

Commonwealth Cash Management Trust

Financial Report

Year ended 30 June 2011



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COMMONWEALTH CASH MANAGEMENT TRUST

ARSN

089 453 449

**FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2011**

Responsible Entity of the Fund:

**COLONIAL FIRST STATE
INVESTMENTS LIMITED**

ABN 98 002 348 352

Ground Floor Tower 1, Sussex Street
SYDNEY NSW 2000

COMMONWEALTH CASH MANAGEMENT TRUST

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COMMONWEALTH CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2011

The Directors of Colonial First State Investments Limited, the Responsible Entity of the Commonwealth Cash Management Trust ("the Fund"), present their report together with the financial report of the Fund for the period from 1 July 2010 to 30 June 2011.

Termination of the Fund

The board of Directors of the Responsible Entity have approved the termination of the Fund on 12 May 2011 in accordance with the provisions of the Constitution.

As at the 30 June 2011, the Responsible Entity was in the process of:

- (i) realising all the assets of the Fund;
- (ii) finalising a set of accounts and calculated the distributable income of the Fund;
- (iii) distributing to the unitholders the net income of the Fund; and
- (iv) redeeming the units held by the unitholders in accordance with the provisions of the Constitution.

Principal Activities of the Fund

Prior to the termination of the Fund, the principal activities were to invest in accordance with the investment objectives and guidelines as set out in the Product Disclosure Statement and in accordance with the provisions of the Funds' Constitutions. Following the Fund's termination, the Responsible Entity as at 30 June 2011 was in the process of realising the assets in the Fund and returning to unitholders the net proceeds to reduce the remaining capital.

Significant Changes in the State of Affairs

With the exception of the termination of the Fund, there were no other significant changes in the nature of the Fund's activities during the period.

Date of Constitution and Registration of Fund

The dates of the Constitution and registration of the Fund with the Australian Securities & Investments Commission (ASIC) were 24 May 1988 and 7 October 1999 respectively.

Review of Operations

Income

The income distributions per unit for the Fund for the period ended 30 June 2011 and 30 June 2010 are shown in Note 4 to the financial statements.

Unit price

The unit price of the Fund is \$1.00 (2010 - \$1.00) and interest was calculated and accrued daily.

Performance

No performance figures are quoted for the period ending 30 June 2011, as the Fund is in the process of being terminated. The Fund's performance for the period ending 30 June 2010 was a return of 3.49%. This return is based on the assumption that all distributions of income have been reinvested in additional units in the Fund, is net of Responsible Entity fees, ongoing expenses and no allowance has been made for income tax.

COMMONWEALTH CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2011

Review of Operations (continued)

Management Costs and Indirect Cost Ratio (ICR)

The Indirect Cost Ratio is the ratio of the Fund's management costs over the Fund's average net assets attributable to unitholders for the period, expressed as a percentage.

Management cost include management fees other expenses or reimbursements deducted in relation to the Fund, but do not include transactional and operational costs such as brokerage. Management costs are not paid directly by the unitholders of the Fund.

The annualised ICR of the Fund for the period ended 30 June 2011 is 1.02% (for the period ended 30 June 2010: 1.00%).

Responsible Entity and Directors

The Responsible Entity of the Fund is Colonial First State Investments Limited. The ultimate holding company is the Commonwealth Bank of Australia (ABN 48 123 123 124).

The Directors of the Responsible Entity in office during the period and up to the date of the report are:

Grahame Anthony Petersen

Lynette Elizabeth Cobley

Brian Vincent Bissaker

Michael John Venter

Appointed on 4 July 2011.

Peter Robert Winney

Bradley Brian Massey

Gregg Johnston

Resigned on 4 July 2011.

The Responsible Entity is incorporated and domiciled in Australia and has its registered office at Ground Floor Tower 1, 201 Sussex Street, Sydney, New South Wales, 2000.

Scheme Information

The Fund is a registered managed investment scheme domiciled in Australia and has its principal place of business at Level 29, 52 Martin Place, Sydney, New South Wales, 2000.

Matters Subsequent to the End of the Financial Period

The final capital repayment and interest entitlement was paid to unitholders on the 15 August 2011, following the realisation of all its investments.

