Appendix 4D

Half Year Report
for the period ended 31 December 2019

Name of Entity	**Aurora Global Income Trust**
ARSN:	127 692 406
Period Ended:	31 December 2019
Previous Corresponding Reporting Period:	31 December 2018

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	2019 $	**Percentage increase /(decrease) over corresponding period**
Revenues from continuing operations	(135,273)	65.46%
Loss for the year	(154,864)	71.67%
Net loss for the year attributable to members	(154,864)	71.67%

Distribution Details

Type	Amount	% Franked	Ex-Date	Record Date	Last election date DRP	Payment Date
Final June 2019	$0.0007	0%	28/06/2019	01/07/2019	01/07/2019	19/08/2019
Interim December 2019	$Nil	N/A	N/A	N/A	N/A	N/A

Net Tangible Asset Backing

	31 December 2019	**31 December 2018**
Net tangible assets per security	$0.1279	$0.1607

There was no gain or loss of control of entities during the current period.

This report is based on the interim financial report as at 31 December 2019 which has been subject to independent review by the auditors, Grant Thornton. All the documents comprise the information required by Listing Rule 4.2A. This information should be read in conjunction with the 30 June 2019 Annual Financial Report.

Aurora Global Income Trust

ARSN 127 692 406

Interim Financial Report

For the half-year ended 31 December 2019

Contents

Director's Report

The directors of Aurora Funds Management Limited (AFML) (ABN 69 092 626 885), in its capacity as the responsible entity of Aurora Global Income Trust ("the Trust"), present their interim report together with the condensed financial statements of the Trust for the half-year ended 31 December 2019, and the auditor's report thereon.

Principal activities

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

The Trust did not have any employees during the year.

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

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

Directors

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

John Patton
Victor Siciliano
Anthony Hartnell AM

Units on issue

Units on Issue in the trust at the end of the half-year are set out below:

	31 December 2019	30 June 2019
Units on issue	6,966,792	7,615,913

Review and results of operations

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

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 2019 $	31 December 2018 $
Operating profit/(loss) before finance costs attributable to unitholders	(154,864)	(546,675)
Distributions paid and payable	-	18,434
Distribution (cents per unit) 30 September	-	0.13
Distribution (cents per unit) 31 December	-	0.11

The Fund distributes all its net income each year to unitholders. AIB pays its distributable taxable income on a semi-annual basis (in respect of the periods ended 30 June and 31 December each year) up to 1.0% of NAV per period (up to 2.0% per annum). It is at the discretion of the board whether a distribution will be paid. For the 6 months ended 31 December 2019 the directors elected not to pay a distribution.

Director's Report

Financial position

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

	31 December 2019 $	30 June 2019 $
At reporting period	0.1356	0.1442
High during period	0.1576	0.2214
Low during period	0.1200	0.1194

Based on the reviewed financial statements of the fund for the half-year end 31 December 2019, the NTA at 31 December 2019 is $0.1279 per unit. This is due to the revaluation decrement in relation to the fund's investment in Molopo Energy Limited.

Information on underlying performance

The performance of the Trust is subject to the performance of the Trust's underlying investment portfolio. There has been no change to the investment strategy of the Trust during the 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 and any Trust updates on the ASX.

Strategy and future outlook

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

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

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

Significant changes in state of affairs

<u>Molopo Energy Limited and RNY Property Trust</u>

The Fund holds investments in Molopo Energy Limited (ASX: MPO), Keybridge Capital Limited (KBC) and RNY Property Trust (ASX: RNY). For the half-year ended 31 December 2019, the Fund has adopted significant judgements and estimates to fair value of these investments. The key sources of estimation uncertainty and fair value measurement in relation to MPO, KBC and RNY are outlined in Note 3.

<u>RNY Property Trust (ASX:RNY)</u>

As at 31 December 2019, Aurora's total ownership is 80.96% of which AIB owns 1.18% of the units in RNY.

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

For the half year ended 31 December 2019, the Fund has adopted significant judgements and estimates to calculate the fair value of this investment. The key sources of estimation uncertainty and fair value measurement in relation to RNY are outlined

<u>Molopo Energy Limited (ASX: MPO)</u>

On 3 February 2020, Molopo released its Quarterly Cash Flow Statement for the quarter ended 31 December 2019. Based on the information contained in this Quarterly Cash Flow Statement, Aurora has reassessed the carrying value of its investment in Molopo and has decided to write the value of its investment down from 0.9 cents 0.5 cents.

