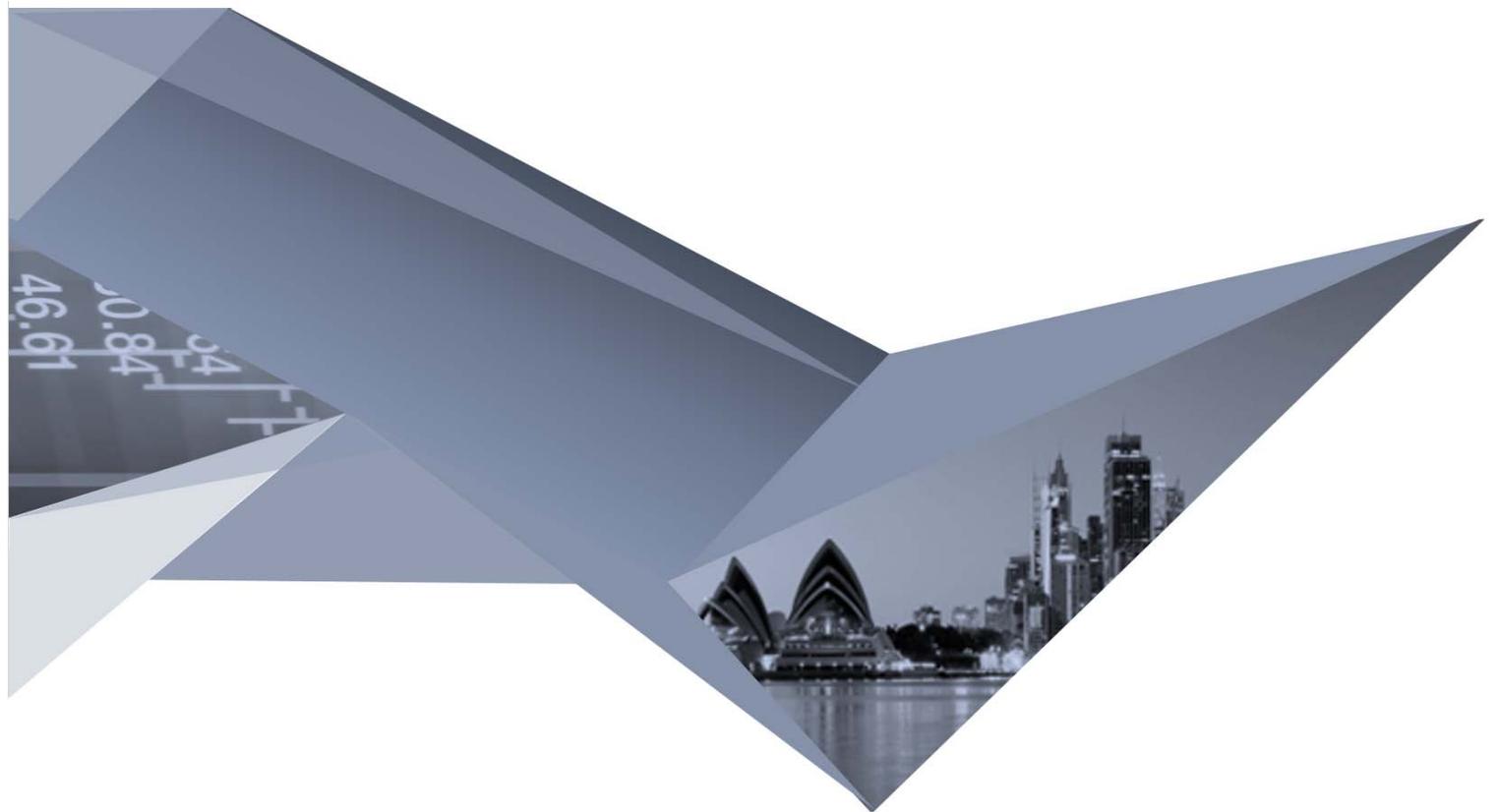


AUROLA

FUNDS MANAGEMENT

AURORA PROPERTY BUY-WRITE INCOME TRUST

ARSN 125 153 648



INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

Aurora Property Buy-Write Income Trust

ARSN 125 153 648

Interim financial report

For the half-year ended 31 December 2014

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This interim financial report does not include all the notes of the type normally included in annual financial statements. Accordingly, this interim report is to be read in conjunction with the 30 June 2014 financial statements and any public announcements made in respect of Aurora Property Buy-Write Income Trust during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This financial report covers the Aurora Property Buy-Write Income Trust as an individual entity.