Likely Developments and Expected Results of Operations

A final Financial Report will be prepared and lodged with ASIC when the termination process is substantially complete.

Interests in the Fund

The units issued and redeemed in the Fund during the period and the number of units on issue at the end of the financial period are set out in Note 6(a) to the financial statements. The value of the Fund's assets at the end of the financial period is set out in the Balance Sheet.

COMMONWEALTH CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2011

Indemnification and Insurance Premiums for Officers and auditors

No insurance premiums are paid for out of the assets of the Fund in relation to insurance cover provided to Colonial First State Investments Limited or the auditors of the Fund. So long as the officers of Colonial First State Investments Limited act in accordance with the Constitution and the Corporations Act 2001, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund. The auditors of the Fund are in no way indemnified out of the assets of the Fund.

The Commonwealth Bank of Australia has paid insurance premiums for the benefit of the officers of the Responsible Entity and the Compliance Committee members. Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the insurance contracts.

Fees Paid to and Interest Held in the Fund By the Responsible Entity or its Associates

Fees paid or payable to the Responsible Entity and its associates out of the Fund's assets during the period are disclosed in the Statement of Comprehensive Income and Balance Sheet.

No fees were paid to the Directors of the Responsible Entity during the period out of the Fund's assets.

The interests in the Fund held by the Responsible Entity or its associates at the end of the financial period are disclosed in Note 8(e) to the financial statements.

Environmental Regulation

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

Unit Pricing Adjustments Policy

There are a number of factors used to calculate unit prices. The key factors include asset valuations, liabilities, debtors, the number of units on issue and where relevant, transaction costs. When the factors used to calculate the unit price are incorrect an adjustment to the unit price may be required. The Responsible Entity uses a variance of 0.05% in the unit price before correcting the unit price.

If a unit pricing error is greater than these tolerance levels the Responsible Entity will:

- compensate unitholders' accounts balance if they have transacted on the incorrect unit price or make other adjustments as the Responsible Entity may consider appropriate, or
- where unitholders' accounts are closed we will send them a payment if the amount of the adjustment is more than \$20

These tolerance levels are consistent with regulatory practice guidelines and industry standards. In some cases we may compensate where the unit pricing error is less than the tolerance levels.

COMMONWEALTH CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2011

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 the following page.

Signed in accordance with a resolution of the Directors of Colonial First State Investments Limited.

A handwritten signature in black ink, appearing to read 'Bradley Massey', written in a cursive style.

Bradley Brian Massey
Director
Sydney
30 August 2011

Auditor's Independence Declaration

As lead auditor for the audit of Commonwealth Cash Management Trust for the period ended 30 June 2011, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Commonwealth Cash Management Trust during the period.



A J Wilson
Partner
PricewaterhouseCoopers

Sydney
30 August 2011

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COMMONWEALTH CASH MANAGEMENT TRUST

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2011

	Note	01/07/2010 - 30/06/2011 \$	01/07/2009 - 30/06/2010 \$
Investment income			
Interest income	3	64,784,010	70,689,953
Changes in fair value of financial instruments held for trading		4,049,030	2,985,893
Other income		133,265	432
Total investment income		68,966,305	73,676,278
Expenses			
Responsible Entity's management fees		12,135,885	16,332,383
Custody fees		-	4,441
Other expenses		14,840	23,903
Total operating expenses		12,150,725	16,360,727
Operating profit attributable to unitholders		56,815,580	57,315,551
Distributions to unitholders	4	(55,493,930)	(55,181,626)
Change in net assets attributable to unitholders from operations	6(a)	(1,321,650)	(2,133,925)
Profit/(Loss) for the period		-	-
Other comprehensive income for the period		-	-
Total comprehensive income for the period		-	-

