts from the perspective of not-for-profit entities in the private and public sectors. As a result the Australian Conceptual Framework now supersedes the objective and the qualitative characteristics of financial statements, as well as the guidance previously available in Statement of Accounting Concepts SAC 2 'Objective of General Purpose Financial Reporting'. The adoption of this amending standard does not have any material impact on the financial statements.

(b) New accounting standards and interpretations

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

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 1031 'Materiality' (2013)	1 January 2014	30 June 2015
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	1 January 2014	30 June 2015
AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'	1 January 2014	30 June 2015
AASB 2013-5 'Amendments to Australian Accounting Standards – Investment Entities'	1 January 2014	30 June 2015
AASB 2013-9 'Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments'	1 January 2014	30 June 2015
AASB 2014-1 'Amendments to Australian Accounting Standards'	1 July 2014	30 June 2015
– Part A: 'Annual Improvements 2010–2012 and 2011–2013 Cycles'		
– Part C: 'Materiality'		
AASB 2014-1 'Amendments to Australian Accounting Standards' – Part E: 'Financial Instruments'	1 January 2015	30 June 2016

2 Summary of significant accounting policies (continued)

(b) New accounting standards and interpretations (continued)

At the date of authorisation of the financial statements, the following IASB Standards and IFRIC Interpretations were also in issue but not yet effective, although Australian equivalent Standards and Interpretations have not yet been issued.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
IFRS 15 'Revenue from Contracts with Customers'	1 January 2017	30 June 2018
IFRS 9 Financial Instruments	1 January 2018	30 June 2019

The potential effect of the revised Standards/Interpretations on the Trust's financial statements has not yet been determined.

(c) Financial instruments

(i) Classification

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

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

These include financial assets that are not held for trading purposes and which may be sold. These include investments in listed equities and unit trusts.

The Trust may sell securities short in anticipation of a decline in fair value of that security. When the Trust sells a security short, it must borrow the security sold short and deliver it to the broker-dealer through which it made the short sale. At the reporting date, the liability for the obligation to replace the borrowed security is valued at the net fair value. The Trust pays a security borrowing fee for short sales which are recognised in the Statement of Profit or Loss and Other Comprehensive income on an accruals basis.

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 policy 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 it becomes party to the contractual agreement (trade date) and recognise changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right 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. This also includes dividend expense on short sales of securities, which have been classified at fair value through profit or loss.

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 making.

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

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.

(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.

(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 asset 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.

2 Summary of significant accounting policies (continued)

(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/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. Trades are recorded on trade date, and for equities normally settled within 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.

(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.

2 Summary of significant accounting policies (continued)

(o) Applications and redemptions

Applications and redemptions for units can be conducted on the AQUA market (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 AQUA market. These applications and redemptions are traded using the Treasury Units, where the Responsible Entity will offer units for sale at a small spread above, and bids to purchase units at a small spread below, the net tangible asset value.

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.

Treasury Units

The Responsible Entity's Australian Financial Services Licence permits it to facilitate the Trust investing in itself (via 'Treasury Units') in order to provide trading liquidity. The Responsible Entity manages a market making service for the Trust, and offers units for sale and bids to purchase units. Treasury unit trading is conducted to facilitate applications and redemptions through the AQUA platform. The Trust recognises the Treasury Units on the settlement date.

(p) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Trust by third parties, have been passed onto the Trust. The Trust qualifies for Reduced Input Tax Credits (RITCs) at a rate of 55% or 75%; hence management fees, 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

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.

No estimates and assumptions were used that offset the reported amounts of assets and liabilities in the financial statements. For the majority of the Trust's financial instruments, quoted market prices are readily available. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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: 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.

(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.

The Investment Strategy is predominantly to invest in a portfolio of fully franked dividend paying companies listed on the Australian Securities Exchange (ASX) while employing a risk management overlay to limit the exposure to Australian equities to around 50% of the net assets of the Trust.

A sensitivity analysis was performed showing how the effect of a 10 per cent increase (2013: 10 per cent) and a 10 per cent decrease (2013: 10 per cent) in market prices would have increased/decreased the impact on operation profit/net assets attributable to unitholders as at 30 June 2014. The results of this analysis are disclosed in 'Note 3(b) - summarised sensitivity analysis'.

