



ASPEN GROUP

ASPEN GROUP LIMITED

ABN 50 004 160 927

ASPEN PROPERTY TRUST

ARSN 104 807 767

Responsible Entity: Aspen Funds Management Ltd

ABN 48 104 322 278

Appendix 4D

For the six months ended
31 December 2009

Results for announcement to the market

Details of reporting periods:

Current period	31 December 2009
Corresponding period	31 December 2008

Revenue and Net Profit for the six months ended 31 December 2009

		Change		Amount \$'000
Revenue from ordinary activities	Up	4%	to	36,312
Profit after tax	Up	130%	to	12,993
Operating Profit after tax*	Down	9%	to	15,555
Net profit attributable to securityholders of Aspen Group	Up	130%	to	12,993

* Operating Net Profit after Tax represents net profit after tax excluding non cash items namely movements in fair value of investment properties, equity and hedge instruments and write down of equity accounted investments.

Distributions

	31 December 2009		31 December 2008	
	Amount per security	Total \$'000	Amount per security	Total \$'000
	(cents)		(cents)	
Interim distribution – Sept Qtr	1.050		3.875	
Interim distribution – Dec Qtr	1.050		2.040	
	2.100	11,702	5.915	14,788

Payment dates and record dates for determining entitlements to the distributions (dividends)

	Record date	Payment date
-interim distribution (Sept Qtr)	30 September 2009	18 November 2009
-interim distribution (Dec Qtr)	31 December 2009	18 February 2010

The Distribution Reinvestment Plan (DRP) was not in operation during the period.

Net tangible assets (NTA)	31 December 2009	31 December 2008
-NTA per security (including non dilutive employee shares / options)	\$0.68	\$1.15
-NTA per security (excluding non dilutive employee shares / options)	\$0.71	\$1.25

Associate entities

Name	Ownership (%)		Share of net profit/(loss) (\$'000s)	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
Aspen Parks Property Fund	13.8%	14.1%	982	460
Aspen Diversified Property Fund	35.8%	31.3%	265	(8,044)
Aspen Dunsborough Lakes Ltd	44.2%	20.0%	395	(4,805)
Aspen Whitsunday Shores Pty Ltd	42.6%	25.0%	(81)	(3,217)
West Swan Estate Pty Ltd	13.4%	9.6%	16	(429)
Fern Bay Seaside Village Ltd	45.4%	34.5%	340	(7,056)
Aspen Development Fund No 1 Ltd	48.1%	25.0%	(616)	(273)
Aspen Villages Property Fund	100.0%	49.0%	-	(4,960)
Headline profit from associates			1,301	(28,324)
Adjusted for:				
Change in fair value of investment properties held by associates			-	12,891
Provision for further write downs			-	14,673
Changes in fair value of interest rate swaps			(566)	1,253
Profit from associates before significant items			735	492

Brief explanation of share of profits from associate entities:

Equity accounted profits from associate entities was \$1.3 million for the half year (1H09: \$28.3 million losses). This take up includes fair value adjustments made to investment properties (held by associates) that in the opinion of the directors should be adjusted to enable security holders to obtain an understanding of the results from the underlying operations.

Brief Explanation of Revenue, Net Profit/(Loss) and Dividends (Distributions):

Key factors contributing to the movement in revenues and profits were:

Refer to attached ASX announcement for a full commentary on the half year result.

Aspen Group

Interim Financial Report

For the six months ended 31 December 2009

Interim Financial Report
For the six months ended 31 December 2009

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Company Particulars

Board of Directors

Reg Gillard	Independent Chairman
Angelo Del Borrello	Executive Director
Gavin Hawkins	Executive Director
Terry Budge	Non-Executive Director
Seng Fai Chan	Non-Executive Director
Matthew McCann	Non-Executive Director

Company Secretary

Gavin Hawkins

Registered Office

Level 8, Septimus Roe Square
256 Adelaide Terrace
PERTH WA 6000
Telephone: (61 8) 9220 8400
Facsimile: (61 8) 9220 8401
Email: homemail@aspengroup.com.au
Web Address: www.aspengroup.com.au

Share Registry

Computershare Investor Services Pty Ltd
Level 2, 45 St George's Terrace
PERTH WA 6000
Telephone: (61 8) 9323 2000
Facsimile: (61 8) 9323 2033

Auditor

KPMG
235 St Georges Terrace
Perth WA 6000
Telephone: (61 8) 9263 7171
Facsimile: (61 8) 9263 7129

Stock Exchange Listing

Aspen Group Limited's shares are listed on the Australian Securities Exchange through Aspen Group under the ASX code APZ (stapled securities). Each stapled security comprises one share in Aspen Group Limited and one unit in Aspen Property Trust.

Directors' Report

The directors present their report together with the consolidated financial report of Aspen Group for the six months ended 31 December 2009 and the review report thereon. The consolidated financial report of Aspen Group comprises the financial reports of Aspen Group Limited ("the Company" or "AGL") and its controlled entities and of Aspen Property Trust ("the Trust" or "APT") which form the consolidated entity ("Aspen Group" or "the Group").

The directors of AGL and Aspen Funds Management Limited ("AFM"), the Responsible Entity of APT, at any time during or since the end of the half-year are:

Name	Entity of directorship and date of appointment
Non – Executive Directors	
Reg Gillard	AGL (appointed: 24/12/2001) and AFM (appointed: 4/4/2003)
Terry Budge	AGL (appointed: 5/5/2005) and AFM (appointed: 5/5/2005)
Seng Fai Chan	AGL (appointed: 1/11/2002)
Matthew McCann	AGL (appointed: 6/8/2007) and AFM (appointed: 6/8/2007)
Executive Directors	
Angelo Del Borrello	AGL (appointed: 31/10/2001) and AFM (appointed: 4/4/2003)
Gavin Hawkins	AGL (appointed: 31/10/2001) and AFM (appointed: 4/4/2003)

Principal Activities

The principal activities of Aspen Group during the period were investment in commercial, industrial and retail property and funds management activities in the property sector. There was no significant change in the nature of the activities of the Group during the period.

