

Interim Report

31 December 2015

SPDR® S&P®/ASX Small Ordinaries Fund

(ARSN 149 869 992)

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SPDR S&P/ASX Small Ordinaries Fund

(ARSN 149 869 992)

ASX Half-year report – 31 December 2015

Lodged with the ASX under Listing Rule 4.2A.3

Previous corresponding period – half-year ended 31 December 2014

SPDR S&P/ASX Small Ordinaries Fund
Half-year ended 31 December 2015
(Previous corresponding period – half-year ended 31 December 2014)

Results for Announcement to the Market

	2015 \$	\$ Change on last period	% Change	2014 \$
Total net investment income /(loss) (revenue from ordinary activities)	536,888	Up by 807,905	Up by 298.10%	(271,017)
Operating profit/(loss) for the half-year	514,952	Up by 817,339	Up by 270.30%	(302,387)
Profit/(loss) for the half-year (see explanation below)	-	N/A	N/A	-

Distributions	Amount per unit	Imputation credit per unit
31 December 2015 interim distribution	16.06 cents	5.34 cents

Record date for determining entitlements to the distribution	31 December 2015
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Explanation of Investment income/(loss)

The Fund maintains its investment strategy in S&P/ASX Small Ordinaries Index securities, and the investment policy of the Fund continues to be that detailed in the current Product Disclosure Statement and in accordance with the provisions of the governing documents of the Fund.

The Fund earns revenue predominantly from the following elements:

- Net gains/(losses) on financial instruments held at fair value through profit or loss, and
- Investment income such as dividends and interest.

The principal accounting policies applied in the preparation of these financial statements are set out on the following page. These policies have been consistently applied to all years presented, unless otherwise stated in the following text: AASB 132 *[Financial Instruments: Presentation]* and AASB 139 *[Financial instruments: Recognition and Measurement]*.

SPDR S&P/ASX Small Ordinaries Fund
Supplementary Appendix 4D information
For the half-year ended 31 December 2015
(continued)

(i) Classification

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

- Financial instruments held for trading

These include derivative financial instruments including futures. The Fund does not designate any derivatives as hedges in a hedging relationship.

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

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

Financial instruments designated at fair value through profit or loss at inception is those that are managed and their performance evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund'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 Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Fund 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 Fund 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 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 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.

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of reporting period without any deduction for estimated future selling costs. Prior to 1 July 2014, the quoted market price used for financial assets was the current bid price and the quoted market price for financial liabilities was the current asking price. The Fund changed its fair value inputs to utilise the last traded prices for both financial assets and financial liabilities. This change does not have a material impact on the Fund.

SPDR S&P/ASX Small Ordinaries Fund
Supplementary Appendix 4D information
For the half-year ended 31 December 2015
(continued)

(iii) Measurement (continued)

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques. The Fund 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 the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense.

(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.

Explanation of Operating profit/(loss)

Refer to above commentary.

Explanation of Profit/(loss)

Given the adoption of AASB 132 and the recognition of net assets attributable to unitholders as a liability, the (increase)/decrease in net assets attributable to unitholders and distributions to unitholders are reflected as a financing cost.

As a result of this accounting policy, profit/(loss) after financing costs is nil.

Explanation of Distributions

In accordance with the Fund's Constitution, the Fund distributes income adjusted for amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. Distributable income is determined by reference to the taxable income of the Fund. The distributions are payable at the end of December and June each year and recognised in profit or loss as finance costs attributable to unitholders.

SPDR S&P/ASX Small Ordinaries Fund
Supplementary Appendix 4D information
For the half-year ended 31 December 2015
(continued)

Additional distribution information

Details of distributions declared or paid during or subsequent to the half-year ended 31 December 2015 are as follows:

Record date	Payment date	Type	Amount per unit in cents	Total distribution \$	Imputation credit per unit in cents	Foreign sourced distribution amount per unit in cents
31 December 2015	11 January 2016	Interim	16.06	113,125	5.34	0.95

Under current legislation, the Fund is not subject to income tax as unitholders are presently entitled to the income of the Fund. As a result the Fund does not have a franking account and therefore the distributions are not franked. Unitholders receive imputation credits (if any) attached to distributions.