(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 a direct exposure to foreign currency (short position) due to an investment in Twentieth Century Fox which was delisted from the ASX on 8 May 2014. As a result of the delisting, the securities were converted to a US security listed on the NASDAQ. The short position was closed out on 17 July 2014. No sensitivity analysis was performed as the exposure is immaterial.

(iii) Cash flow and fair value interest rate risk

The Trust is exposed to cash flow interest rate risk on financial instruments with variable interest rates.

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

A sensitivity analysis was performed showing how the effect of a 100 basis point increase (2013: 100 basis point) and a 100 basis point decrease (2013: 100 basis point) in interest rates on cash and cash equivalents would have increased/decreased the impact on operation profit/net assets attributable to unitholders as at 30 June 2014. The results of this analysis are disclosed in 'Note 3(b) – summarised sensitivity analysis'.

3 Financial risk management (continued)

(a) Market risk (continued)

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

30 June 2014	Floating interest rate \$	Fixed interest rate \$	Non interest bearing \$	Total \$
Financial assets				
Cash and cash equivalents	14,573,008	-	-	14,573,008
Due from brokers - receivable for securities sold	-	-	-	-
Receivables	-	-	348,026	348,026
Financial assets held at fair value through profit or loss	-	-	26,473,938	26,473,938
Financial liabilities				
Distributions payable	-	-	(142,324)	(142,324)
Other payables	-	-	(154,038)	(154,038)
Financial liabilities held at fair value through profit or loss	-	-	(13,610,541)	(13,610,541)
Net exposure	14,573,008	-	12,915,061	27,488,069
<hr/>				
30 June 2013	Floating interest rate \$	Fixed interest rate \$	Non interest bearing \$	Total \$
Financial assets				
Cash and cash equivalents	10,988,029	-	-	10,988,029
Due from brokers - receivable for securities sold	-	-	131,740	131,740
Receivables	-	-	225,227	225,227
Financial assets held at fair value through profit or loss	-	-	21,765,210	21,765,210
Financial liabilities				
Distributions payable	-	-	(341,407)	(341,407)
Other payables	-	-	(98,956)	(98,956)
Financial liabilities held at fair value through profit or loss	-	-	(10,845,839)	(10,845,839)
Net exposure	10,988,029	-	10,835,975	21,824,004

(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 2014	(1,286,340)	1,286,340	(145,730)	145,730
30 June 2013	(1,091,937)	1,091,937	(109,880)	109,880

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.

3 Financial risk management (continued)

(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 that 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 2014.

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 2014.

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

	Year ended	
	30 June 2014	30 June 2013
	\$	\$
Cash at bank with broker and short term bank deposits		
Rating		
AA-	132,206	58,920
A	<u>14,440,802</u>	<u>10,929,109</u>
Total	<u>14,573,008</u>	<u>10,988,029</u>

(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 policy, the investment manager monitors the Trust's credit position on 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.

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.

3 Financial risk management (continued)

(d) Liquidity risk

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

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

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

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

Any securities purchased or short sold must be issued by or over companies from within the S&P/ASX 200 Index.

In order to manage the Trust's overall liquidity, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

Units are redeemed on demand at the unitholder's option. However, the Board 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 to 6 months \$	6 to 12 months \$	1 to 2 years \$	Total \$
30 June 2014					
Liabilities					
Distributions payable	142,324	-	-	-	142,324
Financial liabilities held at fair value through profit or loss	13,610,541	-	-	-	13,610,541
Payables	154,038	-	-	-	154,038
Net assets attributable to unit holders	<u>27,488,069</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,488,069</u>
Contractual cash flows (excluding gross settled derivatives)	<u>41,394,972</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,394,972</u>
	Less than 1 month \$	1 to 6 months \$	6 to 12 months \$	1 to 2 years \$	Total \$
30 June 2013					
Liabilities					
Distributions payable	341,407	-	-	-	341,407
Financial liabilities held at fair value through profit or loss	10,845,839	-	-	-	10,845,839
Payables	98,956	-	-	-	98,956
Net assets attributable to unit holders	<u>21,824,004</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,824,004</u>
Contractual cash flows (excluding gross settled derivatives)	<u>33,110,206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,110,206</u>

4 Fair value measurement

The Trust measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets / liabilities at fair value 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 asking price. When the Trust holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

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

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

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models 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 funds.

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.

4 Fair value measurement (continued)

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 2014 and 30 June 2013.