Director's Report

Matters subsequent to the end of the half-year

Keybridge Capital Limited (ASX: KBC)

Keybridge Capital Limited (KBC) announced on the ASX on 17 February 2020 that it had placed 22,000,000 ordinary shares to investors at an issue price of 6.9c per share. Given the current trading suspension of KBC shares, this share price is deemed to be the most current determination of fair value.

The above judgements have an impact on the Net Tangible Assets of the fund, resulting in a lower NTA $0.13 as compared to the NTA released to the ASX at $0.14.

Other than the changes mentioned above, no other matters or circumstances have arisen since 31 December 2019 that have significantly affected, or may significantly affect:

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

Indemnity and insurance of Aurora Funds Management Limited

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

Indemnity of auditors

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

Cost recovery and interests held in the Trust by the Responsible Entity

Costs recovered by the Responsible Entity and its associates out of Trust property during the half-year are disclosed in Note 9 to the condensed financial statements.

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

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 in the Condensed Statement of Financial Position and derived using the accounting polices set out in Note 2 of the interim report.

Environmental regulation

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

Director's Report

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.

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 of this financial report.

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

On behalf of the directors

John Patton
Managing Director
28 February 2020
Melbourne

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Auditor's Independence Declaration

To the Directors of Aurora Funds Management Limited as the responsible entity of Aurora Global Income Trust

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Aurora Global Income Trust for the half year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been:

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

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

Grant Thornton Audit Pty Ltd
Chartered Accountants

B A Mackenzie
Partner – Audit & Assurance

Melbourne, 28 February 2020

Financial Statement

Condensed Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2019

		Half-year ended	
		31 December 2019	31 December 2018
	Note	$	$
Investment income			
Interest income		90	6
Dividend and distribution income		185	22,995
Net foreign currency gains/(losses)		(1)	-
Net gains/(losses) on financial instruments held at fair value through profit or loss		(135,547)	(414,698)
Total net investment income/(loss)		(135,273)	(391,697)
Expenses			
Interest expense		46	9
Management fees	9	-	9,477
Recoverable costs of Responsible Entity	9	10,462	62,559
Other operating expenses	10	9,083	82,933
Transaction costs		-	-
Total operating expenses		19,591	154,978
Operating profit/(loss) for the half-year		(154,864)	(546,675)
Finance costs attributable to unitholders			
Distributions to unitholders	6	-	(18,435)
Decrease in net assets attributable to unitholders	5	154,864	565,110
Profit/(loss) for the half-year		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the half-year		-	-
Earnings/(loss) per unit (basic/ diluted)		(0.021)	(0.070)

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

Financial Statement

Condensed Statement of Financial Position
As at 31 December 2019

		As at	
	Note	31 December 2019 $	30 June 2019 $
Assets			
Cash and cash equivalents	7	8,610	177
Receivables		381	615
Financial assets held at fair value through profit or loss	8	890,556	1,295,759
Total assets		899,547	1,296,551
Liabilities			
Distributions payable	6	-	5,331
Other payables		8,562	150,485
Total liabilities (excluding net assets attributable to unitholders)		8,562	155,816
Net assets attributable to unitholders – liability	5	890,985	1,140,735
Liabilities attributable to unitholders		(890,985)	(1,140,735)
Net assets		-	-

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

Financial Statement

Condensed Statement of Changes in Equity
For the half-year ended 31 December 2019

	Note	Half-year ended 31 December 2019 $	31 December 2018 $
Balance at the beginning of the financial year		-	-
Profit/(loss) for the year		-	-
Other comprehensive income		-	-
Total comprehensive income		-	-
Transactions with unitholders in their capacity as unitholders		-	-
Total operating expenses		-	-
Total equity at the end of the period		-	-

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

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

Financial Statement

Condensed Statement of Cash Flows
For the half-year ended 31 December 2019

	Note	Half-year ended 31 December 2019 $	31 December 2018 $
Cash flows from operating activities			
Proceeds from sale of financial instruments held at fair value through profit or loss		191,562	40,520
Purchase of financial instruments held at fair value through profit or loss		78,092	-
Dividends and distributions received		185	22,994
Interest received		85	6
GST recovered/(paid)		239	8,945
Management fees paid		-	711
Responsible Entity fees paid		(113,667)	3,441
Legal and professional fees paid		-	-
Other expenses paid		(47,847)	(51,752)
Net cash inflow/(outflow) from operating activities		108,649	24,865
Cash flows from financing activities			
Proceeds from applications by unitholders		1,062	-
Payments for redemptions by unitholders		(95,700)	5,586
Payments for share buy backs		(247)	
Distributions paid		(5,331)	(27,157)
Other		-	(3,507)
Net cash inflow/(outflow) from financing activities		(100,216)	(25,078)
Net increase/(decrease) in cash and cash equivalents		8,433	(213)
Cash and cash equivalents at the beginning of the period		177	1,062
Cash and cash equivalents at the end of the period	7	8,610	849
Non-cash financing activities		1,063	5,586

