

Everest Alternative Investment Trust

ARSN 134 483 319

Interim financial report for the half-year ended 30 June 2015

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Directors' Report

The directors of One Managed Investment Funds Limited ("OMIFL" or "Responsible Entity"), the responsible entity of Everest Alternative Investment Trust ("EAIT" or the "Trust"), submit herewith the half-year report of the Trust for the half-year ended 30 June 2015. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Information about the Directors and Senior Management

The names of the directors of the Responsible Entity are:

Name	Title
Frank Tearle	Executive Director and Company Secretary
Justin Epstein	Executive Director
Elizabeth Reddy	Director

Responsible Entity

The responsible entity of the Trust is One Managed Investment Funds Limited (ABN 47 117 400 987; AFSL 297 042). The registered office and principal place of business of the Responsible Entity is Level 11, 20 Hunter Street, Sydney NSW 2000.

Principal Activities

The Trust is a registered managed investment scheme, domiciled in Australia.

On 11 February 2011, the Responsible Entity decided to terminate the Trust pursuant to the terms of the Trust's Constitution. Investors were notified of this on 23 February 2011. The principal activities of the Trust during the half-year have therefore been to manage the Trust with the goal of realising the Trust assets in an orderly manner.

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

Review of Operations

Results

The results of the operations of the Trust are disclosed in the Condensed Statement of Comprehensive Income of these half-year financial statements. The loss attributable to unitholders for the half-year ended 30 June 2015 was \$420,542 (30 June 2014 loss: \$470,995).

Distributions

In respect of the financial half-year ended 30 June 2015, a distribution of \$180,390 (30 June 2014: \$304,057) was payable to unitholders.

Returns of Capital

In respect of the financial half-year ended 30 June 2015, returns of capital totaling \$1,670,210 (30 June 2014: \$1,692,628) were paid to unitholders.

Value of Assets and Units Issued

The total value of the Trust's assets at 30 June 2015 was \$7,549,745 (31 December 2014: \$9,852,392). The total number of units on issue as at 30 June 2015 is 37,364,860 (31 December 2014: 37,364,860).

Fees Paid and Payable to the Responsible Entity and Associates

The following fees were paid or payable to the Responsible Entity and its associates out of the Trust's property during the half-year ended 30 June 2015:

Management fees for the half-year ended 30 June 2015 were \$56,142 (30 June 2014: \$82,758) of which \$27,960 (31 December 2014: \$33,221) was payable at the end of the period.

Changes in State of Affairs

During the financial half-year there were no other significant changes in the state of affairs of the Trust.

Subsequent Events

There has not been any other matter or circumstance occurring subsequent to the end of the half-year that has significantly affected, or may significantly affect, the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial years.

Future Developments

The Trust will be managed in accordance with the Constitution. The realisation process will be managed in an orderly manner. Whilst assets are expected to be realised over several years, there is no certainty regarding the timing or value of the realisation and the completion of the wind up process.

Environmental Regulation and Performance

The operations of the Trust are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory. There have been no known significant breaches of any other environmental requirements applicable to the Trust.

Indemnification of Directors, Officers and Auditors

During the financial half-year, the Responsible Entity paid a premium in respect of a contract insuring the directors of OMIFL against a liability incurred as a director or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Responsible Entity has not otherwise, during or since the end of the financial half-year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Responsible Entity or of any related body corporate against a liability as such an officer or auditor.

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 3.

On behalf of the directors of the Responsible Entity, One Managed Investment Funds Limited.



Frank Tearle

Director

11 September 2015

The Directors
One Managed Investment Funds Limited
20 Hunter Street
Sydney NSW 2000

11 September, 2015

Dear Directors

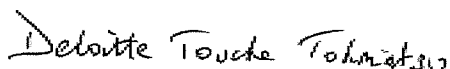
Everest Alternative Investment Trust

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of One Managed Investment Funds Limited, the Responsible Entity for the Everest Alternative Investment Trust.

As lead audit partner for the review of the financial statements of the Everest Alternative Investment Trust for the half-year ended 30 June 2015, 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 faithfully



DELOITTE TOUCHE TOHMATSU



Declan O'Callaghan
Partner
Chartered Accountants

Independent Auditor's Review Report to the unitholders of the Everest Alternative Investment Trust

We have reviewed the accompanying half-year financial report of the Everest Alternative Investment Trust (the "Trust"), which comprises the condensed statement of financial position as at 30 June 2015 and the condensed statement of comprehensive income, the condensed statement of cash flows and the condensed statement of changes in net assets attributable to unitholders for the half-year ended on that date, selected explanatory notes and, the directors' declaration as set out on pages 6 to 18.