Significant Changes in the State of Affairs

Other than noted elsewhere in the Interim Financial Report, there were no significant changes in the state of affairs of Aspen Group that occurred during the period under review.

Directors' Report

Operating and Financial Review

The consolidated entity achieved a profit after tax calculated in accordance with International Financial Reporting Standards ("IFRS") of \$12.99 million for the half-year ended 31 December 2009 (loss of \$42.82 million for the half-year ended 31 December 2008). This profit includes a number of significant items, such as investment property revaluations that in the opinion of the directors, need adjustment to enable security holders to obtain an understanding of the results from operations (refer table below).

The net profit after tax before significant items, as assessed by the directors, for the half-year was \$15.6 million (\$17.1 million for the half-year ended 31 December 2008), reflecting a 9.1% decrease from the previous corresponding period.

Key financial results for Aspen Group during the period were as follows:

	Six months ended 31 December 2009 \$ '000	Six months ended 31 December 2008 \$ '000
Net Profit/(Loss) before Tax	12,522	(58,331)
Add/(Subtract) significant items:		
Revaluation Losses on investment properties	944	12,445
(Gains)/Losses on revaluation of interest rate swaps	(583)	10,424
Losses on available for sale investments	-	2,339
Losses on write-down of inventories to net realisable value	-	15,059
Equity settled transactions	994	1,741
Impairment adjustments of investments in equity associates	-	27,564
(Gains)/Losses on revaluation of interest rate swaps in associates	(566)	1,253
Restructuring costs	-	223
Net Profit before tax before significant items	13,311	12,717
Income tax benefit as per income statement	471	15,511
Add/(Subtract) income tax expense / (benefit) on significant items	1,773	(11,107)
Net Profit after Tax before significant items	15,555	17,121
Basic Earnings per security (cents) *	2.333	(16.828)
Diluted earnings per security (cents) *	2.332	(16.828)
Basic Earnings per security before significant items (cents) *	2.793	6.729
Diluted Earnings per security before significant items (cents) *	2.791	6.729
Total Assets	646,905	640,497
Total Equity	400,971	345,663
Net tangible assets per security (cents)	0.68	1.15
Net tangible assets per security - excluding non-dilutive LTI instruments (cents)	0.71	1.25

* Refer to Note 7 of the accompanying Financial Report for further information regarding earnings per security calculation.

Directors' Report

Operating and Financial Review (continued)

Income distributions for the period were as follows:

Quarter Ended	Record Date	Amount Per Stapled Security 31 December 2009	Amount Per Stapled Security 31 December 2008
September	30 September 2009	1.050 cents	3.875 cents
December	31 December 2009	1.050 cents	2.040 cents
Total		2.100 cents	5.915 cents

Review of principle businesses

Investment Property Portfolio

Gross revenue from the Group's investment property portfolio increased by 24.1% over the previous corresponding period. The higher revenue resulted principally from a full six month contribution from the Karratha Village asset which continues to perform strongly with an average occupancy level of 98.4% over the six month period. Overall, the portfolio has a 92% occupancy level, weighted average lease expiry of 3.21 years and a strong tenancy mix with blue chip and government tenants accounting for 70% of the entire portfolio.

Key highlights for the period included:

- Updated independent valuations obtained in December 2009 for 80% (by value) of the Group's investment property portfolio. Combined with the impact of director's valuations, this resulted in a 0.2% decrease in asset values. The remainder of the portfolio was independently valued in June 2009
- The Group's core office market exposures of Perth and Adelaide are proving to be resilient with the Perth office sector stabilised and its outlook improving and Adelaide continuing to have the strongest performing office market in Australia.

Development Portfolio

The development portfolio comprises land assets held on balance sheet for future development and includes the Group's retirement asset portfolio. The retirement portfolio, which currently comprises 3 assets, will see the construction of 750 retirement units over the next 10 years.

Key highlights for the period included:

- New debt facility of \$20.5 million secured for development of retirement asset portfolio
- Re-commencement of construction at the Ballina Retirement Village (NSW), with current stage under development having sold out.

Funds Management

The Group's management fee income was down from the previous period, reflecting softer market conditions in the property sector affecting operating and development activity within funds under management. Recurring income from funds management activities decreased 26% over the previous half year to \$6.3 million, whilst non-recurring transactional and performance fees decreased 76% to \$0.4m over the previous half year period.

The lower level of operating activity within the management funds also softened the level of equity profits recognised in the period of \$1.3 million.

Directors' Report

Funds Management (continued)

Improving property markets, recapitalised balance sheets and enhanced debt facilities will provide our development divisions with the impetus to progress their development pipeline that had been put on hold during the global financial crisis. The commencement of these projects will generate valuable fee income and equity profits to the Group in future years.

Key highlights for the period included:

- Each fund (excluding Aspen Parks) was recapitalised and enhanced financing facilities negotiated with debt maturities ranging from June 2011 to April 2012
- Stronger balance sheets have provided the capacity to progress development activity previously put on hold
- Strong operating performance from Aspen Parks Property Fund with significantly improved level of equity inflows
- Revitalised residential sector resulted in significantly greater level of sales activity from the Aspen Living division
- \$23 million of pre-sales achieved post St Leonards first stage launch in December 2009
- Settlement of Norwest Private Hospital within Aspen Development Fund No1.