The Responsible Entity of the Aurora Property Buy-Write Income Trust is Aurora Funds Management Limited (ABN 69 092 626 885)

Directors' report

The directors of Aurora Funds Management Limited (ABN 69 092 626 885), the Responsible Entity of Aurora Property Buy-Write Income Trust ("the Trust"), present their interim report together with the condensed financial statements of the Trust for the half-year ended 31 December 2014, and the auditor's report thereon.

The condensed financial report has been prepared for the Aurora Property Buy-Write Income Trust as it is a disclosing entity under the *Corporations Act 2001*.

Principal activities

The Trust invests in equities and index derivatives, in accordance with the provision of the Trust Constitution and the current Product Disclosure Statement.

The Trust did not have any employees during the half-year.

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

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

Directors

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

John Corr
 Simon Lindsay
 Oliver Morgan
 Steuart Roe

Units on issue

Units on issue in the Trust at the end of the half-year are set out below:

	31 December 2014	30 June 2014
	No. '000	No. '000
Units on issue	2,125	2,401

Review and results of operations

During the half-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.

The investment policy of the Trust continues to be that detailed in the current Product Disclosure Statement and in accordance with the provisions of the governing documents of the Trust.

Financial Position

Net Tangible Assets (NTA) per unit as disclosed to the Australian Securities Exchange was as follows:

	31 December 2014	30 June 2014
	\$	\$
At reporting period	5.490	5.390
High during period	5.300	5.467
Low during period	5.520	5.276

Directors' report (continued)

Financial results for the half-year

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

	Half-year ended	
	31 December	31 December
	2014	2013
	\$'000	\$'000
Operating profit before finance costs attributable to unitholders	582	253
<i>Distributions paid and payable</i>	433	500
<i>Distributions</i>		
Distribution (cents per unit) - 30 September	10.78	10.80
Distribution (cents per unit) - 31 December	10.88	10.90

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 half-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 property securities, with a focus on Australian property 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 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 half-year.

Matters subsequent to the end of the period

No matter or circumstance has arisen since 31 December 2014 that has significantly affected, or may significantly affect:

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

Directors' report (continued)

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 half-year are disclosed in the Condensed Statement of Profit or Loss and Other Comprehensive Income as "Management Fees".

No fees were paid out of Trust property to the directors of the Responsible Entity during the half-year.

Rounding of amounts to the nearest thousand dollars

The Trust is an entity of the kind referred to in Class order 98/100 (as amended), issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the directors' report and financial statements. Amounts in the directors' report and financial statements have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise stated.

Interests in the Trust

The movement in units on issue in the Trust during the half-year is disclosed in Note 5 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 3 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.

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 half-year.

Directors' report (continued)

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 6.

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



Simon Lindsay
Managing Director
27 February 2015

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

27 February 2015

Dear Directors

Independence Declaration - Aurora Property Buy-Write 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 Property Buy-Write Income Trust.

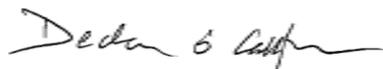
As lead audit partner for the review of the financial statements of Aurora Property Buy-Write Income Trust for the half-year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Declan O'Callaghan
Partner
Chartered Accountants
Sydney

Aurora Property Buy-Write Income Trust
Condensed Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2014

Condensed Statement of Profit or Loss and Other Comprehensive Income

		Half-year ended	
		31 December	31 December
	Notes	2014	2013
		\$'000	\$'000
Investment income			
Interest income		16	57
Dividends and distribution income		232	395
Net gains/(losses) on financial instruments held at fair value through profit or loss	4	484	(49)
Other investment income		-	11
Total net investment income		<u>732</u>	<u>414</u>
Expenses			
Management fees		127	142
Transaction costs		23	8
Other operating expenses		-	11
Total operating expenses		<u>150</u>	<u>161</u>
Operating profit for the half-year		<u>582</u>	<u>253</u>
Finance costs attributable to unitholders			
Distributions to unitholders	6	(433)	(500)
(Increase)/decrease in net assets attributable to unitholders	5	(149)	247
Profit/(loss) for the half-year		<u>-</u>	<u>-</u>
Other comprehensive income for the half-year		-	-
Total comprehensive income for the half-year		<u>-</u>	<u>-</u>