As at 30 June 2014	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Financial assets designated at fair value through profit or loss:				
Equity securities	19,930,955	-	-	19,930,955
Listed unit trusts	6,542,983	-	-	6,542,983
Total	<u>26,473,938</u>	<u>-</u>	<u>-</u>	<u>26,473,938</u>
Financial liabilities				
Financial liabilities held for trading:				
Equity securities sold short	9,988,064	-	-	9,988,064
Listed unit trusts sold short	3,622,477	-	-	3,622,477
Total	<u>13,610,541</u>	<u>-</u>	<u>-</u>	<u>13,610,541</u>
As at 30 June 2013	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets designated at fair value through profit or loss:				
Equity securities	21,765,210	-	-	21,765,210
Listed unit trusts	-	-	-	-
Total	<u>21,765,210</u>	<u>-</u>	<u>-</u>	<u>21,765,210</u>
Financial liabilities				
Financial liabilities held for trading:				
Equity securities sold short	8,246,233	-	-	8,246,233
Listed unit trusts sold short	2,599,606	-	-	2,599,606
Total	<u>10,845,839</u>	<u>-</u>	<u>-</u>	<u>10,845,839</u>

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.

Transfers between levels

There have been no transfers between levels for the year ended 30 June 2014 and 30 June 2013.

5 Other operating expenses

	Year ended	
	30 June 2014	30 June 2013
	\$	\$
Stock loan fees	65,785	103,795
Other expenses	<u>6,995</u>	<u>2,469</u>
	<u>72,780</u>	<u>106,264</u>

6 Remuneration of auditors

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 (2013: PwC).

	Year ended	
	30 June 2014	30 June 2013
	\$	\$
Audit and other assurance services		
Audit and review of financial statements	12,720	8,278
Audit of compliance plan	<u>3,000</u>	<u>1,429</u>
Total remuneration for audit and other assurance services	<u>15,720</u>	<u>9,707</u>
Taxation services		
Tax compliance services	<u>2,600</u>	<u>7,000</u>
Total remuneration for tax services	<u>2,600</u>	<u>7,000</u>
Total remuneration of auditor	<u>18,320</u>	<u>16,707</u>

7 Net gains on financial instruments held at fair value through profit or loss

	Year ended	
	30 June 2014	30 June 2013
	\$	\$
Financial assets and liabilities		
Net realised gain on financial assets and liabilities at fair value through profit or loss	637,922	4,906,548
Net unrealised gain on financial assets and liabilities held at fair value through profit or loss	<u>38,534</u>	<u>906,138</u>
Total net gain on financial instruments held at fair value through profit or loss	<u>676,456</u>	<u>5,812,686</u>

8 Net assets attributable to unitholders

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

	30 June 2014 No.	Year ended		30 June 2013 No.	30 June 2014 \$	30 June 2013 \$
		30 June 2013 No.	30 June 2014 \$			
Opening balance - excluding treasury units	22,760,465			19,143,381		
Applications	10,975,118			9,782,776		
Redemptions	(5,708,872)			(5,119,502)		
Units issued upon reinvestment of distributions	246,107			1,198,693		
Reconstruction due to restructure	-			(2,244,883)		
Closing balance - excluding treasury units	28,272,818			22,760,465		
Opening balance - treasury units	1,191,818			-		
Applications	5,682,567			1,191,818		
Redemptions	(5,616,875)			-		
Closing balance - treasury units	1,257,510			1,191,818		
Opening balance - including treasury units	23,952,283			19,143,381	21,824,004	15,786,980
Applications	16,657,685			10,974,594	11,141,427	8,039,599
Redemptions	(11,325,747)			(5,119,502)	(5,764,920)	(4,473,499)
Units issued upon reinvestment of distributions	246,107			1,198,693	247,710	1,042,368
Reconstruction due to restructure	-			(2,244,883)	-	-
Increase in net assets attributable to unitholders	-			-	39,848	1,428,556
Closing balance - including treasury units	29,530,328			23,952,283	27,488,069	21,824,004

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.