Capital Management and Financial Position

The Group's gearing position currently stands at 33%, down from 39% at 1H09. Look through gearing has also significantly reduced, down from 44% to 39%.

The total cost of drawn debt as at 31 December 2009 for the consolidated entity inclusive of facility fees was 7.84%.

In December 2009, the Group established an initial \$20.5 million (drawn to \$6.7m) loan facility to fund its retirement development portfolio. This 3 year facility matures in December 2012 and replaces the previous short term facility.

Aspen uses interest rate swaps to hedge its exposure to interest rate risks and at 31 December 2009, 57% of the senior debt facility was hedged with a weighted average maturity of 2.71 years.

The Group's net tangible assets ("NTA") per security at 31 December 2009 is \$0.68. Excluding non-dilutive employee shares/options the NTA per security remains unchanged from 30 June 2009 at \$0.71.

Cash generated from operations more than doubled against 1H09 cashflows to \$13.9 million. This is reflective of the return to more stable operating conditions following recapitalisation of the Group's managed funds in 2009 as well as improved business performance.

Group expenses

With the recent focus on creating Group wide cost efficiencies, management have continued the review of the overhead cost structure of the Group. Combined with the implementation of a number of cost saving initiatives in FY 2009, the Group recorded a reduction in its overhead costs of approximately 20% period on period. The same level of period on period savings is expected for the 2010 full year result.

Events Subsequent to Reporting Date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial years.

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 9 and forms part of the Directors' Report.

Directors' Report

Rounding Off

Aspen Group is of the kind referred to in ASIC Class Order 98/100 dated 10 July 1998 (updated by CO 05/641 effective 28 July 2005 and CO 06/51 effective 31 January 2006) and in accordance with the Class Order, amounts in the Interim Financial Report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors.



Angelo Del Borrello
Executive Director
PERTH, 19 February 2010



Gavin Hawkins
Executive Director
PERTH, 19 February 2010



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Aspen Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2009 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG
KPMG

A handwritten signature in black ink, appearing to read 'Kevin Smout', written over the printed name.

Kevin Smout
Partner

Perth

19 February 2010



Independent auditor's review report to the members of Aspen Group Limited

We have reviewed the accompanying interim financial report of Aspen Group Limited, which comprises the consolidated balance sheet as at 31 December 2009, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a description of accounting policies and other explanatory notes 1 to 15 and the directors' declaration set out on page 12 of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year period.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports 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 interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Aspen Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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 interim financial report of Aspen Group Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

Kevin Smout
Partner

Perth

19 February 2010

Directors' Report

Directors' Declaration

In the opinion of the directors of Aspen Group Limited ("the Company") and Aspen Funds Management Limited (as responsible entity for the Aspen Property Trust):

1. the financial statements and notes set out on pages 13 to 29 are in accordance with the Corporations Act 2001 including:
 - a) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2009 and of its performance, as represented by the results of its operations and its cash flows for the half-year ended on that date; and
 - b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors



Angelo Del Borrello
Executive Director
PERTH, 19 February 2010



Gavin Hawkins
Executive Director
PERTH, 19 February 2010

Consolidated Interim Statement of Comprehensive Income

For the six months ended 31 December 2009

	Note	31 December 2009 (\$ '000)	31 December 2008 (\$ '000)
Revenue and other income			
Rental income from investment properties	3	25,110	20,234
Funds management revenue	3	6,680	10,137
Financial income	4	4,522	4,056
Other income		-	355
Total revenue and other income		36,312	34,782
Net movement in fair value of investment properties		(944)	(12,445)
Write-down of inventory to recoverable amount		-	(15,059)
Impairment of available for sale investments		-	(2,339)
Property expenses		(8,530)	(6,141)
Funds management commission expense		(281)	(276)
Administrative expenses	5	(9,200)	(11,669)
Other expenses		(115)	(273)
Financial expenses	4	(6,021)	(16,587)
Share of profit/(loss) of equity accounted investees	13	1,301	(28,324)
Profit/(Loss) before tax		12,522	(58,331)
Income tax benefit	6	471	15,511
Profit/(Loss) for the period		12,993	(42,820)
Other comprehensive income			
Net change in fair value of available for sale financial assets		(429)	(1,561)
Other comprehensive income for the period		(429)	(1,561)
Total comprehensive income for the period		12,564	(44,381)
Profit/(Loss) attributable to:			
Security holders of Aspen Group		12,993	(42,820)
Total comprehensive income attributable to:			
Security holders of Aspen Group		12,564	(44,381)
Basic earnings per stapled security	7	2.333	(16.828)
Diluted earnings per stapled security	7	2.332	(16.828)

(The statement of comprehensive income is to be read in conjunction with the accompanying notes to the financial statements)

Consolidated Interim Balance Sheet

As at 31 December 2009

	Note	31 December 2009 (\$ '000)	30 June 2009 (\$ '000)
Current assets			
Cash and cash equivalents		9,256	4,662
Trade and other receivables		12,826	15,814
Other financial assets		7,222	20,336
Income tax receivable		29	25
Prepayments and other current assets		15,742	11,903
Assets classified as held for sale	8	15,242	-
Total current assets		60,317	52,740
Non-current assets			
Trade and other receivables		6,973	7,191
Other financial assets		70,012	67,719
Property, plant and equipment		5,430	2,379
Investment property	9	362,184	368,563
Investments in equity accounted investees	13	89,522	59,794
Inventories	10	28,449	34,969
Intangible assets		6,496	6,496
Deferred tax assets		11,471	11,000
Other investments		2,050	2,479
Other		4,001	7,464
Total non-current assets		586,588	568,054
Total Assets		646,905	620,794
Current liabilities			
Trade and other payables		12,699	10,927
Income tax payable		254	-
Retirement living resident obligations		5,311	4,946
Interest-bearing loans and borrowings	11	3,000	10,037
Provisions		5,881	5,795
Employee benefits		973	931
Other financial liabilities		2,105	3,749
Total current liabilities		30,223	36,385
Non-current liabilities			
Interest-bearing loans and borrowings	11	214,711	181,500
Other financial liabilities		1,000	2,000
Total non-current liabilities		215,711	183,500
Total Liabilities		245,934	219,885
Net Assets		400,971	400,909
Security holders' funds			
Issued capital	12	408,397	408,397
Other equity		(1,855)	-
Reserves		(1,027)	(659)
Retained earnings		(4,544)	(6,829)
Total security holders' funds		400,971	400,909