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

Notes to Financial Statements

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Notes to Financial Statements

Note 1. General information

The condensed interim financial statements cover Aurora Global Income Trust ("the Trust") as an individual entity. The Trust commenced operations on 18 December 2007 and was admitted to the Australian Securities Exchange ("ASX") on 24 December 2007, and is domiciled in Australia.

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

It is recommended that these financial statements are considered together with the Product Disclosure Statement (which is currently being refreshed) and in accordance with the provisions of the governing documents of the Trust, and any public announcements made by the Trust during the half-year ended 31 December 2019 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001 and ASX listing rules.

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

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

Note 2. Significant accounting policies

The principal accounting policies applied in the preparation of this condensed interim financial report are set out below.

These policies have been consistently applied to all years presented, unless otherwise stated.

(a) New and amended standards

The Trust has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

(b) Basis of preparation

The accounting policies applied by the Trust in this condensed interim financial report are the same as those applied by the Trust in its Financial Report as at, and for, the year ended 30 June 2019.

Statement of compliance

The condensed interim financial statements are a general purpose financial report prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The interim financial report does not include all the information required for a full annual financial report and should be read in conjunction with the annual financial report as at, and for, the year ended 30 June 2019.

The condensed interim financial statements comply with IAS 34 Interim Financial Reporting.

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

Notes to Financial Statements

Note 3. Use of estimates and judgements

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

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at, and for, the year ended 30 June 2019.

1. <u>Molopo Energy Limited (ASX: MPO)</u>

As at 31 December 2019, the Trust held an investment in the ordinary shares of MPO, which was suspended from trading on the Australian Stock Exchange on 27 July 2017 and remains suspended as at the date of this report.

As previously advised, Aurora considers that the actions of the former Molopo directors have substantially and adversely affected the value of Molopo's assets. As such, Aurora has considered the carrying value of its investment in Molopo and has decided to write the value of its investment down from 1.5 cents to 0.5 cents. The rationale for this decision is summarised below:

- Molopo currently has 249,040,648 ordinary shares on issue;
- Based on the above, Aurora considers the appropriate carrying value of its investment in Molopo to be as follows:
  - cash reserves of $10.7 million; less
  - litigation provision of $9.4 million;
  - divided by 249,040,648 ordinary shares on issue;
  - the total estimated value equates to a value of 0.5 cents per share
- As more information is released by Molopo on the Drawbridge shareholding as well as the Canadian litigation, it may be appropriate for Aurora to revisit the carrying value of its Molopo investment.

The fair value of Aurora's investment in Molopo is based on significant estimates and judgements adopted by the directors of Aurora based on all available information about Molopo as at the date of the 31 December 2019 interim financial report.

Aurora is pursuing other avenues to recover value that has been lost by the former directors of Molopo.

2. <u>Keybridge Capital Limited (ASX:KBC)</u>

Keybridge Capital Limited (KBC) announced on the ASX on 17 February 2020 that it had placed 22,000,000 ordinary shares to investors at an issue price of 6.9c per share. Given the current trading suspension of KBC shares, this share price is deemed to be the most current determination of fair value.

Notes to Financial Statements

Note 3. Use of estimates and judgements (continued)

3 RNY Property Trust (ASX: RNY)

The Directors have determined to carry the Fund's investment in RNY Property Trust (RNY) at $0.044 (being 4.4 cents) per unit at 31 December 2019. In reaching this position, the Directors considered the following factors:

- RNY units are thinly traded on the ASX, and were suspended from trading on 1 April 2019 (due to the failure to lodge audited financial statements for the year, since lodged). Historically, RNY have traded at a discount to the underlying net
- On 27 September 2019, Huntley Management Limited ("Huntley"), as responsible entity for RNY Property Trust ("RNY"), announced that the independent valuation of RNY's five commercial office properties in the Tristate area of New York ("Portfolio"), as conducted by CBRE Group, Inc ("CBRE"), resulted the overall valuation being increased from US$68.8 million to US$79.5 million. As a consequence of this uplift in the Portfolio's valuation, RNY's unaudited net asset position is 4.7 cents per RNY unit.