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

Condensed Statement of Financial Position

		As at	
		31 December	30 June
	Notes	2014	2014
		\$'000	\$'000
Assets			
Cash and cash equivalents		1,415	6,076
Receivables		218	149
Due from brokers - receivable for securities sold		25	1,645
Financial assets held at fair value through profit or loss	7	<u>10,993</u>	<u>7,920</u>
Total assets		<u>12,651</u>	<u>15,790</u>
Liabilities			
Distributions payable	6	216	247
Due to brokers - payable for securities purchased		470	3,343
Financial liabilities held at fair value through profit or loss	8	278	225
Other payables		<u>165</u>	<u>175</u>
Total liabilities (excluding net assets attributable to unitholders)		<u>1,129</u>	<u>3,990</u>
Net assets attributable to unitholders - liabilities	5	<u>11,522</u>	<u>11,800</u>
Liabilities attributable to unitholders		<u>(11,522)</u>	<u>(11,800)</u>
Net assets		<u>-</u>	<u>-</u>

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

Condensed Statement of Changes in Equity

	Half-year ended	
	31 December	31 December
	2014	2013
	\$'000	\$'000
Total equity at the beginning of the financial half-year	-	-
Profit/(loss) for the half-year	-	-
Other comprehensive income for the half-year	-	-
Total comprehensive income for the half-year	-	-
Transactions with equity holders in their capacity as equity holders	-	-
Total equity at the end of the financial half-year	-	-

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 half-year.

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

Condensed Statement of Cash Flows

	Half-year ended	
	31 December	31 December
	2014	2013
Notes	\$'000	\$'000
Cash flows from operating activities		
Proceeds from sale of financial instruments held at fair value through profit or loss	6,369	3,092
Purchase of financial instruments held at fair value through profit or loss	(10,158)	(2,606)
Transaction costs on sale and purchase of financial instruments	(23)	(8)
Dividends and distributions received	161	401
Interest received	24	58
Other income received	-	11
Management fees paid	(167)	(294)
Payment of other operating expenses	-	(18)
RITC (paid)/received	(5)	4
Net cash (outflow)/inflow from operating activities	<u>(3,799)</u>	<u>640</u>
Cash flows from financing activities		
Proceeds from applications by unitholders excluding treasury units	5 -	20
Payments for redemptions by unitholders excluding treasury units	5 (31)	312
Proceeds from applications by unitholders treasury units	5 -	-
Payments for redemptions by unitholders treasury units	5 (428)	(492)
Distributions paid	(403)	(508)
Net cash outflow from financing activities	<u>(862)</u>	<u>(668)</u>
Net decrease in cash and cash equivalents	(4,661)	(28)
Cash and cash equivalents at the beginning of the half-year	<u>6,076</u>	<u>4,603</u>
Cash and cash equivalents at the end of the half-year	<u>1,415</u>	<u>4,575</u>

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

Notes to the Condensed Financial Statements

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- 2 Significant accounting policies
- 3 Fair value measurement
- 4 Net gains/(losses) on financial instruments held at fair value through profit or loss
- 5 Net assets attributable to unitholders
- 6 Distributions to unitholders
- 7 Financial assets held at fair value through profit or loss
- 8 Financial liabilities held at fair value through profit or loss
- 9 Related party transactions
- 10 Segment information
- 11 Contingent assets and liabilities and commitments
- 12 Events occurring after the reporting period

1 Reporting Entity

Aurora Property Buy-Write Income Trust ("the Trust") is an Australian registered managed investment scheme under the Corporations Act 2001. The Trust commenced operations on 19 July 2007 and was admitted to the Australian Securities Exchange "ASX" on 26 July 2007. Aurora Funds Management Limited ("AFML"), the Responsible Entity of the Trust, is incorporated and domiciled in Australia. The interim financial report of the Trust is for the six months ended 31 December 2014.