(The balance sheet is to be read in conjunction with the accompanying notes to the financial statements)

Consolidated Interim Statement of Changes in Equity

For the six months ended 31 December 2009

	Issued Capital	Other Equity	Hedge Reserves	Available for Sale Reserve	Net Profit/ (Accumulated Losses)	Total Security Holders' Funds
	\$ '000	\$ '000	\$ '000	\$'000	\$ '000	\$ '000
Opening balance at 1 July 2009	408,397	-	(120)	(539)	(6,829)	400,909
Total comprehensive income for the period						
Profit for the period	-	-	-	-	12,993	12,993
Other comprehensive income						
Cash flow hedge profit transferred to income statement	-	-	61	-	-	61
Net change in fair value of available for sale financial assets	-	-	-	(429)	-	(429)
Total other comprehensive income	-	-	61	(429)	-	(368)
Total comprehensive income for the period	-	-	61	(429)	12,993	12,625
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Distributions to security holders	-	-	-	-	(11,702)	(11,702)
Share based payment transactions	-	-	-	-	994	994
Total contributions by and distributions to owners	-	-	-	-	(10,708)	(10,708)
Acquisition of non controlling interest	-	(1,855)	-	-	-	(1,855)
Total transactions with owners	-	(1,855)	-	-	(10,708)	(12,563)
Closing balance at 31 December 2009	408,397	(1,855)	(59)	(968)	(4,544)	400,971

(The statement of changes in equity is to be read in conjunction with the accompanying notes to the financial statements)

Consolidated Interim Statement of Changes in Equity

For the six months ended 31 December 2008

	Issued Capital	Hedge Reserves	Available for Sale Reserve	Net Profit/ (Accumulated Losses)	Total Security Holders' Funds
	\$ '000	\$ '000	\$'000	\$ '000	\$ '000
Opening balance at 1 July 2008	301,890	(274)	(280)	78,578	379,914
Total comprehensive income for the period					
Profit for the period	-	-	-	(42,820)	(42,820)
Other comprehensive income					
Cash flow hedge profit transferred to income statement	-	76	-	-	76
Net change in fair value of available for sale financial assets	-	-	(1,561)	-	(1,561)
Total other comprehensive income		76	(1,561)	-	(1,485)
Total comprehensive income for the period	-	76	(1,561)	(42,820)	(44,305)
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Issue of ordinary shares	24,040	-	-	-	24,040
Less: Issue costs	(933)	-	-	-	(933)
Distributions to security holders	-	-	-	(14,788)	(14,788)
Share based payment transactions	-	-	-	1,735	1,735
Total contributions by and distributions to owners	23,107	-	-	(13,053)	10,054
Total transactions with owners	23,107	-	-	(13,053)	10,054
Closing balance at 31 December 2008	324,997	(198)	(1,841)	22,705	345,663

(The statement of changes in equity is to be read in conjunction with the accompanying notes to the financial statements)

Consolidated Interim Statement of Cash Flows

For the six months ended 31 December 2009

	31 December 2009 \$ '000	31 December 2008 \$ '000
Cash flows from operating activities		
Cash receipts from customers	35,734	24,584
Cash payments to suppliers and employees	(16,547)	(13,339)
Dividends received	917	1,161
Interest received	2,155	2,732
Interest and other costs of finance paid	(8,370)	(8,264)
Net cash from operating activities	13,889	6,874
Cash flows from investing activities		
Acquisition of property, plant and equipment	(102)	(1,110)
Payments for redevelopment works	(3,703)	(2,824)
Improvements to investment properties	(1,179)	(26,045)
Acquisition of intangible assets	-	(48)
Acquisition of funds management equity investments	(19,526)	(925)
Acquisition of minority interest	(1,091)	-
Net cash used in investing activities	(25,601)	(30,952)
Cash flows from financing activities		
Proceeds from issue of equity securities	-	22,196
Payment for equity securities issue costs	(7)	(933)
Proceeds from borrowings	44,711	56,879
Repayments of borrowings	(18,453)	(25,667)
Loans to associates	(13,672)	(46,205)
Repayments from associates	14,867	18,429
Distributions paid	(11,140)	(17,110)
Net cash from financing activities	16,306	7,589
Net increase/(decrease) in cash and cash equivalents	4,594	(16,489)
Cash and cash equivalents at 1 July	4,662	18,376
Cash and cash equivalents at 31 December	9,256	1,887

(The statement of cash flows is to be read in conjunction with the accompanying notes to the financial statements)

Condensed Notes to the Interim Financial Statements

1. Significant accounting policies

Aspen Group was established for the purpose of facilitating a joint quotation of Aspen Property Trust (“the Trust”) and Aspen Group Limited and its controlled entities on the Australian Securities Exchange. Both the Trust, Aspen Group Limited and its controlled entities are domiciled in Australia. The Constitution of Aspen Property Trust and the Articles of Association of Aspen Group Limited ensure that, for so long as the two entities remain jointly quoted, the number of units in the Trust and the number of shares in the Corporation shall be equal and that Unitholders and Shareholders be identical. Both the Responsible Entity of the Trust and the Corporation must at all times act in the best interests of Aspen Group.

