

2020

ANNUAL FINANCIAL REPORT

Cash Management Trust

Investments

Colonial First State Investments Limited
ABN 98 002 348 352
AFS Licence 232468



Your Annual Financial Report

I am pleased to present the report for the financial year ended 30 June 2020 for the Colonial First State Cash Management Trust.

This statement is the final component of the reporting information for the 2019–2020 financial year.

If you have any questions about the Annual Financial Report please call Investor Services on 13 13 36 Monday to Friday, 8am to 7pm, Sydney time.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. Venter', with a large, stylized loop at the end.

Michael Venter
Chief Operating Officer
Colonial First State

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

ARSN : 087 562 963

FINAL FINANCIAL REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

Responsible Entity of the Fund

COLONIAL FIRST STATE INVESTMENTS LIMITED

ABN: 98 002 348 352

Ground Floor Tower 1, 201 Sussex Street
SYDNEY NSW 2000

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

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COLONIAL FIRST STATE CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

The Directors of Colonial First State Investments Limited, the Responsible Entity of the Fund as stated above, present their report together with the Financial Report of the Fund for the reporting period as stated below.

Reporting Period

The current reporting period for the financial report is from 1 July 2019 to 30 June 2020. The comparative reporting period is from 1 July 2018 to 30 June 2019.

Date of Constitution and Date of Registration of the Fund

The date of Constitution and Registration of the Fund with the Australian Securities & Investment Commission (ASIC) are as follows:

Date of Constitution	11/05/1999
Date of Registration	9/06/1999

Termination of the Fund

The Board of Directors of the Responsible Entity approved the termination of the Fund on 11 July 2019 in accordance with the provisions of the Constitution.

The Responsible Entity has realised all the assets of the Fund and a final capital repayment has been made to the unitholders.

As at 30 June 2020 the Fund has ceased operation and a final capital repayment has been paid to the unitholder.

This is the final Financial Report for the Fund.

Comparatives

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

Review of Operations

Income

The result of the operation for the Fund for the current and previous reporting periods are tabled below:

	Period ended 30/06/2020 \$	Period ended 30/06/2019 \$
Operating profit/(loss) attributable to unitholders	60,109	722,221

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

Review of Operations (continued)

Distribution to unitholders

The total amount distributed to unitholders for the current and previous reporting period are as follows:

	Period ended 30/06/2020 \$	Period ended 30/06/2019 \$
Amount distributed during the reporting periods	88,597	616,193

Details of the income distributions for the reporting periods ended 30 June 2020 and 30 June 2019 are disclosed in the "Distributions to Unitholders" note to the financial statements.

Exit Prices

There is no exit price as the Fund has been terminated.

Prior to the termination of the Fund, the exit price in the comparative period was the price at which unitholders would realise an entitlement in the Fund and was calculated by deducting a predetermined cost of selling (commonly known as the "sell spread"), if applicable, from the net asset value per unit ("NAV unit price") of the Fund. NAV unit price is calculated by taking the total fair value of all of the Fund's assets on a particular day, adjusting for any liabilities and then dividing the net fund value by the total number of units held by unitholders on that day.

The unit price (the ex-distribution exit unit price) at the end of the prior reporting period was:

	30/06/2019 \$
Ex-distribution exit unit price	1.0000

Other considerations

In March 2020, the World Health Organisation declared COVID-19 as a pandemic. Governments in Australia and around the world have introduced significant restrictions to business in order to curb the spread of the virus. These include travel restrictions and quarantines which have disrupted supply chains and resulted in lower consumer demand and general market uncertainty. As a result, the effects of COVID-19 have adversely affected the global economy, the economies of certain nations and individual issuers, all of which have potentially impacted the Fund's performance. The pandemic has had, and continues to have, a significant impact on the general business environment and financial markets, which the Responsible Entity is monitoring.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

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:

Name of Director	Date of Appointment or resignation
Anne Ward	Appointed on 1 January 2013.
Penelope James	Appointed on 1 January 2013.
Peter Hodgett	Resigned on 30 June 2019.
Elizabeth Lewin	Resigned on 31 December 2018.
Edward James Eason	Appointed on 15 August 2017.
Linda Elkins	Resigned on 2 August 2019.
Benjamin Andrew Heap	Appointed on 1 January 2019.
Gregory Cooper	Appointed 12 November 2019.

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 Ground Floor Tower 1, 201 Sussex Street, Sydney, New South Wales, 2000.