Capital risk management

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

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

9 Distributions to unitholders

The distributions for the year were as follows:

	Year ended			
	30 June 2014		30 June 2013	
	\$	CPU	\$	CPU
Quoted units				
Distributions paid	1,325,400	5.54	-	-
Distributions payable	<u>130,285</u>	<u>0.50</u>	339,146	1.50
Total distributions	<u>1,455,685</u>	<u>6.04</u>	<u>339,146</u>	<u>1.50</u>
Unquoted units				
Distributions paid	72,875	5.54	931,428	3.92
Distribution payable	<u>12,039</u>	<u>0.50</u>	<u>2,261</u>	<u>1.50</u>
Total distributions	<u>84,914</u>	<u>6.04</u>	<u>933,689</u>	<u>5.42</u>

10 Cash and cash equivalents

	As at	
	30 June 2014	30 June 2013
	\$	\$
Cash at bank	<u>14,573,008</u>	<u>10,988,029</u>
Total	<u>14,573,008</u>	<u>10,988,029</u>

11 Financial assets held at fair value through profit or loss

	As at	
	30 June 2014	30 June 2013
	Fair value	Fair value
	\$	\$
Designated at fair value through profit or loss		
Equity securities		
Australian equity securities	19,930,955	21,765,210
Australian listed unit trusts	<u>6,542,983</u>	<u>-</u>
Total financial assets held at fair value through profit or loss	<u>26,473,938</u>	<u>21,765,210</u>

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

12 Financial liabilities held at fair value through profit or loss

	As at	
	30 June 2014	30 June 2013
	Fair value	Fair value
	\$	\$
Designated at fair value through profit or loss		
Equity securities sold short		
Australian equity securities	8,645,208	7,658,481
Foreign equity securities	1,342,856	587,752
Australian listed unit trusts	<u>3,622,477</u>	<u>2,599,606</u>
Total financial liabilities held at fair value through profit or loss	<u>13,610,541</u>	<u>10,845,839</u>

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

13 Related party transactions

Responsible Entity

The Responsible Entity of Aurora Dividend Income Trust (Managed Fund) is Aurora Funds Management Limited.

Key management personnel unitholdings

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

2014

Unitholder	No. of units held opening	No. of units held closing	Fair value of investment	Interest held	No. of units acquired	No. of units disposed	Distributions paid/payable by the Trust
Simon Lindsay	-	4,994	4,868	0.02%	4,994	-	25

2013

Unitholder	No. of units held opening	No. of units held closing	Fair value of investment	Interest held	No. of units acquired	No. of units disposed	Distributions paid/payable by the Trust
Simon Lindsay	-	-	-	-	-	-	-

Key management personnel compensation

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

Related party unitholdings

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:

2014

Unitholder	No. of units held opening	No. of units held closing	Fair value of investment	Interest held	No. of units acquired	No. of units disposed	Distributions paid/payable by the Trust
Aurora Dividend Income Trust	1,191,818	1,257,510	1,225,821	4.26%	5,682,567	5,616,875	64,280

2013

Unitholder	No. of units held opening	No. of units held closing	Fair value of investment	Interest held	No. of units acquired	No. of units disposed	Distributions paid/payable by the Trust
Aurora Dividend Income Trust	-	1,191,818	1,149,270	4.98%	1,191,818	-	17,877

13 Related party transactions (continued)

Other transactions within the Trust

During the previous financial year, the Trust transferred the unit registry functions to Registry Direct which is part owned by one of the Directors of the Responsible Entity, Stuart Roe. The transactions between Registry Direct and the Responsible Entity are detailed below:

	Year ended	
	30 June	30 June
	2014	2013
	\$	\$
Fees paid to Registry Direct by the Responsible Entity on behalf of the Trust	54,443	444

There was no compensation paid directly by the Trust to the Responsible Entity for unit registry services.

Apart from those details disclosed in this note, no other key management personnel have entered into a material contract with the Trust during the financial year and there were no material contracts involving key management personnel's interests existing at year end.

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) management fee payable to the Responsible Entity is 1.2812% (GST inclusive, net of RITC) per annum.
- (ii) the Responsible Entity may recover the normal operating expenses of the Trust capped at 0.3075% (GST inclusive) per annum.