The stapling arrangement will cease to operate on the earlier of:

- either of Aspen Group Limited or Aspen Property Trust resolving by special resolution in general meeting and in accordance with the constitution to terminate the stapling provisions; or
- the commencement of the winding up of either Aspen Group Limited or Aspen Property Trust.

With the establishment of Aspen Group, the combined group has common business objectives, and operates as a combined entity in the core business of property investment and funds management.

The Aspen Group entities comprising the stapled Group remain separate legal entities in accordance with the Corporations Act 2001 and are each required to comply with the reporting and disclosure requirements of Accounting Standards and the Corporations Regulations 2001.

The Interim Financial Report of Aspen Group comprises the financial report of Aspen Group Limited (“the Company”) and its controlled entities, and the Trust, which form the consolidated entity (“Aspen Group” or “the Group”).

The Interim Financial Report has been prepared based upon a business combination of the parent entity, the Company, and Aspen Property Trust and their controlled entities, in accordance with Australian Interpretation (“AI”) 1013 “Consolidated Financial Reports in relation to Pre-Date-of-Transition Stapling Arrangements”.

The Interim Financial Report was authorised for issue by the directors on 19 February 2010.

(a) Statement of compliance

This general purpose financial report for the interim half-year reporting period ended 31 December 2009 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the information required for a full annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2009 and any public announcements made by the Aspen Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(b) Basis of preparation

The Interim Financial Report is presented in Australian dollars, which is the Group’s functional currency.

The Interim Financial Report has been prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, financial instruments classified as available-for-sale, investment property and share-based payments.

Aspen Group is an entity of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 (updated by CO 05/641 effective 28 July 2005 and CO 06/51 effective 31 January 2006) and, in accordance with the Class Order, amounts in the Interim Financial Report and Directors’ Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Condensed Notes to the Interim Financial Statements

(b) Basis of preparation (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

These accounting policies and key sources of estimation uncertainty have been consistently applied by Aspen Group and are in line with the policies as at and for the year ended 30 June 2009.

(c) New standards and interpretations adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They have been adopted at 31 December 2009 and applied in preparing this financial report:

- The Group applies revised AASB 101 Presentation of Financial Statements which became effective as of 1 July 2009. As a result the Group presents in the statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the statement of comprehensive income. This presentation has been applied in these condensed interim financial statements as of and for the six months period ended 31 December 2009.
- In respect of borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 July 2009, the Group capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset.

Operating segments

The Group has adopted AASB 8 Operating Segments and AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 8 with effect from 1 July 2009. AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Executive Directors who are the chief operating decision makers in order to allocate resources to the segment and to assess its performance. In contrast, the predecessor Standard (AASB 114 Segment Reporting) required an entity identify two sets of segments (business and geographical), using a risk and rewards approach, with the entity's system of internal financial reporting to key management personnel serving only as a starting point for the identification of such segments.

Information regarding these segments is presented in note 2. Based on a review of the entity's management and internal reporting structure, an additional reportable segment of Developments has been added. Amounts reported for the prior period have been restated to conform to the requirements of AASB 8 since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per share. The accounting policies of the new reportable segments are the same as the Group's accounting policies.

Accounting for acquisitions of non-controlling interests

The Group has adopted AASB 3 Business Combinations (2008) and AASB 127 Consolidated and Separate Financial Statements (2008) for acquisition of non-controlling interests occurring in the financial year starting 1 July 2009. The Group has applied AASB 127 (2008) for the acquisition of non-controlling interests. Under the new accounting policy, acquisitions of non-controlling interest are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised as a result of such transactions. Previously, goodwill was recognised arising on the acquisition of a non-controlling interest in a subsidiary; and that represented the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of exchange. The change in accounting policy was applied prospectively and had no material impact on earnings per share.

Condensed Notes to the Interim Financial Statements

(c) New standards and interpretations adopted (continued)

Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group first is allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property and biological assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

2. Operating Segments

The Group has 3 reportable segments, as described below, which are the Group's strategic business units. The strategic business units hold different asset classes and offer different products and services, and are based on the consolidated entity's management and internal reporting structure. For each of the strategic business units, the Executive Directors review internal management reports on at least a quarterly basis. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The following describes the operations in each of the Group's reportable segments:

- Property Investment - Property investment includes net rental income and associated interest expense and other expenditure from all properties held by Aspen Property Trust throughout Australia.
- Developments – Developments include its Aspen Communities and Aspen Villages operations and land held for development.
- Funds Management - Property funds management includes fees, interest income, equity profits and associated expenditure from unlisted property funds and syndicates that Aspen Group establishes and manages.

Other includes interest from related parties and dividends from investments.

Aspen Group is an Australian based Company, and as such has its current operating activities spread throughout Australia. No other geographical segments are currently evident.