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 0.30% (0.05% for a cash investment option) 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 the Responsible Entity 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, the Responsible Entity may compensate where the unit pricing error is less than the tolerance levels.

Significant Changes in the State of Affairs

On 13 May 2020, Commonwealth Bank of Australia entered into an agreement to sell a 55% interest in a company holding 100% of the shares in Colonial First State Investments Limited (Responsible Entity) to an affiliate of Kohlberg Kravis Roberts & Co. L.P. (together with its affiliates, KKR). Subject to regulatory approvals, the sale is expected to be completed in the first half of calendar year 2021 and KKR expects to make its investment primarily from its Asian private equity fund. Any changes to the operations of the Responsible Entity or the Fund as a result of this transaction is unknown at present.

The Fund was terminated as at 30 June 2020.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

Matters Subsequent to the End of the Reporting Period

This is the final Financial Report for the Fund.

No matters or circumstances have arisen since 30 June 2020 that have significantly affected, or may significantly affect the position of the Fund.

Indemnification and Insurance Premiums for Officers and Auditor

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 auditor 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 auditor of the Fund is in no way indemnified out of the assets of the Fund.

The Commonwealth Bank of Australia (CBA) has paid insurance premiums for the benefit of the Directors and Officers of the Responsible Entity, a wholly owned subsidiary of CBA. 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.

Likely Developments and Expected Results of Operations

As at 30 June 2020 the termination process is complete and a final repayment of capital to the unitholders has been made. This is the final Financial Report for the Fund.

Fees Paid to and Received 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 reporting period are disclosed in the Statement of Comprehensive Income.

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

Interests in the Fund

Prior to the termination of 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 were set out in "Changes in Net Assets Attributable to Unitholders" note 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. Upon approval for termination, the units of the Fund were cancelled. Each unitholder will continue to be entitled to their share of distribution or capital repayment in the same proportion as at the date of termination. A final capital repayment has been paid to the unitholders.

Any interests in the Fund held by the Responsible Entity or its associates at the end of the previous reporting period are disclosed in the "Related Parties Disclosures" note to the financial statements.

Environmental Regulation

The Fund's operations 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 Fund.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

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 in the following page.

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



Penelope James
Director
Sydney
26 August 2020



Auditor's Independence Declaration

As lead auditor for the audit of Colonial First State Cash Management Trust for the year ended 30 June 2020, 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.

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

CJ Cummins
Partner
PricewaterhouseCoopers

Sydney
26 August 2020

PricewaterhouseCoopers, ABN 52 780 433 757

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Liability limited by a scheme approved under Professional Standards Legislation.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

STATEMENT OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

	Note	1/07/2019 - 30/06/2020	1/07/2018 - 30/06/2019
Investment Income		\$	\$
Interest income	3	198,829	1,584,164
Net gains/(losses) on financial instruments at fair value through profit or loss		(2,833)	(26,218)
Other income		-	575
Total investment income/(loss)		195,996	1,558,521
Expenses			
Responsible Entity's management fees	8(c)	133,263	827,481
Brokerage costs		-	148
Other expenses		2,624	8,671
Total operating expenses		135,887	836,300
Profit/(Loss) for the period		60,109	722,221
Other comprehensive income for the period		-	-
Total comprehensive income for the period		60,109	722,221

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

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

BALANCE SHEET AS AT 30 JUNE 2020

	Note	30/06/2020 \$	30/06/2019 \$
Assets			
Cash and cash equivalents		-	11,449,396
Trade and other receivables:			
- application monies		-	542,876
- interest		-	1,352
- others		-	21,433
Financial assets at fair value through profit or loss	5	-	58,864,153
Total assets		-	70,879,210
Liabilities			
Trade and other payables:			
- others		-	2,654
Distribution payable		-	6,499
Responsible Entity - fee	8(c)	-	70,264
Financial liabilities at fair value through profit or loss	5	-	6,815
Total liabilities (excluding net assets attributable to unitholders)		-	86,232
Net assets attributable to unitholders		-	70,792,978

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

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

**STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2020**

	Note	30/06/2020 \$	30/06/2019 \$
Opening equity at the beginning of the period		70,792,978	79,711,170
Profit/(Loss) for the period		60,109	722,221
Other comprehensive income for the period		-	-
Total comprehensive income for the period		60,109	722,221
Transactions with owners in their capacity as owners			
Distribution to unitholders	4	(88,597)	(616,193)
Application of units		11,300,188	71,662,029
Redemption of units		(82,105,141)	(81,264,090)
Reinvestment during the period		40,463	577,841
Closing equity at the end of the period		-	70,792,978