Statement of compliance

The interim financial report is a general purpose financial report which has been prepared in accordance with *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting*'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 '*Interim Financial Reporting*'.

This interim report does not include all the notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual report, together with the current Product Disclosure Statement and in accordance with the provisions of the governing documents of the Trust and any public announcements made in respect of the Trust during the half-year period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial report was 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 condensed financial statements.

Operation and principal activities

The principal activities of the Trust during the financial half-year were continuing its investment strategy in equities and derivatives, in accordance with the provision of the Trust Constitution and the current Product Disclosure Statement.

Registered office

The registered office of the Trust is at:

Level 4
1 Alfred Street
Sydney NSW 2000.

2 Significant accounting policies

Basis of preparation

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

The accounting policies applied by the Trust in the preparation of the interim financial report are consistent with those adopted and disclosed in the annual financial report as at and for the year ended 30 June 2014, except for the impact of the Standards and Interpretations described in this note. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards. All amounts are presented in Australian dollars, unless otherwise stated.

2 Significant accounting policies (continued)

(i) 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 interim period:

AASB 1031 'Materiality'

The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations, and once all these references have been removed, AASB 1031 will be withdrawn. The adoption of AASB 1031 does not have any material impact on the disclosures or the amounts recognised in the Trust's financial statements.

AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (Amendments to AASB 132)'

This standard addresses inconsistencies in current practice when applying the offsetting criteria in AASB 132 'Financial Instruments: Presentation' and clarifies the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'. As the Trust does not have any offsetting arrangements in place, the application of the amendments does not have any material impact on the financial statements.

AASB 2013-4 'Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting'

This standard amends AASB 139 'Financial Instruments: Recognition and Measurement' to permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. As the Trust does not use hedge accounting, the application of the amendments does not have any material impact on the financial statements.

AASB 2013-5 'Amendments to Australian Accounting Standards – Investment Entities'

This standard provides an exemption from consolidation of subsidiaries under AASB 10 'Consolidated Financial Statements' for entities which meet the definition of an 'investment entity', such as certain investment funds. Instead, such entities would measure their investment in a particular subsidiaries at fair value through profit or loss in accordance with AASB 9 'Financial Instruments' or AASB 139 'Financial Instruments: Recognition and Measurement'. The adoption had no material impact on trust.

AASB 2014-1 'Amendments to Australian Accounting Standards' [Part A – Annual Improvements 2010-2012 and 2011-2013 Cycles]

This Annual Improvements 2010-2012 Cycle includes a number of amendments to various AASBs. The key amendments relevant to the Trust include changes to AASB 13 – Short-term receivables and payables, and AASB 124 – Key Management Personnel. The adoption of these amendments has not had a material impact on the Trust.

AASB 2014-1 'Amendments to Australian Accounting Standards' [Part C – Materiality]

This amending standard makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031, which historically has been referenced in each Australian Accounting Standard. The adoption of these amendments does not have any material impact on the disclosures or the amounts recognized in the Trust.

(ii) Fair value measurement

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 a liability reflects its non-performance risk.

The Trust measures the fair value of an instrument using the quoted prices in an active market for that instrument. A market is considered as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Where there is no quoted price in an active market, the Trust uses valuation techniques that maximise the use of relevant and observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all factors that market participants would take into account in pricing a transaction.

(iii) Estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

3 Fair value measurement

(a) Fair value estimation

The carrying amounts of the Trust's assets and liabilities at the end of each reporting period approximate their fair values.

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(i) Fair value in an active market

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.

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

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.

(b) Fair value hierarchy

Classification of financial assets and financial liabilities

The Trust classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgement by the Responsible Entity. The Responsible Entity considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

3 Fair value measurement (continued)

The tables on the following page sets out the Trust's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 31 December 2014 and 30 June 2014.