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

COMMONWEALTH CASH MANAGEMENT TRUST

BALANCE SHEET AS AT 30 JUNE 2011

	Note	30/06/2011 \$	30/06/2010 \$
Assets			
Cash and cash equivalents		31,093,306	21,861,289
Trade and other receivables:			
- outstanding sales		-	4,008,195
- interest		82,338	84,663
- applications		1,376,053	1,272,253
- others		283,124	437,298
Financial assets held for trading	5	881,254,953	1,345,028,034
Total assets		914,089,774	1,372,691,732
Liabilities			
Distribution payables		11,592,343	13,877,905
Redemption payables		5,721,297	3,083,854
Other creditors		-	359,954
Fees due to Responsible Entity		878,094	1,218,741
Total liabilities (excluding net assets attributable to unitholders)		18,191,734	18,540,454
Net assets attributable to unitholders - liability	6(a)	895,898,040	1,354,151,278
Represented by:			
Fair value of outstanding units based on redemption value		895,477,336	1,355,173,285
Adjustments arising from different unit pricing and AIFRS valuation principles		(11,717)	(616,947)
Under or over distributions		437,927	(405,062)
Period end accruals		(5,506)	2
Net assets attributable to unitholders		895,898,040	1,354,151,278

The above Balance Sheet should be read in conjunction with the accompanying notes.

COMMONWEALTH CASH MANAGEMENT TRUST

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2011

	01/07/2010 - 30/06/2011 \$	01/07/2009 - 30/06/2010 \$
Total equity at the beginning of the financial period	-	-
Profit or loss for the period	-	-
Other comprehensive income	-	-
Total comprehensive income for the financial period	-	-
Transactions with equity holders in their capacity as equity holders	-	-
Total equity at the end of the financial period	-	-

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

The above Statement of Changes in Equity should be read in conjunction with Note 6(a).

COMMONWEALTH CASH MANAGEMENT TRUST

CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2011

	Note	01/07/2010 - 30/06/2011	01/07/2009 - 30/06/2010
		\$	\$
Cash flows from operating activities			
Proceeds from sale of financial instruments held for trading		6,865,221,915	8,216,431,896
Payments for purchase of financial instruments held for trading		(6,396,111,812)	(7,689,999,215)
Interest received		67,146,584	77,346,131
Other income received		133,265	432
Responsible Entity fee paid		(12,322,358)	(16,441,693)
Interest paid		-	-
Other expenses paid		(14,517)	(55,837)
Payments for brokerage costs		-	(4,441)
Net cash from operating activities	7(a)	524,053,077	587,277,273
Cash flows from financing activities			
Receipts from issue of units		287,708,708	426,394,597
Payment for redemption of units		(788,233,619)	(1,012,304,883)
Return of Capital		(6,702,231)	-
Distributions paid		(7,593,918)	(1,385,154)
Net cash used in financing activities		(514,821,060)	(587,295,440)
Net movement in cash and cash equivalents		9,232,017	(18,167)
Add opening cash and cash equivalents brought forward		21,861,289	21,879,456
Closing cash and cash equivalents carried forward		31,093,306	21,861,289

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the Fund's Constitution and the requirements of the Corporations Act 2001, which includes Accounting Standards. Other mandatory professional reporting requirements have also been complied with.

The financial statements for the period ended 30 June 2011, have not been prepared on a going concern basis, but instead prepared on a liquidation basis. As at the 30 June 2011, the Fund is in the process of termination.

The financial report is prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The Balance Sheet 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 settled within twelve months, except for financial assets held for trading and net assets attributable to unitholders. The amounts expected to be recovered or settled after more than twelve months in relation to these balances cannot be reliably determined, except as otherwise stated.

The financial report was authorised for issue by the Directors of the Responsible Entity on 26 August 2011.

Both the functional and presentation currency of the Fund is Australian dollars.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

(c) Investments in Financial Assets and Liabilities Held for Trading

Classification

The Fund's investments are classified as held for trading and initially recognised at fair value not including transaction costs, which are expensed in the Statement of Comprehensive Income.

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.

The derecognition of a financial instrument takes place when the Fund no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Investments in Financial Assets and Liabilities Held for Trading (continued)

Measurement

After initial recognition, the financial assets held for trading are revalued to fair value at each reporting date.

For financial assets held for trading that are actively traded in organised financial markets, fair value is determined by reference to Exchange quoted market bid prices at the close of business on the balance date.

For investments where there is no quoted market price, please refer to Note 5 for the various methods adopted in determining the fair value of these financial instruments.

Gains or losses on investments held for trading are recognised in the Statement of Comprehensive Income. Investments of the Fund which are considered to be held for trading are fixed interest and money market securities.