The above Statement of Changes in Equity should be read in conjunction with the "Changes in Net Assets attributable to Unitholders" note in the accompanying notes.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

CASH FLOW STATEMENT FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

	Note	1/07/2019 - 30/06/2020 \$	1/07/2018 - 30/06/2019 \$
Cash flows from operating activities			
Proceeds from sale of financial instruments		74,556,150	326,899,064
Payments for purchase of financial instruments		(15,918,916)	(319,048,976)
Interest received		417,452	1,592,301
Responsible Entity fee received/ (paid)		(182,094)	(834,505)
Payment for brokerage costs		-	(148)
Others		(2,624)	(8,095)
Net cash (used in)/from operating activities	7(a)	58,869,968	8,599,641
Cash flows from financing activities			
Receipts from issue of units		11,840,410	71,368,615
Payment for redemption of units		(82,105,141)	(81,264,090)
Distributions paid		(54,633)	(39,853)
Net cash (used in)/from financing activities		(70,319,364)	(9,935,328)
Net movement in cash and cash equivalents		(11,449,396)	(1,335,687)
Add opening cash and cash equivalents brought forward		11,449,396	12,785,083
Closing cash and cash equivalents carried forward		-	11,449,396

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

Non-cash financing activities are disclosed in part (b) under "Cash and Cash Equivalents" note to the financial statements.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Non-going Concern 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 board of Directors of the Responsible Entity approved the termination of the Fund on 11 July 2019 in accordance with the provisions of the Constitution. Consequently the Directors have determined that the going concern basis of preparation is no longer appropriate.

Following termination of the Fund, the Responsible Entity has:

- (i) realised all the assets of the Fund;
- (ii) prepared a final set of accounts and processed the final repayment of capital and income distribution;
- (iii) distributed to the unitholders the net income of the Fund; and
- (iv) cancelled the units held by the unitholders in accordance with the provisions of the Constitution.

The termination process was substantially completed as at 30 June 2020.

The Fund is a for-profit unit trust for the purpose of preparing the financial statements.

The current reporting period for the financial report is from 1 July 2019 to 30 June 2020. The comparative reporting period is from 1 July 2018 to 30 June 2019.

The financial information presented in this financial report for the reporting period has been prepared on the basis that the Fund is not a going concern for financial reporting purposes.

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 at fair value through profit or loss and net assets attributable to unitholders which may take longer to realise or settle within the next twelve months.

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

Both the functional and presentational currency of the Fund are Australian dollars.

The financial report was authorised for issue by the Directors of the Responsible Entity on 26 August 2020. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

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

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").

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Investments in Financial Assets and Liabilities at Fair Value through Profit or Loss

(i) Classification

Assets

The Fund classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Fund's portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

For equity securities and derivatives, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss.

For debt securities, the contractual cash flows are solely payments of principal and interest, however they are neither held for collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model objective. Consequently, the debt securities are measured at fair value through profit or loss.

Liabilities

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

(ii) Recognition/Derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all of the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Fund measures financial assets and financial liabilities at fair value. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the statement of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise.

For further details on how the fair values of financial instruments are determined please see "Financial Assets and Liabilities at Fair Value through Profit or Loss" note to the financial statements.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. Refer to the "Offsetting Financial Assets and Financial Liabilities" note to the financial statements for further information.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Investment Income

Interest income from financial assets at amortised cost is recognised on a time-proportionate basis using the effective interest method and includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities.

Dividend and distribution income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within dividend income and distribution income when the Fund's right to receive payments is established.

Other changes in fair value for such instruments are recorded in accordance with the policies described in the "Financial assets and liabilities at fair value through profit or loss" note to the financial statements.

(d) Due from/to Brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. The due from brokers balance is held for collection and consequently measured at amortised cost.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(e) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank, deposits at call with financial institutions and short-term bank 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.

Derivative cash accounts comprise of margin accounts and cash held as collateral for derivative transactions and short sales. The cash is held by the broker and is only available to meet margin calls.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Receivables

Receivables may include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in note 1(c) above. Amounts are generally received within 30 days of being recorded as receivables.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(g) Payables

Payables include liabilities and accrued expenses owing by the Fund which are unpaid as at the end of the reporting period. As the Fund has a contractual obligation to distribute its distributable income, a separate distribution payable is recognised in the balance sheet as at the end of each reporting period where this amount remains unpaid as at the end of the reporting period.