Condensed Notes to the Interim Financial Statements

2. Operating Segments (continued)

	Investment Property		Developments		Funds Management		Other		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
External revenues	25,031	20,206	75	29	6,680	10,138	38	611	31,824	30,984
Interest Income	20	21	11	235	3,539	3,430	335	112	3,905	3,798
Total segment revenue	25,051	20,227	86	264	10,219	13,568	373	723	35,729	34,782
Reportable segment profit before income tax and share of profits from investments accounted for using the equity method (and other significant items below)	12,238	8,940	(1,105)	(1,616)	1,095	4,174	348	723	12,576	12,221
Share of profits from investments accounted for using the equity method (before significant items below)	-	-	-	-	735	496	-	-	735	496
Segment Profit/(Loss) before significant items below	12,238	8,940	(1,105)	(1,616)	1,830	4,670	348	723	13,311	12,717
Revaluation (losses) on investment properties	(944)	(12,445)	-	-	-	-	-	-	(944)	(12,445)
(Losses) on available for sale investments	-	-	-	-	-	(2,339)	-	-	-	(2,339)
(Losses) on write-down of inventories to net realisable value	-	-	-	(15,059)	-	-	-	-	-	(15,059)
Impairment adjustments of investments in equity associates	-	-	-	(4,675)	-	(22,889)	-	-	-	(27,564)
Gains/(Losses) on revaluation of interest rate swaps	303	(6,745)	41	(812)	239	(2,867)	-	-	583	(10,424)
Gains/(Losses) on revaluation of interest rate swaps in associates	-	-	-	-	566	(1,253)	-	-	566	(1,253)
Segment Profit/(Loss) after significant items	11,597	(10,250)	(1,064)	(22,162)	2,635	(24,678)	348	723	13,516	(56,367)
Equity settled transactions									(994)	(1,741)
Restructuring costs									-	(223)
Profit/(Loss) before income tax									12,522	(58,331)
Income tax benefit									471	15,511
Profit/(Loss) for the half year									12,993	(42,820)
Reportable segment assets	382,283	422,645	52,366	42,889	174,806	158,673	37,450	16,290	646,905	640,497

Condensed Notes to the Interim Financial Statements

3. Revenue

	31 December 2009 (\$'000)	31 December 2008 (\$'000)
Revenue from trading activities		
Revenue from property investments	25,110	20,234
Funds management fees – asset management fees	6,325	8,623
– establishment fees	-	1,314
– other	355	200
	6,680	10,137

4. Net financing costs

	31 December 2009 (\$'000)	31 December 2008 (\$'000)
Financial income		
Interest income – bank deposits	127	-
– on loans to associates	3,494	3,798
– related parties	285	-
Dividend income	33	258
Change in fair value of interest rate swaps	583	-
	4,522	4,056
Financial expenses		
Net change in cash flow hedge transferred to profit and loss	(61)	(76)
Change in fair value of interest rate swaps	-	(10,424)
Net change in fair value of financial assets through profit and loss	(61)	(10,500)
Interest expense on financial liabilities measured at amortised cost	(8,124)	(8,125)
Less amounts capitalised to qualifying assets	2,164	2,038
	(6,021)	(16,587)
Net Financing Costs	(1,499)	(12,531)

5. Administration expenses

	31 December 2009 (\$'000)	31 December 2008 (\$'000)
Wages and salaries including on-costs	(5,442)	(6,696)
Contributions to defined contribution superannuation funds	(460)	(759)
Equity-settled share based payment transactions	(994)	(1,735)
Other administration costs	(2,304)	(2,479)
	(9,200)	(11,669)

Condensed Notes to the Interim Financial Statements

6. Income tax expense

Numerical reconciliation between tax expense and pre-tax net profit	31 December 2009 (\$'000)	31 December 2008 (\$'000)
Profit/(loss) before income tax	12,522	(58,331)
Prima facie income tax calculated at 30%	3,757	(17,499)
Less prima facie income tax on profit from Trust	(4,954)	(3,265)
Increase in income tax expense due to:		
Non-deductible expenses	726	5,253
Income tax (benefit)/expense on pre-tax net profit	(471)	(15,511)

7. Earnings per stapled security

		31 December 2009 (cents)	31 December 2008 (cents)
Basic earnings per security	(a)	2.333	(16.828)
Diluted earnings per security	(b)	2.332	(16.828)
Basic earnings per stapled security before significant items	(c)	2.793	6.729

(a) Basic earnings per stapled security

Basic earnings per stapled security is calculated by dividing profit/(loss) attributable to security holders of Aspen Group by the weighted average number of ordinary securities outstanding during the half-year.

	31 December 2009 (\$'000)	31 December 2008 (\$'000)
Profit/(loss) attributable to stapled security holders	12,993	(42,820)

Weighted average number of securities (basic)	31 December 2009 (No. '000)	31 December 2008 (No. '000)
Weighted average number of securities as at 31 December	556,885	254,452

(b) Diluted earnings per stapled security

Diluted earnings per stapled security is calculated by dividing profit/(loss) attributable to security holders of Aspen Group by the weighted average number of ordinary securities outstanding during the half-year after adjusting for the effect of dilutive securities granted under share plans accounted for as options and rights granted under employee share plans.

Condensed Notes to the Interim Financial Statements

(b) Diluted earnings per stapled security (continued)

	31 December 2009 (\$'000)	31 December 2008 (\$'000)
Profit/(loss) attributable to stapled security holders	12,993	(42,820)

Weighted average number of securities (diluted)

Weighted average number of securities as at 31 December

	31 December 2009 (No. '000)	31 December 2008 (No. '000)
	557,241	254,452

c) Earnings per stapled security before significant items

The profit/(loss) attributable to security holders includes a number of significant items that in the opinion of the directors, should be adjusted to enable security holders to obtain an understanding of the results from operations. Basic earnings per stapled security before significant items is calculated by dividing profit/(loss) before significant items attributable to security holders (as detailed below) by the weighted average number of ordinary securities outstanding during the half year excluding securities vested under share plans.