(d) Investment Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. The following specific recognition criteria must also be met before income is recognised:

Interest income

Income is recognised as the interest accrues (using the effective interest rate method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Changes in fair value of financial assets held for trading

Gains or losses on investments held for trading are calculated as the difference between the fair value at sale, or at period end, and the fair value at the previous valuation point. This includes both realised and unrealised gains and losses.

(e) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprises cash at bank, deposits at call in a futures and/or options cash account and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents are as defined above, net of outstanding bank overdrafts.

(f) Trade and Other Receivables

Receivables are recognised and carried at the original invoice amount, less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of an amount is no longer probable. Bad debts are written off when identified.

Amounts are generally received within 30 days of being recorded as receivables.

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Trade and Other Payables

Liabilities for creditors are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Fund.

Payables include outstanding settlements on the purchase of financial assets and liabilities held for trading and distributions payable. The carrying period is dictated by market conditions and is generally less than 30 days.

(h) Taxation

Under current legislation, the Fund is not subject to income tax provided the unitholders are presently entitled to the income of the Fund and the Fund fully distributes their taxable income.

(i) Distributions

In accordance with the Fund's Constitution, the Fund fully distributes its distributable income to unitholders. Distributions are payable at the end of each quarter. Such distributions are determined by reference to the taxable income of the Fund. Distributable income includes capital gains arising from the disposal of financial assets and liabilities held for trading. Unrealised gains and losses on financial assets and liabilities held for trading that are recognised as income are transferred to net assets attributable to unitholders and are not assessable and distributable until realised. Capital losses are not distributed to unitholders but are retained to be offset against any realised capital gains.

(j) Net Assets Attributable to Unitholders

Units are redeemable at the unitholders' option and are classified as financial liabilities as the fund is required to distribute its taxable income. The units can be put back to the Fund at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the end of the reporting period if unitholders exercised their right to redeem units in the Fund.

(k) Unit Prices

Unit prices are determined in accordance with the Fund's Constitution and are calculated as the net assets attributable to unitholders, divided by the number of units on issue. Financial assets and liabilities held for trading for unit pricing purposes are valued on a "last sale" price basis.

(l) Terms and Conditions on Units

Upon the termination of the Fund, the issue, switching and redemption of units ceased.

Each unit issued confers upon the unitholders an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund.

Following termination, under the Constitution of the Fund, the Responsible Entity will realise all assets of the Fund and distribute the net proceeds among unitholders pro rata to the number of units held on the termination date. The Responsible Entity may make partial distributions of the Fund proceeds during the winding up period. Each unitholder will also continue to be entitled to their proportionate share of distributable income during this period.

The rights, obligations and restrictions attached to each unit are identical in all respects.

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Goods and Services Tax (GST)

Income, expenses and assets, with the exception of receivables and payables, are recognised net of the amount of GST to the extent that the GST is recoverable from the taxation authority. Where GST is not recoverable, it is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated inclusive of GST.

Reduced input tax credits (RITC) recoverable by the Fund from the Australian Taxation Office are recognised as receivables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST component of cash flows, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(n) Expense Recognition

Expenses are recognised in the Statement of Comprehensive Income when the Fund has a present obligation (legal or constructive) as a result of a past event that can be reliably measured. Expenses are recognised in the Statement of Comprehensive Income if expenditure does not produce future economic benefits that qualify for recognition in the Balance Sheet.

(o) Use of estimates

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial period. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Certain financial instruments, for example, over-the-counter derivatives or unquoted securities are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them. Pricing models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

Pricing models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) New Application of Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2011 reporting periods. The impact of these new standards and interpretations is set out below:

- AASB 9 *Financial Instruments* and AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* (effective from 1 January 2013)

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013 but is available for early adoption. AASB 9 permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not traded such as available-for-sale investments. The Fund will adopt AASB 9 from 1 January 2013. Management does not expect this will have a significant impact on the Fund's financial statements as the Fund does not hold any available-for-sale investments.

- Revised AASB 124 *Related Party Disclosures* and AASB 2009-12 *Amendments to Australian Accounting Standards* (effective from 1 January 2011)

In December 2009, the AASB issued a revised AASB 124 *Related Party Disclosures*. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively. The amendment clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The Fund will apply the amended standard from 1 July 2011. The amendments will not have any effect on the Fund's financial statements.

- AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets* (effective for annual reporting periods beginning on or after 1 July 2011)

In November 2010, the AASB issued AASB 2010-6 *Disclosures on Transfers of Financial Assets* which amends AASB 1 *First-time Adoption of Australian Accounting Standards* and AASB 7 *Financial Instruments: Disclosures* to introduce additional disclosures in respect of risk exposures arising from transferred financial assets. The amendments will affect particularly entities that sell, factor, securitise, lend or otherwise transfer financial assets to other parties. The amendments will not have any impact on the Funds' disclosures. The Fund intends to apply the amendment from 1 July 2011.

- Amendments to AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (effective for annual reporting periods beginning on or after 1 July 2010 / 1 January 2011)

In June 2010, the AASB made a number of amendments to Australian Accounting Standards as a result of the IASB's annual improvements project. Management does not expect that any adjustments will be necessary as a result of applying the revised rules.

(r) Comparatives

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures and presentation in the current period.

2. AUDITORS' REMUNERATION

Auditors' remuneration in respect of auditing the financial reports is fully paid by the Responsible Entity.

Other services provided by the auditors are the audit of the compliance plan of the Fund and tax compliance services. The auditors' non-audit remuneration is not paid by the Fund.

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

3. INTEREST INCOME

The interest income of the Fund is summarised as follows:

	01/07/2010 - 30/06/2011 \$	01/07/2009 - 30/06/2010 \$
Cash and cash equivalents	604,896	862,081
Financial assets held for trading	64,179,114	69,827,872
Total Interest Income	64,784,010	70,689,953

4. DISTRIBUTIONS TO UNITHOLDERS

The Responsible Entity adopts the policy of distributing as a minimum the net income for tax purposes. The amounts shown as "Distribution payable" in the Balance Sheets represents the component of the final distribution for the period which had not been paid at balance date.

The Fund calculates and accrues income on a daily basis on account balances. Income is then distributed at the end of each quarter as follows:

Period ended:	01/07/2010 - 30/06/2011		01/07/2009 - 30/06/2010	
	Annualised Rate	\$	Annualised Rate	\$
- 30 September	4.37%	15,173,314	2.66%	12,408,208
- 31 December	4.42%	14,479,598	3.03%	13,014,800
- 31 March	4.50%	13,554,102	3.94%	15,134,906
- 30 June	5.05%	12,286,916	4.08%	14,623,712
Distributions to unitholders		55,493,930		55,181,626

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

5. FINANCIAL ASSETS HELD FOR TRADING INCLUDING HIERARCHY

The financial assets held for trading of the Fund are tabled below. These are further classified using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements of fair value of these assets and liabilities.

The level in which instruments are classified in the hierarchy is based on the lowest level input that is significant to the fair value measurement in its entirety. Assessment of the significance of an input requires judgement after considering factors specific to the instrument.

The fair value of financial instruments traded in active markets (such as shares in listed companies and publicly traded derivatives) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Fund is the last sale price. These instruments are included in Level 1. Investments in unlisted managed investment schemes which have daily liquidity are also classified as Level 1.

The fair value of financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices or alternative pricing sources supported by observable inputs (such as over-the-counter derivatives) are classified within Level 2.

Investments classified within Level 3 have significant unobservable inputs, as they are infrequently traded. Level 3 instruments include shares in unlisted companies, certain unlisted unit trusts and certain corporate bonds. As observable inputs are not available for these instruments, valuation techniques such as discounted cash flows are used to derive fair value.

The various methods adopted in determining the fair value of the Fund's financial instruments are further explained in Note 1.

The tables below present the Fund's financial instruments recorded at fair value according to the fair value hierarchy.

Financial Assets Held for Trading:	30/06/2011			
	Total	Level 1	Level 2	Level 3
	\$	\$	\$	\$
Money Market Securities - Australian Money Market	881,254,953	-	881,254,953	-
Total Assets Held for Trading	881,254,953	-	881,254,953	-

Financial Assets Held for Trading:	30/06/2010			
	Total	Level 1	Level 2	Level 3
	\$	\$	\$	\$
Money Market Securities - Australian Money Market	1,345,028,034	-	1,345,028,034	-
Total Assets Held for Trading	1,345,028,034	-	1,345,028,034	-

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

6. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The terms and conditions attached to units in the Fund can be found in Note 1 (I).