Directors' Responsibility for the Half-Year Financial Report

The directors of One Managed Investment Funds Limited as Responsible Entity of the 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 as they apply on a non-going concern basis as disclosed in Note 3 of the financial report 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 Everest Alternative Investment Trust's financial position as at 30 June 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 the Everest Alternative Investment 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

Deloitte.

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 One Managed Investment Funds Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

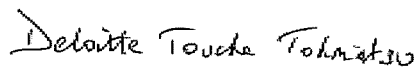
Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Everest Alternative Investment Trust is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Everest Alternative Investment Trust's financial position as at 30 June 2015 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*.

Significant Uncertainty in Relation to the Fair Value of Investments

Without qualifying our opinion, we draw attention to the following matter. As disclosed in Note 6 to the financial report, the assets of the Trust include an investment in a total return equity swap. This asset which totals \$6,526,731 for the Trust as at 30 June 2015 is recorded at net realisable value. As disclosed in Notes 3(c) there is significant uncertainty regarding the net realisable value of this investment, which in turn gives rise to significant uncertainty as to whether the Trust will be able to realise its asset at the amount stated in the financial report.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Declan O'Callaghan
Partner
Chartered Accountants
Sydney, 11 September 2015

Directors' Declaration

The directors of the Responsible Entity declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and;
- (b) in the directors' opinion, the attached condensed financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Trust.

Signed in accordance with a resolution of the directors of the Responsible Entity made pursuant to Section 303(5) of the Corporations Act 2001.

On behalf of the directors of the Responsible Entity, One Managed Investment Funds Limited.



Frank Tearle

Director

11 September 2015

Condensed Statement of Profit or Loss and Other Comprehensive Income for the half-year ended 30 June 2015

	Note	Half-year ended 30 June 2015 \$	Half-year ended 30 June 2014 \$
Income			
Change in value of financial assets held at fair value through profit or loss	5	(228,332)	(245,383)
Interest income		12,952	11,111
Other income		4,049	2,452
Total loss		(211,331)	(231,820)
Expenses			
Management fees	8	56,142	82,758
Administration fees		33,831	31,206
Professional fees		52,172	70,578
Swap fees		62,008	52,408
Other expenses		5,058	2,225
Total expenses		209,211	239,175
Net loss attributable to unitholders		(420,542)	(470,995)
Finance costs attributable to unitholders			
Distributions to unitholders	4	(180,390)	(304,057)
Decrease/(increase) in net assets attributable to unitholders		600,932	775,052
(Loss)/profit for the half-year		-	-
Other comprehensive income		-	-
Total comprehensive income		-	-

The accompanying notes to the condensed financial statements should be read in conjunction with this statement.

Condensed Statement of Financial Position as at 30 June 2015

	Note	30 June 2015 \$	31 December 2014 \$
Assets			
Cash and cash equivalents	9	1,013,227	1,325,207
Other assets		9,787	12,314
Financial assets at fair value through profit or loss	6	6,526,731	8,514,871
Total assets		<u>7,549,745</u>	<u>9,852,392</u>
Liabilities			
Distribution payable	4	180,390	-
Management fees		27,960	33,221
Administration fees		7,929	7,929
Professional fees payable		36,273	30,657
Other payables		39,296	86,508
Financial liabilities at fair value through profit or loss	6	107,119	272,157
Total liabilities (excluding net assets attributable to unitholders)		<u>398,967</u>	<u>430,472</u>
Net assets attributable to unitholders		<u>7,150,778</u>	<u>9,421,920</u>

The accompanying notes to the condensed financial statements should be read in conjunction with this statement.

Condensed Statement of Changes in Net Assets Attributable to Unitholders for the half-year ended 30 June 2015

	Note	Net assets attributable to unitholders of the Fund \$
Balance as at 1 January 2015		9,421,920
Returns of capital		(1,670,210)
Distributions to unitholders		(180,390)
Net loss attributable to unitholders		(420,542)
Balance as at 30 June 2015	7	7,150,778
Balance as at 1 January 2014		13,328,769
Returns of capital		(1,692,628)
Distributions to unitholders		(304,057)
Net loss attributable to unitholders		(470,995)
Balance as at 30 June 2014		10,861,089

The accompanying notes to the condensed financial statements should be read in conjunction with this statement.