	31 December 2009 (\$'000)	31 December 2008 (\$'000)
Net profit/(loss) after Tax	12,993	(42,820)
Add/(Subtract) significant items:		
Revaluation Losses on investment properties	2,225	10,624
Losses/(Gains) on revaluation of interest rate swaps	(583)	10,424
Losses on available for sale investments	-	1,637
Losses on write-down of inventories to net realisable value	-	10,541
Equity settled transactions	1,468	1,742
Losses/(Gains) on revaluation of interest rate swaps in associates	(548)	1,386
Impairment adjustments of investments in equity associates	-	23,431
Restructuring costs	-	156
Net Profit after Tax before significant items	15,555	17,121

Weighted average number of securities (basic)

Weighted average number of securities as at 31 December

	31 December 2009 (No. '000)	31 December 2008 (No. '000)
	556,885	254,452

Weighted average number of securities (diluted)

Weighted average number of securities as at 31 December

	31 December 2009 (No. '000)	31 December 2008 (No. '000)
	557,241	254,452

Condensed Notes to the Interim Financial Statements

8. Assets classified as held for sale

	31 December 2009 (\$'000)	30 June 2009 (\$'000)
Investment property	3,198	-
Inventories	12,044	-
	15,242	-

As part of a review of the Group's development portfolio a small number of non-strategic assets have been identified to be offered for sale.

9. Investment property

Property	Original Acquisition Date	Original Acquisition Cost \$ '000	Latest Independent Valuation Date	Latest Independent Valuation \$ '000	Book Value at 31 Dec 2009 \$ '000	Book Value at 30 June 2009 \$ '000
256 Adelaide Tce (Septimus Roe) – WA	Oct 2002	29,648	Dec 2009	87,000	87,000	82,000
Phoenix Rd, Bibra Lake (Elders) – WA	Aug 2003	37,483	Dec 2009	52,000	52,000	56,000
Davy St, Booragoon (Alcoa) – WA	Aug 2003	18,329	Dec 2009	28,000	28,000	29,000
51 Heaton St, Rocklea – Qld	Oct 2004	9,184	June 2009	13,000	11,500	13,000
215 Browns Rd, Noble Park – Vic	Oct 2004	22,625	June 2009	19,300	19,307	19,300
564 St Kilda Road – Vic	Dec 2004	26,426	Dec 2009	33,400	33,400	34,000
5/33 York St – NSW	June 2005	3,169	June 2009	3,175	_(1)	3,175
55 Currie St – SA	June 2006	66,980	Dec 2009	84,000	84,000	82,000
Morrison Rd, Midland – WA	June 2007	5,500	Dec 2008	3,000	_(2)	3,195
Karratha Village – WA	June 2005	1,000	June 2009	41,000	41,085	41,000
Aspen LV Plus Ballina, Ballina – NSW	Nov 2007	3,809	-	-	5,892	5,893
					362,184	368,563

⁽¹⁾ Reclassified to property plant and equipment as at 1 July 2009.

⁽²⁾ Reclassified to assets classified as held for sale as at 1 July 2009.

Property portfolio revaluations:

At 31 December 2009, the Group independently revalued 80% (by value) of investment properties resulting in a total increase in the carrying value of the revalued investment properties of \$0.6 million. The remainder of the portfolio was independently revalued in June 2009. Including the impact of director's valuations of (\$1.5 million), capital expenditure of \$0.9 million and reclassification of assets (\$6.4m), the carrying value of the portfolio remained constant over the reporting period.

Investment properties are measured at fair value. Fair value is determined on the basis of either an independent valuation prepared by external valuation experts as at the balance sheet date, or directors' valuation.

Condensed Notes to the Interim Financial Statements

Property portfolio revaluations (continued):

Independent valuations of property investments are obtained at intervals of not more than two years. Independent valuations were performed by registered independent appraisers having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

Fair values were determined in accordance with the Accounting Policy set out in Note 1(g) of the Financial Report for the year ended 30 June 2009 and having regard to recent market transactions for similar properties in the same location as the Group's investment property.

As at 31 December 2009, the weighted average cap rate for the portfolio (excluding the Ballina and Karratha properties) was 9.4%. The weighted average lease duration (excluding the Ballina property) was 3.21 years.

10. Inventories

	31 December 2009 (\$'000)	30 June 2009 (\$'000)
Property Development		
Land	28,449	34,969

11. Interest-bearing loans and borrowings

	31 December 2009 (\$'000)	30 June 2009 (\$'000)
Current liabilities		
Current portion of secured bank loans ⁽¹⁾	3,000	10,026
Hire Purchase liability	-	11
	3,000	10,037
Non-current liabilities		
Secured bank loans	214,711	181,500
	214,711	181,500
	217,711	191,537

⁽¹⁾ Relates to amortisation of Tranche C, as per detailed below.

Financing arrangements

At 31 December 2009, the Group's total debt consisted of:

- (i) \$211.0 million including its Tranche A senior debt facility (\$190.0 million) and debt drawn under its Tranche C facility (\$21.0 million). These facilities are with National Australia Bank.
- (ii) \$6.7 million under its facility with Bendigo and Adelaide Bank.

Tranche A – Key Terms

- Facility Limit of \$213 million
- Loan to Value covenant (relating to Tranche A & C) of 69% to maturity
- Interest coverage ratio covenant of at least 1.5 times investment property net rental income
- Maturity date of 28 February 2012

Condensed Notes to the Interim Financial Statements

Financing arrangements (continued)

Tranche C – Key Terms

- Project specific facility for the Karratha Accommodation Village
- The facility is fully drawn and has been amortising at \$250,000 per month from January 2009.
- Maturity date of 31 December 2013

All Tranches are secured over the consolidated entity's investment property portfolio, excluding retirement assets.

The total cost of drawn debt as at 31 December 2010 for the consolidated entity inclusive of facility fees was 7.84%.