Having regard to a range of factors, the Directors have determined a fair value of $0.044 per unit in RNY.

On 10 February 2020 Huntley Management Limited (Huntley), as responsible entity for RNY Property Trust (RNY), announced that the Amended and Restated Senior Loan Agreement (Loan Agreement) with its US lender, ACORE Capital (Lender), has been extended for 30-days. The purpose of short-term extension is to allow RNY's investment manager, Aurora Funds Management Limited (Aurora), and the Lender additional time to finalise terms of a longer dated extension.

For the majority of the Trust's other financial instruments, quoted market prices are readily available. However, there may be certain financial instruments, for example, over-the-counter derivatives or unquoted securities which are fair valued using valuation techniques. Where valuation techniques are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the team that created them. For more information on how fair value is calculated please see Note 4 to the financial statements.

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

Note 4. Fair value measurement

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

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

Fair value hierarchy

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

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.

Note 4. Fair value measurement (continued)

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

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

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

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

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

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

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

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

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

The following table presents the Trust's assets and liabilities measured and recognised as at the half-year ended 31 December 2019 and the year ended 30 June 2019 (see next page).

Note 4. Fair value measurement (continued)

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

31 December 2019	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets				
Financial assets designated at fair value through profit or loss:				
Equity securities	608,303	81,501	200,752	890,556
Total financial assets	608,303	81,501	200,752	890,556

30 June 2019	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets				
Financial assets designated at fair value through profit or loss:				
Equity securities	967,290	-	328,469	1,295,759
Total financial assets	967,290	-	328,469	1,295,759

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

Shares in Keybridge Capital Ltd. (ASX:KBC) have been moved from level 1 to level 2 due to the stock being suspended on the ASX.

Valuation inputs for Level 3 investments

The Trust invests in listed securities trading as RNY. As disclosed in Note 3, the Trust and other associated entities of AFML hold 80.96% of the units in RNY. For the reasons disclosed in Note 3, the last traded price has not been adopted and the value of 4.4 cents per unit has been adopted.

The Trust also invests in listed securities trading as MPO. As disclosed in Note 3, the Trust and other associated entities of AFML hold an economic interest of 17.92% in the shares of MPO. For the reasons disclosed in Note 3, the last traded price has not been used and the value of 0.5 cents per unit has been adopted.

Note 5. Net assets attributable to unitholders

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

	31 December 2019 No.	30 June 2019 No.	31 December 2019 $	30 June 2019 $
Opening balance	7,615,913	7,290,578	1,140,735	1,734,493
Applications	-	288,000	-	46,052
Redemptions	(653,897)	(3,500)	(95,701)	(741)
Buy backs	(2,517)	-	(247)	-
Units issued upon reinvestment of distributions	7,293	40,835	1,062	8,541
Increase/(decrease) in net assets attributable to unitholders	-	-	(154,864)	(647,610)
Closing balance	6,966,792	7,615,913	890,985	1,140,735

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.

Note 6. Distribution to unitholders

The distributions for the half-year were as follows:

	Half-year ended			
	31 December 2019 No.	31 December 2019 cpu	31 December 2018 $	31 December 2018 cpu
Distributions paid	-	-	9,497	0.13
Distributions payable (31 December 2019 quarter)	-	-	8,045	0.11
Other distributions payable from previous quarters	-	-	893	-
Total distributions	-	-	18,435	0.24

Accounting policy for distribution to unitholders

The Trust distributes it's distributable taxable income on a semi-annual basis (in respect of the periods ended 30 June and 31 December each year) up to 1.0% of NAV per period (2.0% per annum). It is at the discretion of the board whether a distribution will be paid.

Note 7. Cash and cash equivalents

	As at	
	31 December 2019 $	30 June 2019 $
Cash at bank	8,610	177
Total cash and cash equivalents	8,610	177

Note 8. Financial assets held at fair value through profit or loss

	As at 31 December 2019 $	As at 30 June 2019 $
Designated at fair value through profit or loss		
Equity securities		
Listed Australian equity securities	888,584	1,293,834
International equity securities	1,972	1,925
Total designated at fair value through profit or loss	890,556	1,295,759
Total financial assets held at fair value through profit or loss	890,556	1,295,759

Note 9. Related party transactions

Responsible Entity

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

Key management personnel unitholdings

No key management personnel of Aurora Global Income Trust held units in the Trust.