(a) Movements in number of units and net assets attributable to unitholders during the period were as follows:

	01/07/2010 - 30/06/2011		01/07/2009 - 30/06/2010	
	No.	\$	No.	\$
Opening balance	1,355,083,273	1,354,151,278	1,888,356,349	1,885,286,503
Applications	287,812,688	287,812,688	425,484,827	424,061,618
Redemptions	(797,737,672)	(797,573,473)	(1,011,206,329)	(1,009,779,194)
Units issued upon reinvestment of distributions	50,185,897	50,185,897	52,448,426	52,448,426
Change in net assets attributable to unitholders from operations		1,321,650	-	2,133,925
Closing Balance	895,344,186	895,898,040	1,355,083,273	1,354,151,278

(b) Capital Risk Management

The Fund managed its net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. Prior to the termination of the Fund, the amount of net assets attributable to unitholders could change significantly on a daily basis as the Fund was subject to daily applications and redemptions at the discretion of unitholders.

As at the date of this report, the final capital repayment has been made to unitholders. The Fund is no longer subject to capital risk.

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

7. CASH AND CASH EQUIVALENTS

(a) Reconciliation of net loss attributable to unitholders to net cash from operating activities

	01/07/2010 - 30/06/2011 \$	01/07/2009 - 30/06/2010 \$
Net loss attributable to unitholders	56,815,580	57,315,551
Proceeds from sale of financial instruments held for trading	6,865,221,915	8,216,431,896
Payments for purchase of financial instruments held for trading	(6,396,111,812)	(7,689,999,215)
Changes in fair value of financial instruments held for trading	(4,049,030)	(2,985,893)
Net foreign exchange loss	-	-
Changes in assets and liabilities:		
Outstanding sales settlements	-	-
Dividends receivable	-	-
Interest receivable	2,722,528	6,656,178
Other receivables	154,174	363,640
Other payables	(359,631)	(31,934)
Responsible Entity fees	(340,647)	(472,950)
Net Cash Used In Operating Activities	524,053,077	587,277,273

(b) Non-cash financing activities carried out during the period on normal commercial terms and conditions included:

Reinvestment of unitholders distributions as disclosed in Statement of Changes in Net Asset Attributable to Unitholders and Note 6(a) under "Units issued upon reinvestment of distributions".

(c) Terms and Conditions on Cash

Cash at bank and cash equivalents earn interest at a floating rate as determined by the financial institutions.

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

8. RELATED PARTIES DISCLOSURES

(a) Responsible Entity

The Responsible Entity of the Fund is Colonial First State Investments Limited. The ultimate holding company is the Commonwealth Bank of Australia (the Bank).

The Responsible Entity is incorporated and domiciled in Australia and has its registered office at Ground Floor Tower 1, 201 Sussex Street, Sydney, New South Wales, 2000.

(b) Details of Key Management Personnel

(i) Key Management Personnel

The Directors of Colonial First State Investments Limited are considered to be Key Management Personnel. The Directors of the Responsible Entity in office during the period and up to the date of the report are:

Grahame Anthony Petersen

Lynette Elizabeth Cobley

Brian Vincent Bissaker

Michael John Venter

Appointed on 4 July 2011.

Peter Robert Winney

Bradley Brian Massey

Gregg Johnston

Resigned on 4 July 2011.

(ii) Compensation of Key Management Personnel

No amounts are paid by the Fund directly to the Directors of the Responsible Entity of the Fund.

The Directors of the Responsible Entity receive compensation in their capacity as Directors of the Responsible Entity. Directors are employed as executives of the Commonwealth Bank of Australia, and in that capacity, part of their role is to act as a Director of the Responsible Entity. Consequently, no compensation as defined in AASB 124: Related Parties is paid by the Fund to the Directors as Key Management Personnel.