Distribution reinvestment plans

Investors can elect to reinvest at the net asset value of the Fund under the terms of the current Distribution Reinvestment Plan. No discount applies to the issue of units under the Distribution Reinvestment Plan. An application to participate in the plan will be effective in respect of the first Distribution after receipt of the application form provided it is received on or before the books closing date for that Distribution.

Retained Earnings

N/A.

NTA Backing

	2015 \$	2014 \$
Net tangible asset backing per ordinary share	11.51	10.72

Controlled entities acquired or disposed of

N/A.

Associates and Joint Venture entities

N/A.

Other significant information

**SPDR S&P/ASX Small Ordinaries Fund
Supplementary Appendix 4D information
For the half-year ended 31 December 2015
(continued)**

N/A.

Foreign Accounting standards

N/A.

Review

This report is based on accounts which are currently being reviewed. The review report will be made available with the Fund's financial statements.

Approved by the directors of State Street Global Advisors, Australia Services Limited on
23 February 2016.

A handwritten signature in black ink, appearing to read 'Susan Darroch', is written over a horizontal dotted line.

Susan Darroch
Director

**SPDR S&P/ASX Small Ordinaries Fund
(ASX Code: SSO)**

ARSN 149 869 992

Interim report

For the half-year ended 31 December 2015

SPDR S&P/ASX Small Ordinaries Fund (ASX Code: SSO)

ARSN 149 869 992

Interim report

For the half-year ended 31 December 2015

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This interim report does not include all the notes of the type normally included in an annual report. Accordingly, this interim report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made in respect of SPDR S&P/ASX Small Ordinaries Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This interim report covers the SPDR S&P/ASX Small Ordinaries Fund as an individual entity.

The Responsible Entity of the SPDR S&P/ASX Small Ordinaries Fund is State Street Global Advisors, Australia Services Limited (ABN 16 108 671 441) (AFSL 274900). The Responsible Entity's registered office is:

State Street Global Advisors, Australia Services Limited
Level 17, 420 George Street
Sydney NSW 2000.

Directors' report

The directors of State Street Global Advisors, Australia Services Limited (ABN 16 108 671 441), the Responsible Entity of the SPDR S&P/ASX Small Ordinaries Fund (the "Fund"), present their report together with the financial statements of the Fund for the half-year ended 31 December 2015.

Principal activities

During the half-year, the Fund continued to invest in a diversified portfolio of Australian listed securities in accordance with the provisions of the Fund's Constitution.

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

There were no significant changes in the nature of the Fund's activities during the half-year or since the end of the half-year and up to the date of this report.

Directors

The following persons held office as directors of State Street Global Advisors, Australia Services Limited during the half-year and up to the date of this report:

Jonathan Shead
 Susan Darroch
 James MacNevin

Review and results of operations

During the half-year, the Fund continued to invest its funds in accordance with target asset allocations as set out in the governing documents of the Fund and in accordance with the provisions of the Fund's Constitution.

The Fund generally invests in the securities that are constituents of the S&P/ASX Small Ordinaries Index (the "Index") and aims to achieve investment returns (before fees and other costs), that closely correspond to the performance of the Index.

Results

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

	Half-year ended	
	31 December 2015	31 December 2014
Operating profit/(loss) before finance costs attributable to unitholders (\$)	<u>514,952</u>	<u>(302,387)</u>
Distribution to unitholders (\$)	<u>113,125</u>	<u>112,849</u>
Distribution (cents per unit - CPU)	<u>16.06</u>	<u>14.07</u>

Significant changes in the state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Fund that occurred during the financial half-year under review.