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:

	30 June 2014	30 June 2013
	\$	\$
Management fees for the year paid by the Trust to the Responsible Entity/investment manager	<u>242,509</u>	<u>229,464</u>
Normal operating expenses for the year paid by the Trust to the Responsible Entity/investment manager	<u>75,006</u>	<u>52,023</u>
Aggregate amounts payable to the Responsible Entity for management fees and administration expenses at the end of the reporting period	<u>23,055</u>	<u>17,151</u>

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

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

	Year ended	
	30 June 2014	30 June 2013
	\$	\$
(a) Reconciliation of profit to net cash (outflow)/inflow from operating activities		
Increase in net assets attributable to unitholders	39,848	1,428,556
Distributions to unitholders	1,540,599	1,272,835
Proceeds from sale of financial instruments held at fair value through profit or loss	33,113,860	132,175,116
Purchase of financial instruments held at fair value through profit or loss	(34,249,689)	(124,141,823)
Net gains on financial instruments held at fair value through profit or loss	(676,456)	(5,812,686)
Net change in receivables	(131,406)	(9,322)
Net change in payables	<u>55,082</u>	<u>(4,627,320)</u>
Net cash (outflow)/inflow from operating activities	<u>(308,162)</u>	<u>285,356</u>
(b) Non-cash financing activities		
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	<u>247,710</u>	<u>1,042,368</u>

As described in Note 2(i), 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

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Trust disclosed in the Statement of Financial Position as at 30 June 2014 or on the results and cash flows of the Trust for the year ended on that date.

16 Commitments

There were no commitments for expenditure at 30 June 2014 (2013: Nil).

17 Contingent assets and liabilities

There were no contingent assets and liabilities at 30 June 2014 (2013: 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 director's 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 required by s.295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the directors of the Responsible Entity made pursuant to s.295(5) of the *Corporations Act 2001*.

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



Steuart Roe

Director

Sydney, NSW
29 August 2014

Unitholder information

The following unitholder information set out below was applicable as at 30 June 2014.

Distribution of holdings	Number of unit holders
1 -1,000	59
1,001 - 5,000	145
5,001 - 10,000	214
10,001 - 100,000	621
100,001 and over	<u>36</u>
Total	<u>1,075</u>

Top 20 Unitholders

The names of the largest twenty unitholders in the Trust as at 30 June 2014 are listed below. Note that the table also provides the substantial shareholders in the Trust and the number of equity securities each substantial holder holds (where the holding percentage is greater than 5%).

Name	Number held	Percentage of total
ASGARD CAPITAL MANAGEMENT LTD	1,597,572	5.411
UBS NOMINEES PTY LTD	1,257,510	4.258
NAVIGATOR AUSTRALIA LTD	551,750	1.868
MR BAILEY HUNTER + MRS BEVERLEY HUNTER	427,688	1.448
KALAM ENTERPRISES PTY LTD	381,900	1.293
BOND STREET CUSTODIANS LIMITED	300,000	1.016
SANDHURST TRUSTEES LTD	258,515	0.875
APPWAM PTY LTD	239,976	0.813
NAVIGATOR AUSTRALIA LIMITED	236,823	0.802
ASGARD CAPITAL MANAGEMENT LTD	224,468	0.760
THURSTON INVESTMENTS PTY LTD	222,318	0.753
MR JONATHAN TWISTON CRISP + MS KARINA LEE SMITH	213,464	0.723
ELACROFT PTY LIMITED	203,256	0.688
PETCOL NOMINEES PTY LIMITED	203,256	0.688
MR JON PAUL DICKSON + MRS JANETTE DICKSON	200,000	0.677
BUREN PTY LTD	175,000	0.593
ASGARD CAPITAL MANAGEMENT LTD	171,803	0.582
MACSIN PTY LTD	170,000	0.576
TRICOUNTRY INVESTMENTS PTY LTD	153,938	0.521
MR JAMES MART ORPE	<u>150,000</u>	<u>0.508</u>
Total	<u>7,339,237</u>	<u>24.853</u>

The information is summarised from registry information received by the Responsible Entity.

Independent Auditor's Report to the Unitholders of Aurora Dividend Income Trust (Managed Fund)

We have audited the accompanying financial report of Aurora Dividend Income Trust (Managed Fund) ("the Trust"), which comprises the statement of financial position as at 30 June 2014, 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 11 to 34.

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.

Deloitte.

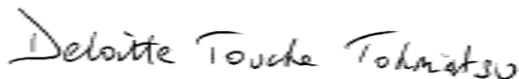
Auditor's Independence Declaration

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.

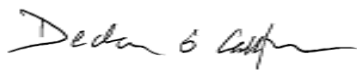
Opinion

In our opinion:

- (a) the financial report of Aurora Dividend Income Trust (Managed Fund) 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 2014 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, 29 August 2014