In December 2009, the Group established a \$20.5 million (drawn to \$6.7m) loan facility with Bendigo and Adelaide Bank, which refinanced the previous Westpac debt facility and is secured over the investment property located at Ballina, NSW and the Group's inventory assets. The facility matures in December 2012 and will allow continuing development at Ballina and facilitate development of the Group's other inventory assets.

Aspen uses interest rate swaps to hedge its exposure to interest rate risks and at 31 December 2009, 58% of the senior debt facility was hedged with a weighted average maturity of 2.71 years.

Terms and debt repayment schedule

The terms and conditions of outstanding loans were as follows:

Consolidated

	Currency	Maturity	Face value at Dec 2009 \$ '000	Carrying amount at Dec 2009 \$ '000	Face value at Jun 2009 \$ '000	Carrying amount at Jun 2009 \$ '000
Secured bank loan ⁽¹⁾	AUD	Dec 2013	21,000	21,000	22,500	22,500
Secured bank loan	AUD	Feb 2012	190,000	190,000	162,000	162,000
Secured bank loan	AUD	Dec 2009	-	-	7,026	7,026
Secured bank loan	AUD	Dec 2012	6,711	6,711	-	-
Hire Purchase liability	AUD	Oct 2009	-	-	11	11
			217,711	217,711	191,537	191,537

⁽¹⁾ Amortised at \$250,000 per month.

	31 December 2009 (\$'000)	30 June 2009 (\$'000)
Financing facilities		
Secured bank loans	254,500	227,526
Facilities utilised at reporting date		
Secured bank loans	217,711	191,526
Facilities not utilised at reporting date		
Secured bank loans	36,789	36,000

Condensed Notes to the Interim Financial Statements

12. Issued Capital

	31 December 2009 (\$'000)	30 June 2009 (\$'000)
Issued capital	408,397	408,397
	No. '000	(\$'000)
Movements in ordinary units on issue		
At 1 July 2009	579,980	408,397
Less: issue costs	-	-
Securities on issue at 31 December 2009 ⁽¹⁾	579,980	408,397

⁽¹⁾ Included in this balance are 23.1 million securities issued under the Employee Stapled Security Incentive Plan and Executive Director's Long Term Incentive Plan. Their securities are treated as options under AASB 2.

13. Investments in equity accounted investees

The consolidated entity accounts for investments in associates using the equity method. The consolidated entity has the following investments in associates using the equity method:

	Principal activities	Ownership		Share of associate's net assets equity accounted	
		31 Dec 2009	30 Jun 2009	31 Dec 2009	30 Jun 2009
Aspen Parks Property Fund	Tourist park investment	13.8%	16.7%	14,997	15,517
Aspen Diversified Property Fund	Commercial property investment	35.8%	35.8%	13,655	5,118
Aspen Dunsborough Lakes Limited	Residential property development	44.2%	20.0%	4,378	783
Aspen Whitsunday Shores Pty Ltd	Residential property development	42.6%	25.0%	1,884	91
Fern Bay Seaside Village Ltd	Residential property development	45.4%	45.4%	7,781	7,441
St Leonard's Estate Pty Ltd	Residential property development	13.4%	9.6%	3,570	1,846
Aspen Development Fund No 1 Ltd	Diversified property development	48.1%	42.5%	43,257	28,998
				89,522	59,794

The share of associate's net profit accounted for using the equity method is as follows:

	31 December 2009 (\$'000)	31 December 2008 (\$'000)
Consolidated		
Share of associate profit before income tax	1,413	492
Share of income tax expense	(112)	(1,252)
Share of associate profit after income tax	1,301	(760)
Impairment of equity accounted investments	-	(27,564)
Share of associates net profit accounted for using the equity method	1,301	(28,324)

Condensed Notes to the Interim Financial Statements

13. Investments in equity accounted investees (continued)

The carrying value of investments in equity accounted investees was reviewed during the half-year ending 31 December 2009. Each investment was treated as a separate cash generating unit and the value-in-use method was used to determine the appropriate impairment. Value-in-use was calculated using independent valuations for properties within the associate investments using the fair value principles set out in the accounting policies in the 30 June 2009 financial report, and on the basis that financing requirements will be met to enable the projects to be maintained or completed in accordance with the underlying valuation assumptions.

The result of the review is that no change to the carrying value of investments in equity accounted associates was required during the half year ended 31 December 2009 (impairment of \$27.6m in 2008).

Loans to associates

The loan portfolio of \$77.2 million consists of loans to Aspen Group's funds management entities. A detailed review was performed on the recoverability of all loans to associates. Subsequent to the carrying value assessments at each syndicate level as noted above, all associates were in net asset positions and therefore any loans outstanding are considered fully recoverable at period end. The following at call loans are from the Group and are outstanding at 31 December 2009. These loans have been classified \$7.2 million as current and \$70.0 million as non-current (\$20.3 million current and \$67.7 million non-current at 30 June 2009).

	31 December 2009 (\$'000)	30 June 2009 (\$'000)
Aspen Parks Property Fund	5,418	20,287
Aspen Diversified Property Fund	21,192	29,722
Aspen Dunsborough Lakes Ltd	16,058	9,746
Aspen Whitsunday Shores Pty Ltd	11,673	11,469
Fern Bay Seaside Village Ltd	8,402	8,127
St Leonards Estate Pty Ltd	3,153	3,798
Aspen Development Fund No.1 Ltd	11,334	4,906
	77,230	88,055

14. Related party transactions

Arrangements with related parties continue to be in place. For details of these arrangements, refer to the Financial Report for the year ended 30 June 2009.

15. Financial risk management

The Group's financial risk management objectives and policies are consistent with that disclosed in the financial report as at and for the year ended 30 June 2009.