Condensed Statement of Cash Flows for the half-year ended 30 June 2015

		Half-year ended 30 June 2015 \$	Half-year ended 30 June 2014 \$
Note			
Cash flows from operating activities			
	Interest received	14,577	11,188
	Management fees paid	(61,403)	(89,685)
	Administration fees paid	(33,831)	(31,206)
	Proceeds from sale of financial assets designated as fair value through profit or loss	1,594,770	2,373,262
	Other receipts	4,226	3,403
	Other payments	(160,109)	(104,247)
9(b)	Net cash provided by operating activities	1,358,230	2,162,715
Cash flows from financing activities			
	Returns of capital	(1,670,210)	(1,692,628)
	Net cash used in financing activities	(1,670,210)	(1,692,628)
	Net (decrease)/increase in cash and cash equivalents	(311,980)	470,087
	Cash and cash equivalents at the beginning of the half-year	1,325,207	649,910
	Cash and cash equivalents at the end of the half-year	1,013,227	1,119,997
9(a)			

The accompanying notes to the condensed financial statements should be read in conjunction with this statement.

Notes to the Condensed Financial Statements

1. General Information

The Trust is an unlisted registered managed investment trust. The address of its registered office and principal place of business is Level 11, 20 Hunter Street, Sydney NSW 2000. The responsible entity of the Trust is One Managed Investment Funds Limited (ABN 47 117 400 987; AFSL 297 042). The principal activities of the Trust are disclosed in the Directors' Report.

On 11 February 2011, OMIFL decided to terminate operations of the Trust. Investors were notified of this on 23 February 2011.

2. Adoption of New and Revised Accounting Standards

(i) Standards and Interpretations in issue not yet adopted

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

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	1 January 2016	30 June 2017
AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	1 July 2015	30 June 2016
AASB 2015-5 'Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception'	1 January 2016	30 June 2017

(ii) New and amended standards adopted by the Trust

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

AASB 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.

Notes to the Condensed Financial Statements

2. Adoption of New and Revised Accounting Standards (continued)

(ii) New and amended standards adopted by the Trust (continued)

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 application of the amendments does not have any material impact on the financial statements.

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

The Annual Improvements 2010-2012 Cycle includes a number of amendments to various AASBs. The key amendments relevant to the Fund 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 amending standard does not have any material impact on the disclosures or the amounts recognised in the Trust's financial statements.

3. Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the condensed financial statements

a) Statement of compliance

These half-year financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards with specific reference to AASB 134 (Interim Financial Reporting) as they apply to a trust which is no longer a going concern. The half-year report does not include notes of the type normally included in an annual report and shall be read in conjunction with the most recent annual financial report.

Compliance with Australian Accounting Standards, as issued by the AASB ensures that the condensed financial statements and notes thereto comply with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

Notes to the Condensed Financial Statements

3. Significant Accounting Policies (continued)

a) Statement of compliance (continued)

The condensed financial statements were authorised for issue by the directors of the Responsible Entity on 11 September 2015.

b) Basis of preparation

This general purpose financial report has been prepared on a non-going concern basis.

The Condensed Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within 12 months, except for investments in financial assets and net assets attributable to unitholders. The amounts expected to be received or settled in relation to these balances cannot be readily determined.

The accounting policies and methods of computation adopted in the presentation of the half-year financial report are consistent with those adopted and disclosed in the Trust's 2014 annual report for the year ended 31 December 2014. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

All amounts are presented in Australian dollars as the functional and presentational currency of the Trust.

c) Non-going concern basis

As a result of the decision to terminate Trust operations on 11 February 2011, this financial report has not been prepared on a going concern basis, but instead on a liquidation basis. As the only significant assets of the Trust are its cash balances and investments in the total return equity swap, the net realisable values of the Trust's assets are equivalent to their fair values.

Due to the inherent uncertainty of valuation, the value of the investments held by the Trust may differ significantly from the values that would have been used, had a ready market for the investments existed, and these differences could be material to the value of the Trust.