(c) Responsible Entity's Management and Performance Fees

Under the terms of the Constitution, the Responsible Entity is entitled to receive monthly management fees which are expressed as a percentage of the total assets of each Fund (i.e. excluding liabilities). Management fees are paid directly by the Fund.

The management fees rate charged for the period are as follows:

	2011 Management Fees %	2010 Management Fees %
Management fees rate charged for the period	1.00	1.00

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

8. RELATED PARTIES DISCLOSURES (continued)

(d) Bank and Deposit Accounts

The bank accounts and 11am deposit accounts for the Fund may be held with the Commonwealth Bank of Australia. Fees and expenses are negotiated on an arm's length basis. Various short term money market, fixed interest securities and foreign currency transactions are from time to time transacted through the Commonwealth Bank of Australia which receives a fee which is negotiated on an arm's length basis.

(e) Investing Activities

The Fund had fixed interest securities with the Bank and its related parties:

Counterparty	Market Value
	\$'000
Commonwealth Bank of Australia	
- 2011	171,854,376
- 2010	305,432,674

(f) Custody fees

The Responsible Entity is responsible for paying the custody fees on behalf of the Fund. The amount paid is based on the overall arrangement in place with the custodian. The Responsible Entity recharges the custody fees to the Fund.

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

9. SEGMENT REPORTING

The Fund operates in one business segment, being investment management. The Fund also operates from one geographic location being Australia, from where its investing activities are managed. Income is derived from interest, gains on the sale of investments, and unrealised changes in the value of investments.

10. FINANCIAL RISK MANAGEMENT

Prior to the Fund's final capital repayment, its activities exposed it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk.

The Fund's overall risk management programme focused on ensuring compliance with the Fund's Information Memorandum and sought to maximise the returns derived for the level of risk to which the Fund is exposed. Financial risk management is carried out by the investment management department (Investment Manager) and regularly monitored by the Compliance Department of the Responsible Entity.

The Fund uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and ratings analysis for credit risk.

(a) Market Risk

(i) Price risk

The Fund's financial assets were either directly or indirectly exposed to price risk. This arose from investments held by the Fund for which prices in the future were uncertain. They are classified on the balance sheet at fair value through profit or loss. All securities investments presented a risk of loss of capital.

Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates. Paragraph (ii) below sets out how this component of price risk is managed and measured.

The table in Note 10 (b) summarises the impact of an increase/decrease of the Australian and global indexes on the Fund's net assets attributable to unitholders at 30 June 2011 and 30 June 2010. The analysis is based on the assumptions that the relevant indexes increased or decreased as tabled in Note 10 (b) with all other variables held constant and that the fair value of the Fund which has indirect exposures to money market and fixed income moved according to the historical correlation with the indexes.

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

10. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Interest rate risk

The Fund's investments in interest bearing financial assets were exposed to the risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Fund was exposed to cash flow interest rate risk on financial instruments at variable rates. Financial instruments at fixed rates exposed the Fund to fair value interest rate risk. The risk is measured using sensitivity analysis.

The table below summarises the Fund's exposure to interest rate risks. It includes the Fund's assets and liabilities at fair values.

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
30/06/2011	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	31,093,306	-	-	31,093,306
Receivables	-	-	1,741,515	1,741,515
Financial assets held for trading	-	881,254,953	-	881,254,953
Financial liabilities				
Payables	-	-	(18,191,734)	(18,191,734)
Net exposure	31,093,306	881,254,953	(16,450,219)	895,898,040

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
30/06/2010	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	21,861,289	-	-	21,861,289
Receivables	-	-	5,802,409	5,802,409
Financial assets held for trading	183,107,946	1,161,920,088	-	1,345,028,034
Financial liabilities				
Payables	-	-	(18,540,454)	(18,540,454)
Net exposure	204,969,235	1,161,920,088	(12,738,045)	1,354,151,278

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

10. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis

The following table summarises the sensitivity of the Fund's operating profit or loss and net assets attributable to unitholders to interest rate risk, foreign exchange risk and other price risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and foreign exchange rates, historical correlation of the Fund's investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of and/or correlation between the performance of the economies, markets and securities in which the Fund invests. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

30/06/2011	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/(loss) and net assets attributable to unitholders					
	-60 basis points	+60 basis points	-10.10%	10.10%	0.00%	0.00%
	\$	\$	\$	\$	\$	\$
	(5,474,090)	5,474,090	(617,573)	617,573	-	-
	-60 basis points	+60 basis points	-10.60%	10.60%	0.00%	0.00%
30/06/2010	\$	\$	\$	\$	\$	\$
	(8,201,336)	8,201,336	(424,869)	424,869	-	-

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

10. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

Credit risk primarily arose from investments in debt securities. Other credit risk arose from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers.