Likely developments and expected results of operations

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

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund 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.

The Fund's investment objective and strategy remains unchanged which is to track the performance of the Index. Accordingly the future returns of the Fund are dependent on the performance of the Index.

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 4.

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



Susan Darroch
Director

Sydney
23 February 2016



Auditor's Independence Declaration

As lead auditor for the review of SPDR S&P/ASX Small Ordinaries Fund for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'Joe Sheeran', with a long horizontal flourish extending to the right.

Joe Sheeran
Partner
PricewaterhouseCoopers

Sydney
23 February 2016

PricewaterhouseCoopers, ABN 52 780 433 757

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Statement of comprehensive income

		Half-year ended	
		31 December 2015	31 December 2014
	Notes	\$	\$
Investment income			
Dividend income		156,122	167,242
Interest income		451	2,002
Net gains/(losses) on financial instruments held at fair value through profit or loss		380,181	(440,234)
Other operating income/(loss)		134	(27)
Total net investment income/(loss)		536,888	(271,017)
Expenses			
Responsible Entity's fees		403	475
Investment Manager's fees		18,961	22,508
Transaction costs		1,104	6,510
Withholding taxes on dividends		1,468	1,877
Total operating expenses		21,936	31,370
Operating profit/(loss) for the half-year		514,952	(302,387)
Finance costs attributable to unitholders			
Distributions to unitholders	5	(113,125)	(112,849)
(Increase)/decrease in net assets attributable to unitholders	4	(401,827)	415,236
Profit/(loss) for the half-year		-	-
Other comprehensive income for the half-year		-	-
Total comprehensive income for the half-year		-	-

The above Statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

		As at	
		31 December 2015	30 June 2015
	Notes	\$	\$
Assets			
Cash and cash equivalents		172,568	81,723
Margin accounts		14,892	8,350
Receivables		24,999	27,299
Financial assets held at fair value through profit or loss	3	8,017,972	7,709,598
Total assets		<u>8,230,431</u>	<u>7,826,970</u>
Liabilities			
Payables	6	7,312	7,084
Distribution payable	5	113,125	127,703
Total liabilities (excluding net assets attributable to unitholders)		<u>120,437</u>	<u>134,787</u>
Net assets attributable to unitholders - liability	4	<u>8,109,994</u>	<u>7,692,183</u>

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

Statement of changes in equity

	Half-year ended	
	31 December 2015 \$	31 December 2014 \$
Total equity at the beginning of the half-year	-	-
Profit/(loss) for the half-year	-	-
Other comprehensive income for the half-year	-	-
Total comprehensive income for the half-year	-	-
Transactions with owners in their capacity as owners	-	-
Total equity at the end of the 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 beginning or end of the half-year.

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

Statement of cash flows

	Half-year ended	
	31 December 2015 \$	31 December 2014 \$
Cash flows from operating activities		
Proceeds from sale of financial instruments held at fair value through profit or loss	1,091,960	1,372,293
Purchase of financial instruments held at fair value through profit or loss	(1,010,035)	(1,778,806)
Amount received from/(paid to) brokers for margin	(6,542)	(21,055)
Dividends received	146,566	167,969
Interest received	580	2,726
Other income received/(paid)	275	(149)
Responsible Entity's fees paid	(338)	(405)
Investment Manager's fees paid	(15,892)	(19,145)
Payment of other operating expenses	(4,010)	(8,372)
Net cash inflow/(outflow) from operating activities	202,564	(284,944)
Cash flows from financing activities		
Distributions paid	(111,719)	(111,427)
Net cash inflow/(outflow) from financing activities	(111,719)	(111,427)
Net increase/(decrease) in cash and cash equivalents	90,845	(396,371)
Cash and cash equivalents at the beginning of the half-year	81,723	479,315
Cash and cash equivalents at the end of the half-year	172,568	82,944

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

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1 Basis of preparation of interim report

These interim financial statements for the half-year ended 31 December 2015 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim report covers the SPDR S&P/ASX Small Ordinaries Fund (the "Fund") as an individual entity. The Fund was constituted on 18 March 2011 and will terminate on 11 April 2091 unless terminated earlier in accordance with the provisions of the Fund's Constitution.