(h) Taxation

Under current legislation, the Fund is not subject to income tax provided they attribute the entirety of their taxable income to their unitholders.

(i) Distributions to Unitholders

Distributions are payable as set out in the Fund's Product Disclosure Statement. Such distributions are determined by the Responsible Entity of the Fund. Distributable income includes capital gains arising from the disposal of financial assets and liabilities held at fair value through profit or loss. Unrealised gains and losses on financial assets and liabilities held at fair value through profit or loss 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.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Net Assets Attributable to Unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

The units can be put back to the Fund at any time for cash based on the redemption price, which is equal to a proportionate share of the Fund's net asset value attributable to the unitholders.

The units are carried at the redemption amount that is payable at balance sheet date if the holder exercises the right to put the units back to the Fund. This amount represents the expected cash flows on redemption of these units.

Units are classified as equity when they satisfy the following criteria under AASB 132 Financial instruments: Presentation:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Fund's liquidation
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavorable conditions to the Fund, and it is not a contract settled in the Fund's own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

The Fund's units have been classified as equity as they satisfied all the above criteria.

(k) Terms and Conditions on Units

Each unit issued confers upon the unitholder 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. Unitholders have various rights under the Constitution and the Corporations Act 2001, including the right to:

- have their units redeemed;
- attend and vote at meetings of unitholders; and
- participate in the termination and winding up of the Fund.

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

(l) Applications and Redemptions

Prior to the termination of the Fund, applications received for units in the Fund are recorded net of any entry fees payable (where applicable) prior to the issue of units in the Fund. Redemptions from the Fund are recorded gross of any exit fees payable (where applicable) after the cancellation of units redeemed.

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

(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.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Expense Recognition

All expenses, including responsible entity's fees and custodian fees, are recognised in profit or loss on an accruals basis.

(o) Use of Estimates

The Responsible Entity 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.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, 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. Models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

The Fund invests in managed investment schemes which are also managed by the Responsible Entity. For the majority of the financial instruments of these managed investment schemes, quoted market prices are readily available. However, 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. Models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

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.

(p) Unit Prices

Prior to the termination of the Fund, 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 at fair value through profit or loss for unit pricing purposes are valued on a "last sale" price basis.

Following the termination of the Fund, the units were fully cancelled and no unit prices were calculated.

(q) Investment Entity

Prior to termination of the Fund, the Responsible Entity has determined that the Fund is an investment entity under the definition in AASB 10 as it met the following criteria:

- (a) the Fund has obtained funds from unitholders for the purpose of providing them with investment management services;
- (b) the Fund's business purpose, which it communicated directly to unitholders, is investing solely for returns from capital appreciation and investment income; and
- (c) the performance of investments made by the Fund is measured and evaluated on a fair value basis.

Prior to the termination, the Fund had met all of the typical characteristics of investment entities.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Transactions in Foreign Currencies

The Fund mainly transacts in Australian currency.

(s) New Application of Accounting Standards

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2019, and have not been early adopted in preparing these financial statements. None of these are expected to have a material impact on the financial statements of the Fund.

(t) Structured Entities

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. Structured entities are generally created to achieve a narrow and well defined objective with restrictions around their ongoing activities. Depending on the Fund's power over the activities of the entity and its exposure to and ability to influence its own returns, it may control the entity. However, the Fund applies the Investment Entity Exemption available under AASB10 and therefore does not consolidate its controlled entities (Note 1(q)). In other cases it may have exposure to such an entity but not control it.

An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Fund. Such interests include holdings of units in unlisted trusts, including managed investment schemes. The nature and extent of the Fund's interests in structured entities are titled "managed investment schemes" and are summarised in Note 1(b), "Financial Assets Held at Fair Value through Profit or Loss" and "Related Parties Disclosures" notes where appropriate. The total size of the structured entities that the Fund has exposure to is the net assets of the "managed investment schemes", which is determined based on the percentage interest held and carrying value disclosed in the "Related Parties Disclosures" note.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

2. AUDITOR'S REMUNERATION

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

The Responsible Entity may recharge a portion of the auditor's remuneration to the Fund. See the note under "Management Expenses Recharged" in the "Related Parties Disclosures" note to the Financial Statements.

Other services provided by the auditor are the audit of the compliance plan of the Fund and tax compliance services. The auditor's non-audit remuneration is paid by the Responsible Entity.

3. INTEREST INCOME

The interest income of the Fund is summarised as follows:

	1/07/2019 - 30/06/2020 \$	1/07/2018 - 30/06/2019 \$
Cash and cash equivalents	52,442	172,419
Debt securities	146,387	1,411,745
Total Interest Income	198,829	1,584,164

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 Sheet represent the components of the distributions for the reporting period which had not been paid at balance date.