Key management personnel compensation

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

Note 9. Related party transactions (continued)

Related party unitholdings

The interests in the Trust held by other management investment schemes also managed by the Responsible Entity are shown as follows:

31 December 2019	No. of units held opening	No. of units held closing	Fair value of investment	Interest held	No. of units acquired	No. of units disposed	by the Trust
Aurora Fortitude Absolute Return Fund	1,412,951	1,412,951	$141,295	20.28%	-	-	-
30 June 2019							
Aurora Fortitude Absolute Return Fund	1,412,951	1,412,951	$211,660	18.55%	-	-	$5,652

The interests in the Trust held by the Responsible Entity are shown as follows:

31 December 2019	No. of units held opening	No. of units held closing	Fair value of investment	Interest held	No. of units acquired	No. of units disposed	by the Trust
Aurora Funds Management Limited	412,362	412,362	$41,236	5.92%	-	-	-
30 June 2019							
Aurora Funds Management Limited	124,362	412,362	$61,772	5.41%	288,000	-	$958

Other related party information

<u>Aurora Corporate</u>

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

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

Notes to Financial Statements

Note 9. Related party transactions (continued)

Directorships

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

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

Investments

The Trust holds the following investments in any schemes which are also managed by the Responsible Entity.

31 December 2019	No. of units held opening	No. of units held closing	Fair value of investment	Interest held	No. of units acquired	No. of units disposed	by the Trust
HHY Fund	12,543,419	12,543,419	$539,367	15.48%	-	-	-
30 June 2019							
HHY Fund	12,543,419	12,543,419	$564,454	12.45%	-	-	-

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

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

- Management fee payable to the Responsible Entity is 1.3325% (including GST) per annum;
- Performance fee that is equal to 25% (including GST) per annum of the gross performance (net of fees) over the RBA cash rate (the benchmark) subject to a high watermark.

On 1 March 2019, in response to the smaller net asset position of the Fund, Aurora elected not to charge its management fees and will also capped normal operating expenses at no more than 2.00% (ex GST) of the Fund's net assets (per annum). Normal operating costs incurred by the Fund above this cap are bourne by Aurora in its own capacity until further notice. Aurora notes that any extraordinary costs remain an expense of the Fund.

Note 9. Related party transactions (continued)

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
Management fees for the half-year paid/payable by the Trust to the Responsible Entity	-	9,477
Recoverable costs of Responsible Entity for the half-year paid/payable by the Trust to the Responsible Entity	10,462	62,559
Other expenses reimbursed for the half-year paid/payable by the Trust to the Responsible Entity	-	72,475
Balance owing to the Responsible Entity at the end of the reporting period	1,714	228,589

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

Note 10. Other operating expenses

	Half-year ended	
	31 December 2019 $	31 December 2018 $
Legal expenses	8,652	5,056
Recovery expenses	-	67,419
Bank fees	424	424
Other expenses	7	10,034
Total other operating expenses	9,083	82,933

Note 11. Contingent assets and liabilities

There were no contingent assets and liabilities as at 31 December 2019 (June 2019: Nil).

Note 12. Events after the reporting period

Other than the events mentioned in the Directors' Report, no significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund disclosed in the Statement of Financial Position as at 31 December 2019 or on the results and cash flows of the Fund for the half-year ended on that date.

The most recent Net Asset Value (NAV) per unit disclosed to the ASX is 0.1263 cents per unit as at 31 January 2020.

Director's Declaration

The Directors of the Responsible Entity declare that:

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

(b) In the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards as stated in Note 3 to the condensed 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 as at 31 December 2019 and of its performance for the financial half-year ended on that date; date; and

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

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

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

John Patton
Managing Partner
28 February 2020

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Independent Auditor's Review Report

To the Unitholders of Aurora Global Income Trust

Report on the review of the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Aurora Global Income Trust (the Trust), which comprises the condensed statement of financial position as at 31 December 2019, and the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half year financial report of Aurora Global Income Trust does not give a true and fair view of the financial position of the Trust as at 31 December 2019, and of its financial performance and its cash flows for the half year ended on that date, in accordance with the *Corporations Act 2001*, including complying with Accounting Standard AASB 134 *Interim Financial Reporting*.

Directors' responsibility for the half year financial report

The Directors of the Responsible Trust 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 Trust*, 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 2019 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 Aurora Global Income 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Grant Thornton Audit Pty Ltd
Chartered Accountants

B A Mackenzie

Partner – Audit & Assurance

Melbourne, 28 February 2020