The Fund invested into debt securities which have an investment grade as rated by the Standard & Poor's rating agency. For unrated assets a rating is assigned by the Investment Manager using an approach that is consistent with the approach used by rating agencies.

The Compliance Department of the Responsible Entity regularly monitors the credit risks that arise from holding these securities.

Credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers.

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of AA or higher (as determined by the Standard and Poor's or equivalent agency).

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. An analysis of debt securities by rating is set out in the table below.

	30/06/2011 \$	30/06/2010 \$
Rating		
AAA	876,262,443	106,111,652
AA+	-	-
AA	-	1,029,836,341
AA-	-	76,996,294
A+	4,992,510	-
A	-	31,949,651
A-	-	-
Others	-	100,134,096
Non rated	-	-
Total	881,254,953	1,345,028,034

COMMONWEALTH CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

10. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk

Prior to the Fund's final capital repayment to unitholders, the Fund was exposed to daily cash redemptions of redeemable units. It primarily held investments that are traded in an active market and could be readily disposed.

The Fund's financial liabilities comprise trade and other payables and are contractually due within 30 days.

(e) Fair Value Estimation

The carrying amounts of the Trust's assets and liabilities at the balance sheet date approximate their fair values.

Refer to Note 1 for the methods and assumptions adopted in determining fair values for investments.

12. CONTINGENT LIABILITIES AND COMMITMENTS

As at 30 June 2011 the Fund has no contingent liabilities and commitments (2010- none).

13. EVENTS AFTER BALANCE SHEET DATE

The final capital repayment and interest entitlement was paid to unitholders on the 15 August 2011, following the realisation of all its investments. Since the reporting date no other significant events have occurred that required reporting (2010 - none).

With the exception of the above no other significant events have occurred that required reporting (2010 - none).

COMMONWEALTH CASH MANAGEMENT TRUST

DIRECTORS' DECLARATION FOR THE PERIOD ENDED 30 JUNE 2011

In accordance with a resolution of the Directors of Colonial First State Investments Limited, I state that:

In the opinion of the Directors:

- a) the financial statements and notes to the financial statements of the Commonwealth Cash Management Trust ("the Fund") are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the Fund's financial positions as at 30 June 2011 and of its performances for the period ended on that date; and
 - ii) complying with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- 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; and

Note 1(b) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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



Bradley Brian Massey
Director
Sydney
30 August 2011

Independent auditor's report to the unitholders of Commonwealth Cash Management Trust

Report on the financial report

We have audited the accompanying financial report of Commonwealth Cash Management Trust (the Trust), which comprises the balance sheet as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the period ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the Colonial First State Investments Limited (the Responsible Entity) are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

PricewaterhouseCoopers, ABN 52 780 433 757

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Independent auditor's report to the unitholders of Commonwealth Cash Management Trust (continued)

Independence

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

We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Colonial First State Investments Limited on 30 August 2011, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's opinion

In our opinion:

- (a) the financial report of Commonwealth Cash Management Trust is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Trust's financial position as at 30 June 2011 and of its performance for the period ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the Trust's financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matter

Without qualifying our opinion, we draw your attention to the Director's Report (page 1 of the financial report) and to Note 1 of the financial report which states that the Trust was terminated on 12 May 2011 in accordance with the provisions of the Trust's constitution.

Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report of Commonwealth Cash Management Trust for the period ended 30 June 2011 included on the Colonial First State Investments Limited web site. The Responsible Entity's directors are responsible for the integrity of the Colonial First State Investments Limited web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

PricewaterhouseCoopers

A J Wilson
Partner

Sydney
02 September 2011

13 2015

8.30 am–6 pm (Sydney time)

Monday to Friday

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