This interim report does not include all the notes of the type normally included in an annual report. Accordingly, this interim report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made in respect of the Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(a) Significant accounting policies

The accounting policies in these interim financial statements are the same as those applied in the Fund's financial statements for the year ended 30 June 2015. Except as disclosed below, the accounting policies in these interim financial statements are the same as those applied in the previous corresponding interim reporting period.

Changes in accounting policy: Fair value measurement

The Fund changed its valuation inputs for listed financial assets and liabilities to the last traded prices to be consistent with the inputs used for the calculation of unit prices for applications and redemptions. The use of last traded prices is recognised as a standard pricing convention within the industry. In the prior half-year, the Fund utilised bid and ask prices for its listed financial assets and liabilities respectively. As required under the standard, the change to the fair value of the financial assets and liabilities is applied prospectively, in the same way as a change in an accounting estimate.

As the change in accounting policy has been adopted prospectively, adjustments to the fair values of financial instruments have been recognised at the beginning of the current period presented. The change in accounting policy did not have a material impact on the fair value of financial instruments, nor have a material impact on the Fund's financial position or performance.

(b) Segment information

The Fund is organised into one main segment which operates solely in the business of investment management within Australia.

The Fund operates in Australia and holds investments in Australia.

(c) Interim measurement

The nature of the Fund's operations is such that income and expenses are incurred in a manner which is not impacted by any form of seasonality.

This interim report is prepared based upon an accrual concept, which requires income and expenses to be recorded as earned or incurred and not as received or paid throughout the period.

The Responsible Entity of the Fund is State Street Global Advisors, Australia Services Limited (the "Responsible Entity"). The Responsible Entity's registered office is Level 17, 420 George Street, Sydney, NSW 2000.

This interim report is presented in Australian currency.

This interim report was authorised for issue by the directors on 23 February 2016. The directors of the Responsible Entity have the power to amend and reissue the interim report.

There have been no changes in the risk management policies and processes of the Fund since year end.

A copy of the 30 June 2015 Annual Report containing detail of the accounting policies and other disclosures can be found at www.spdrs.com.au.

2 Fair value measurement

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

- Financial assets / liabilities designated at fair value through profit or loss (see note 3)
- Financial assets / liabilities held for trading (see note 3)
- Derivative financial instruments

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

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 last traded prices at the end of the reporting period without any deduction for estimated future selling costs.

The Fund values its investments in accordance with the accounting policies set out in the notes to the financial statements as at 30 June 2015.

Prior to 1 July 2014, the quoted market price used for financial assets was the current bid price and the quoted market price for financial liabilities was the current asking price. The Fund changed its fair value inputs to utilise the last traded prices for both financial assets and financial liabilities. This change does not have a material impact on the Fund.

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) Valuation techniques used to derive level 2 and level 3 fair value

The fair value of financial assets and liabilities that are not exchange-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 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.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Fund 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.

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 Fund holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

2 Fair value measurement (continued)

Recognised fair value measurement

The table below sets out the Fund's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 31 December 2015 and 30 June 2015.

As at 31 December 2015	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Financial assets designated at fair value through profit or loss:				
Equity securities	8,003,793	-	14,179	8,017,972
Total	8,003,793	-	14,179	8,017,972

As at 30 June 2015	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Financial assets held for trading:				
Derivatives	4,549	-	-	4,549
Financial assets designated at fair value through profit or loss:				
Equity securities	7,705,049	-	-	7,705,049
Total	7,709,598	-	-	7,709,598

The Fund's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(i) Transfers between levels

The following table presents the transfers between levels for the half-year ended 31 December 2015.