As at 31 December 2014	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
Financial assets held for trading:				
Derivatives	-	27	-	27
Financial assets designated at fair value through profit and loss:				
Equity securities	<u>10,966</u>	<u>-</u>	<u>-</u>	<u>10,966</u>
Total	<u>10,966</u>	<u>27</u>	<u>-</u>	<u>10,993</u>
Financial liabilities				
Financial liabilities held for trading:				
Derivatives	<u>-</u>	<u>278</u>	<u>-</u>	<u>278</u>
Total	<u>-</u>	<u>278</u>	<u>-</u>	<u>278</u>
As at 30 June 2014	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
Financial assets held for trading:				
Derivatives	-	433	-	433
Financial assets designated at fair value through profit and loss:				
Equity securities	<u>7,487</u>	<u>-</u>	<u>-</u>	<u>7,487</u>
Total	<u>7,487</u>	<u>433</u>	<u>-</u>	<u>7,920</u>
Financial liabilities				
Financial liabilities held for trading:				
Derivatives	<u>-</u>	<u>225</u>	<u>-</u>	<u>225</u>
Total	<u>-</u>	<u>225</u>	<u>-</u>	<u>225</u>

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities and exchange traded derivatives.

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 the 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.

There have been no transfers between levels 1, 2 and 3 during the half-year.

The Trust's policy is to recognise transfers in and transfers out of fair value hierarchy level as at the end of the reporting period.

4 Net gains/(losses) on financial instruments held at fair value through profit or loss

Net gains/(losses) recognised in relation to financial assets and financial liabilities held at fair value through profit or loss:

	Half-year ended	
	31 December 2014 \$'000	31 December 2013 \$'000
Net realised gains on financial instruments at fair value through profit or loss	662	710
Net unrealised losses on financial instruments at fair value through profit or loss	(178)	(759)
Total net gains/(losses) on financial instruments held at fair value through profit or loss	484	(49)

5 Net assets attributable to unitholders

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

	Half-year ended			
	31 December 2014 No. '000	30 June 2014 No. '000	31 December 2014 \$'000	30 June 2014 \$'000
Opening balance - excluding treasury units	2,193	2,310		
Applications	6	77		
Redemptions	(83)	(213)		
Units issued upon reinvestment of distributions	9	19		
Closing balance - excluding treasury units	2,125	2,193		
Opening balance - treasury units	208	67		
Applications	68	203		
Redemptions	(6)	(62)		
Cancellation of treasury units	(270)	-		
Closing balance - treasury units	-	208		
Opening balance - including treasury units	2,401	2,377	11,800	12,409
Applications	74	280	34	422
Redemptions	(89)	(275)	(445)	(1,140)
Units issued upon reinvestment of distributions	9	19	49	101
Cancellation of treasury units	(270)	-	(65)	-
Increase/(decrease) in net assets attributable to unitholders	-	-	149	8
Closing balance - including treasury units	2,125	2,401	11,522	11,800

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. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Trust.

6 Distributions to unitholders

The distributions declared for the half-year were as follows:

	31 December 2014 \$'000	Half-year ended 31 December 2014 CPU	31 December 2013 \$'000	31 December 2013 CPU
September interim	233	10.78	250	10.80
December interim	<u>200</u>	<u>10.88</u>	<u>250</u>	<u>10.90</u>
	<u>433</u>	<u>21.66</u>	<u>500</u>	<u>21.70</u>

7 Financial assets held at fair value through profit or loss

	31 December 2014 Fair value \$'000	As at 30 June 2014 Fair value \$'000
Held for trading		
Exchange traded derivatives	<u>27</u>	<u>433</u>
Total held for trading	<u>27</u>	<u>433</u>
Designated at fair value through profit or loss		
Listed Australian equity securities	<u>10,966</u>	<u>7,487</u>
Total designated at fair value through profit or loss	<u>10,966</u>	<u>7,487</u>
Total financial assets held at fair value through profit or loss	<u>10,993</u>	<u>7,920</u>
Comprising:		
Exchange traded derivatives		
Equity options	27	24
Equity swaps	-	409
Total exchange traded derivatives	<u>27</u>	<u>433</u>
Listed equity securities		
Listed Australian equity securities	<u>10,966</u>	<u>7,487</u>
Total listed equity securities	<u>10,966</u>	<u>7,487</u>
Total financial assets held at fair value through profit or loss	<u>10,993</u>	<u>7,920</u>