The amounts distributed and the income rate distributed during the period were:

	1/07/2019 - 30/06/2020		1/07/2018 - 30/06/2019	
	Annualised Income Rate		Annualised Income Rate	
Distribution Periods ended:	%	\$	%	\$
- 30 September	0.66	88,597	0.95	182,204
- 31 December	-	-	0.82	155,377
- 31 March	-	-	0.86	161,295
- 30 June	-	-	0.64	117,317
Distributions to unitholders		88,597		616,193

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

5. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Fair Value Measurements

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

- Financial assets / liabilities at fair value through profit or loss
- Derivative financial instruments

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

Other than the financial assets and liabilities classified as fair value through profit or loss, all other financial assets and liabilities of the fund are recognised initially at fair value and are subsequently measured at amortised cost.

In March 2020, the World Health Organisation declared COVID-19 as a pandemic. Governments in Australia and around the world have introduced significant restrictions to business in order to curb the spread of the virus. These include travel restrictions and quarantines which have disrupted supply chains and resulted in lower consumer demand and general market uncertainty. As a result, the effects of COVID-19 have adversely affected the global economy, the economies of certain nations and individual issuers, all of which have potentially impacted the Fund's performance. The pandemic has had, and continues to have, a significant impact on the general business environment and financial markets, which the Responsible Entity is monitoring.

(b) Fair Value Hierarchy

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

- Level 1 for quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 for inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 for inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(i) Fair Value in an active market (Level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Fund values its investments in accordance with the policies set out in Note 1 to the Financial Statements. For the majority of these investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

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

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

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

5. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

(b) Fair Value Hierarchy (continued)

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

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

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

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

The fair value of derivatives that are not exchange traded is estimated at the amount that the Fund would receive or pay to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date. The fair value of an option contract is determined by applying the Black Scholes option valuation model.

Investments in other unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such funds.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds. Valuations are therefore adjusted, to allow for additional factors including liquidity risk and counterparty risk.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

5. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

(c) Recognised Fair Value Measurements

The following table presents the Fund's assets and liabilities measured and recognised at fair value as at the end of the reporting periods.

30/06/2020	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets at fair value through profit or loss:				
Debt Securities	-	-	-	-
Total Assets at fair value through profit or loss	-	-	-	-
Financial Liabilities at fair value through profit or loss:				
Derivatives	-	-	-	-
Total Liabilities at fair value through profit or loss	-	-	-	-
30/06/2019	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets at fair value through profit or loss:				
Debt Securities	58,864,153	-	58,864,153	-
Total Assets at fair value through profit or loss	58,864,153	-	58,864,153	-
Financial Liabilities at fair value through profit or loss:				
Derivatives	(6,815)	(6,815)	-	-
Total Liabilities at fair value through profit or loss	(6,815)	(6,815)	-	-

(d) Transfers between Levels

There are no material transfers between levels for the Fund during the current and previous reporting periods.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

6. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

As stipulated within the Fund's Constitution, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

The Responsible Entity has finalised the disposal of the Fund's financial assets and returned the net cash to unitholders as return of capital. Capital repayment and distributions was paid to the unitholders in proportion of the units held immediately prior to termination. The Board of directors approved the termination of the Fund on 11 July 2019.

(a) Movements in Net Assets Attributable to Unitholders:

	1/07/2019 - 30/06/2020 \$	1/07/2018 - 30/06/2019 \$
Opening balance	70,792,978	79,711,170
Applications	11,300,188	71,662,029
Redemptions	(82,105,141)	(81,264,090)
Units issued upon reinvestment of distributions	40,463	577,841
Units cancelled on termination	-	-
Change in net assets attributable to unitholders from operations	(28,488)	106,028
Closing Balance	-	70,792,978

(b) Capital Risk Management

Prior to the termination of the Fund, the Responsible Entity managed the Fund's net assets attributable to unitholders as capital. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unitholders. Net assets attributable to unitholders are representative of the expected cash outflows on redemption.