31 December 2015	Level 1 \$	Level 2 \$	Level 3 \$
Transfers between levels 1 and 3:			
Equity securities	(14,179)	-	14,179

The transfer from level 1 to level 3 relates to a single corporate stock which was suspended from trading in August 2015 due to raising capital for a new investment venture.

There were no transfers between levels in the fair value hierarchy for the year ended 30 June 2015.

2 Fair value measurement (continued)

Recognised fair value measurement (continued)

(ii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the movement in level 3 instruments for the half-year ended 31 December 2015 by class of financial instrument.

As at 31 December 2015	Equity securities \$
Opening balance	-
Purchases	-
Sales	-
Transfers into/(out) from level 3	14,179
Gains and losses recognised in profit and loss	-
Closing balance	14,179
Total gains or losses for the half-year included in the Statement of comprehensive income for financial assets and liabilities at the end of the half-year	-

The Fund did not hold any financial instruments with fair value measurements using significant unobservable inputs during the year ended 30 June 2015.

(iii) Valuation processes

Portfolio reviews are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities. Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, management performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

(iv) Fair values of other financial instruments

The Fund did not hold any financial instruments which were not measured at fair value in the Statement of financial position. Due to their short-term nature, the carrying amounts of receivables and payables are assumed to approximate fair value.

3 Financial assets held at fair value through profit or loss

	31 December 2015 \$	As at 30 June 2015 \$
Held for trading		
Derivatives	-	4,549
Total held for trading	-	4,549
Designated at fair value through profit or loss		
Equity securities	8,017,972	7,705,049
Total designated at fair value through profit or loss	8,017,972	7,705,049
Total financial assets held at fair value through profit or loss	8,017,972	7,709,598

4 Net assets attributable to unitholders

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

	31 December 2015 No.	31 December 2014 No.	Half-year ended 31 December 2015 \$	31 December 2014 \$
Opening balance	702,979	801,304	7,692,183	9,005,822
Units issued upon reinvestment of distributions	1,443	713	15,984	8,057
Increase/(decrease) in net assets attributable to unitholders			401,827	(415,236)
Closing balance	704,422	802,017	8,109,994	8,598,643

As stipulated within the Fund's Constitution, a unit confers an equal undivided, vested, and indefeasible interest in the assets as a whole, subject to the liabilities. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

5 Distributions to unitholders

The distributions for the half-year were as follows:

	31 December 2015 \$	Half-year ended 31 December 2015 CPU	31 December 2014 \$	31 December 2014 CPU
Distributions payable	113,125	16.06	112,849	14.07
Total distributions	113,125	16.06	112,849	14.07

6 Payables

	As at 31 December 2015 \$	30 June 2015 \$
Management fee payable	6,180	3,111
Other payables	1,132	3,973
	7,312	7,084

7 Events occurring after the reporting period

No significant events have occurred since the end of the reporting period which would impact the financial position of the Fund disclosed in the Statement of financial position as at 31 December 2015 or the results and cash flows of the Fund for the half-year ended on that date.

8 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2015 or 30 June 2015.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 5 to 15 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
 - (ii) giving a true and fair view of the Fund's financial position as at 31 December 2015 and of its performance for the financial half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Fund 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.



Susan Darroch
Director

Sydney
23 February 2016



Independent auditor's review report to the members of SPDR S&P/ASX Small Ordinaries Fund

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of SPDR S&P/ASX Small Ordinaries Fund (the registered scheme), which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Directors' responsibility for the half-year financial report

The directors of State Street Global Advisors, Australia Services Limited (the responsible entity) are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) 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 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 Australian 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 entity's financial position as at 31 December 2015 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 SPDR S&P/ASX Small Ordinaries Fund, 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*.

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 SPDR S&P/ASX Small Ordinaries Fund is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date;

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2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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PricewaterhouseCoopers

Joe Sheeran

Joe Sheeran
Partner

Sydney
23 February 2016