8 Financial liabilities held at fair value through profit or loss

	As at	
	31 December	30 June
	2014	2014
	Fair value	Fair value
	\$'000	\$'000
Held for trading		
Exchange traded derivatives	<u>278</u>	<u>225</u>
Total held for trading	<u>278</u>	<u>225</u>
Total financial liabilities held at fair value through profit or loss	<u>278</u>	<u>225</u>
Comprising:		
Exchange traded derivatives		
Equity options	<u>278</u>	<u>225</u>
Total exchange traded derivatives	<u>278</u>	<u>225</u>
Total financial liabilities held at fair value through profit or loss	<u>278</u>	<u>225</u>

9 Related party transactions

Responsible Entity

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

Key management personnel unitholdings

The key management personnel of Aurora Property Buy-Write Income Trust held units in the Trust as follows:

31 December 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 held disposed	Distributions paid/payable by the Trust
Oliver Morgan	4,452	4,819	26,375	0.23%	185	-	989

31 December 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 held disposed	Distributions paid/payable by the Trust
Oliver Morgan	4,278	4,452	23,487	0.19%	174	-	878

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.

9 Related party transactions (continued)

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:

31 December 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 held disposed	Distributions paid/payable by the Trust
Aurora Property Buy-Write Income Trust	208,002	-	76,826	0.66%	68,067	276,069	28,277

31 December 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 held disposed	Distributions paid/payable by the Trust
Aurora Property Buy-Write Income Trust	66,761	101,344	534,661	4.24%	91,652	57,069	18,307

Investments

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

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:

	Half-year ended	
	31 December 2014	31 December 2013
	\$	\$
Fees paid to Registry Direct by the Responsible Entity on behalf of the Trust	12,218	11,221

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 key management personnel have entered into a material contract with the Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. during the financial year and there were no material contracts involving key management personnel's interests existing at year end.

Responsible Entity's/Investment Manager's fees and other transactions

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

- (i) expense recovery fee of 0.15375% (inclusive of GST, net of RITC) per annum
- (ii) management fee payable to the investment manager is 2.05% (GST inclusive, net of RITC) per annum. This amount is calculated monthly and paid by the Trust at the end of each month
- (iii) performance fee of 10.25% (GST inclusive, net of RITC) per annum is applied to the total excess between the Total Unit Holder Return (TUR) and the UBS Australia Bank Bill index.

9 Related party transactions (continued)

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:

	Half-year ended	
	31 December	31 December
	2014	2013
	\$'000	\$'000
Management fees for the year paid by the Trust to the Responsible Entity/Investment Manager	<u>64</u>	<u>135</u>
Performance fees for the year paid by the Trust to the Responsible Entity/Investment Manager	<u>57</u>	<u>-</u>
Normal operating expenses incurred by the Responsible Entity which are reimbursed in accordance with the Trust Constitution	<u>6</u>	<u>7</u>
Aggregate amounts payable to the Responsible Entity for management fees and administration expenses at the end of the reporting period	<u>66</u>	<u>47</u>

10 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 from 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 Chief Investment Officer and board of directors of the Responsible Entity.

11 Contingent assets and liabilities and commitments

There were no contingent assets and liabilities or commitments as at 31 December 2014 (30 June 2014: Nil).

12 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 Condensed Statement of Financial Position as at 31 December 2014 or on the results and cash flows of the Trust for the half-year ended on that date.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the condensed financial statements and notes set out on pages 7 to 20 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Trust's financial position as at 31 December 2014 and of its performance for the financial half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

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



Simon Lindsay
Managing Director
27 February 2015

Independent Auditor's Review Report to the Unitholders of Aurora Property Buy-Write Income Trust

We have reviewed the accompanying half-year financial report of Aurora Property Buy-Write Income Trust ("the Trust"), which comprises the condensed statement of financial position as at 31 December 2014, and the condensed statement of profit or loss and other comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, selected explanatory notes and, the directors' declaration as set out on pages 7 to 21.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Responsible Entity, Aurora Funds Management Limited, are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Trust's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Trust, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, 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 review report.

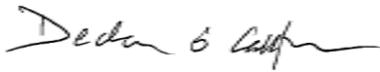
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Trust is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Trust's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



DELOITTE TOUCHE TOHMATSU



Declan O'Callaghan
Partner
Chartered Accountants
Sydney, 27 February 2015