4. Distributions

In accordance with the Trust's Constitution, the Trust fully distributes its distributable income to unitholders by cash. Such distributions are determined by reference to the net taxable income of the Trust. The distribution payable for the half-year ended 30 June 2015 was \$180,390 (30 June 2014: \$304,057).

5. Change in value of financial assets held at fair value through profit or loss

	Half-year ended 30 June 2015 \$	Half-year ended 30 June 2014 \$
Realised gains on financial assets held at fair value through profit or loss	513,298	492,570
Unrealised losses on financial assets held at fair value through profit or loss	(741,630)	(737,953)
Total net loss on financial instruments designated at fair value through profit or loss	(228,332)	(245,383)

Notes to the Condensed Financial Statements
6. Investment in Financial Instruments

	30 June 2015 \$	31 December 2014 \$
Fair value of financial assets designated as fair value through profit or loss		
Total return equity swap (underlying investment portfolio)	6,419,612	8,242,714
Total return equity swap - Silverpoint position	107,119	272,157
	6,526,731	8,514,871

Fair value of financial liabilities designated as fair value through profit or loss

Total return equity swap - Silverpoint position	(107,119)	(272,157)
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The former responsible entity, Everest Capital Limited (now known as Redleaf Capital Pty Limited), on behalf of the Trust, entered into a total return equity swap. This total returns equity swap provides the Trust with an exposure to a portfolio of leading international absolute return funds and cash.

On 25 August 2011, OMIFL in its capacity as the responsible entity of the Trust entered into a sub-participation agreement with OMIFL in its capacity as the trustee of the One Opportunities Fund ("OOF"). The agreement allows OOF to hold the proportion of the Trust's Silverpoint position under the Macquarie Swap in consideration of OOF paying an amount of \$304,834 to the Trust and assuming the risks and expenses in connection with OOF's Silverpoint position under the Macquarie Swap.

Disclosed Fair Values

For all financial instruments other than those measured at fair value their carrying value approximates fair value.

Fair Value Hierarchy

Financial instruments carried at fair value are categorised under a three level hierarchy. Financial instruments are categorised based on the observable market inputs when estimating their fair value. If different levels of inputs are used to measure a financial instrument's fair value, the instrument's classification within the hierarchy is based on the lowest level of input that was significant to the fair value measurement.

Level 1:

Financial instruments are valued by reference to quoted prices in an active market(s) for identical assets or liabilities. These quoted prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2:

Financial instruments are valued using inputs other than quoted prices covered in Level 1. These other inputs include quoted prices that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). The inputs included in this level encompass quoted prices in active markets for similar assets or liabilities, quoted prices in markets in which there are few transactions for identical or similar assets or liabilities. Financial instruments that are valued using other inputs that are not quoted prices but are observable for the assets or liabilities also fall into this categorisation.

Notes to the Condensed Financial Statements
6. Investment in Financial Instruments (continued)
Fair Value Hierarchy (continued)
Level 3:

Financial instruments that have been valued, in whole or in part, by using valuation techniques or models that are based on unobservable inputs that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Unobservable valuation inputs are determined based on the best information available, which might include the entity's own data, reflecting its assumptions as well as best practices carried out or undertaken by other market participants. These valuation techniques are used to the extent that observable inputs are not available.

The following table shows an analysis of financial instruments held at 30 June 2015, recorded at fair value and presented by level of the fair value hierarchy:

	30 June 2015			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Total return equity swap (underlying investment portfolio)	-	-	6,419,612	6,419,612
Total return equity swap - Silverpoint position	-	-	107,119	107,119
Total financial assets designated at fair value through profit or loss	-	-	6,526,731	6,526,731
Financial liabilities				
Total return equity swap - Silverpoint position	-	-	(107,119)	(107,119)
Total financial liabilities designated at fair value through profit or loss	-	-	(107,119)	(107,119)
	31 December 2014			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Total return equity swap (underlying investment portfolio)	-	-	8,242,714	8,242,714
Total return equity swap - Silverpoint position	-	-	272,157	272,157
Total financial assets designated at fair value through profit or loss	-	-	8,514,871	8,514,871
Financial liabilities				
Total return equity swap - Silverpoint position	-	-	(272,157)	(272,157)
Total financial liabilities designated at fair value through profit or loss	-	-	(272,157)	(272,157)

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year. The Trust's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Notes to the Condensed Financial Statements
6. Investment in Financial Instruments (continued)
Valuation techniques used to derive level 1, level 2 and level 3 fair values
Level 1

The fair value of financial instruments that are traded in an active market (for example, listed equities) is determined using the last traded quoted price in an active market. As at 30 June 2015 the Trust had \$ nil (2014: \$ nil) financial assets held at fair value through profit or loss included in level 1.

Level 2

The fair value of financial instruments that are not traded in an active market (for example, unlisted investments) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. As at 30 June 2015 the Trust had \$ nil (2014: \$ nil) financial instruments in level 2.

Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. As at 30 June 2015 the Fund had \$6,526,731 (30 June 2014: \$10,471,205) financial assets held at fair value through profit or loss included in level 3. The Fund also had \$107,119 (30 June 2014: \$250,580) financial liabilities held at fair value through profit or loss included in level 3 as at 30 June 2015. The instrument is valued by using the latest available statement received from the custodian.

Reconciliation level 3 fair values

Financial assets measured on a recurring basis using significant unobservable inputs (Level 3) are shown below:

	Half-year ended 30 June 2015 \$	Half-year ended 31 December 2014 \$
Opening balance	8,242,714	12,839,270
Change in value of financial assets held at fair value through profit or loss	(228,332)	573,432
Net sales	(1,594,770)	(5,169,988)
	6,419,612	8,242,714

7. Net Assets Attributable to Unitholders
Half-year ended 30 June 2015

	No. of Units	\$
Opening balance as at 1 January 2015	37,364,860	9,421,920
Returns of capital		(1,670,210)
Distributions to unitholders		(180,390)
Net loss attributable to unitholders	-	(420,542)
Closing balance as at 30 June 2015	37,364,860	7,150,778

Year ended 31 December 2014

	No. of Units	\$
Opening balance as at 1 January 2014	37,364,860	13,328,769
Returns of capital		(3,764,976)
Distributions to unitholders		(304,057)
Net gain attributable to unitholders	-	162,184
Closing balance as at 31 December 2014	37,364,860	9,421,920

Notes to the Condensed Financial Statements
8. Responsible Entity's fees

In accordance with the Trust's Constitution, the Responsible Entity receives a total fee of 1.25% per annum on the Trust's assets, (exclusive of GST), net of tax credits available to the entity.

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

	Half-year ended 30 June 2015 \$	Half-year ended 30 June 2014 \$
Management fee expense for the half-year to the:		
Responsible Entity	56,142	82,758
Total management fee expense for the year	56,142	82,758
	30 June 2015 \$	31 December 2014 \$
Management fees payable at Statement of Financial Position date to the:		
Responsible Entity	27,960	33,221
Total management fees payable as at Statement of Financial Position date	27,960	33,221

9. Cash and Cash Equivalents

(a) Cash and cash equivalents include cash on hand and in banks net of outstanding bank and broker overdrafts, cash balances held with brokers and cash held in OCMF, which is redeemable on a daily basis. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	30 June 2015 \$	31 December 2014 \$
Cash at banks	26,549	22,916
OCMF	986,678	1,302,291
	1,013,227	1,325,207

Cash Investments

Cash amounts are held in One Cash Management Fund ("OCMF"). The Trustee of OCMF is an associated entity of the Responsible Entity and receives fees of 50 bps for managing OCMF. During the half year, the Fund paid \$2,351 of fees to OCMF for managing the cash (30 June 2014: \$1,947).

Notes to the Condensed Financial Statements
9. Cash and Cash Equivalents (continued)

(b) Reconciliation of operating profit for the year to net cash flows provided by operating activities:

	30 June 2015 \$	31 December 2014 \$
Decrease in net assets attributable to unitholders	(600,932)	(141,873)
Net gains/(losses) on assets held at fair value through profit or loss	228,332	(573,432)
Distributions to unitholders	180,390	304,057
Proceeds from sale of financial assets designated as fair value through profit or loss	1,594,770	5,169,988
Change in assets and liabilities:		
Decrease in other assets	2,527	1,774
Decrease in trade and other payable	(46,857)	(16,184)
Net cash generated by operating activities	1,358,230	4,744,330

10. Commitments and Contingencies

There are no commitments or contingencies at 30 June 2015 (31 December 2014: \$ nil).

11. Subsequent Events

There has not been any other matter or circumstances occurring subsequent to the end of the half-year that has significantly affected, or may significantly affect the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial years.