Daily applications and redemptions are reviewed relative to the liquidity of the Fund's underlying assets on a daily basis by the responsible entity. Under the terms of the Fund's Constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

As at 30 June 2020, the termination process is completed and a final repayment of capital has been paid to the unitholders.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

7. CASH AND CASH EQUIVALENTS

(a) Reconciliation of Net Profit/(Loss) Attributable to Unitholders to Net Cash from Operating Activities

	1/07/2019 - 30/06/2020 \$	1/07/2018 - 30/06/2019 \$
Net profit/(loss) attributable to unitholders	60,109	722,221
Proceeds from sale of financial assets and liabilities held at fair value through profit or loss	74,556,150	326,899,064
Payments for purchase of financial assets and liabilities held at fair value through profit or loss	(15,918,916)	(319,048,976)
Changes in fair value of financial assets and liabilities held at fair value through profit or loss	2,833	26,218
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	240,056	10,273
Change in payables and other liabilities	(70,264)	(9,159)
Net Cash From/(Used In) Operating Activities	58,869,968	8,599,641

(b) Non-cash Financing Activities Carried Out During the Reporting Periods on Normal Commercial Terms and Conditions include:

- Reinvestment of unitholders distributions as disclosed under "Units issued upon reinvestment of distributions" in part (a) of the "Changes in Net Assets Attributable to Unitholders" note to the financial statements.
- Participation in dividend reinvestment plans as disclosed under "Distribution or Dividend Income Reinvested" in part (a) of the "Cash and Cash Equivalents" note to the financial statements.

(c) Terms and Conditions on Cash

Cash at bank and in hand, cash held as collateral and deposits at call with financial institutions, earn interest at floating rate as determined by the financial institutions.

(d) Derivative Cash Accounts

Included in the cash and cash equivalents are derivative cash accounts which comprise of margin accounts and cash held as collateral for derivative transactions.

	30/06/2020 \$	30/06/2019 \$
	-	12,857

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

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.

On 13 May 2020, Commonwealth Bank of Australia entered into an agreement to sell a 55% interest in a company holding 100% of the shares in Colonial First State Investments Limited (Responsible Entity) to an affiliate of Kohlberg Kravis Roberts & Co. L.P. (together with its affiliates, KKR). Subject to regulatory approvals, the sale is expected to be completed in the first half of calendar year 2021 and KKR expects to make its investment primarily from its Asian private equity fund. Any changes to the operations of the Responsible Entity or the Fund as a result of this transaction is unknown at present.

(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:

Name of Director	Date of Appointment or Resignation
Anne Ward	Appointed on 1 January 2013.
Penelope James	Appointed on 1 January 2013.
Peter Hodgett	Resigned on 30 June 2019.
Elizabeth Lewin	Resigned on 31 December 2018.
Edward James Eason	Appointed on 15 August 2017.
Linda Elkins	Resigned on 2 August 2019.
Benjamin Andrew Heap	Appointed on 1 January 2019.
Gregory Cooper	Appointed 12 November 2019.

(ii) Compensation of Key Management Personnel

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

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 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 the Fund (i.e. excluding liabilities). Management fees are paid directly by the Fund. The table below shows the current fee rates charged.

Where monies are invested into other funds managed by the Responsible Entity the management fees are calculated after rebating fees charged in the underlying funds. As a consequence, the amounts shown in the Statement of Comprehensive Income reflect only the amount of fees charged directly to the Fund.

The management fees rate charged for the current and comparative reporting periods are as follows:

	1/07/2019 - 30/06/2020 %	1/07/2018 - 30/06/2019 %
Management fees rate for the reporting periods	1.10	1.10

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

8. RELATED PARTIES DISCLOSURES (continued)

(c) Responsible Entity's Management Fees (continued)

The actual management fee rate charged for global investing funds are lower than those disclosed above. This is due to these Funds being entitled to claim 100% of the Good and Services Tax ("GST") as compared to 75% for domestic investing Funds.

The Responsible Entity's management fees charged for the reporting periods are as follows:

	1/07/2019 - 30/06/2020 \$	1/07/2018 - 30/06/2019 \$
Management fees charged/(refunded) for the reporting periods	133,263	827,481

Fees due to/(refund from) the Responsible Entity as at the end of the reporting period.

	1/07/2019 - 30/06/2020 \$	1/07/2018 - 30/06/2019 \$
Fees due to/(refund from) the Responsible Entity as at the end of the reporting periods	-	70,264

(d) Management Expenses Recharged

No other management expenses are recharged to the Fund by the Responsible Entity.

(e) 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.

(f) Units Held by Related Parties

Other funds managed by the Responsible Entity or its affiliates may from time to time purchase or redeem units in the Fund. Such activity is undertaken in the ordinary course of business at entry and exit prices available to all investors at the time of the transaction.

There is no interest of Colonial First State Investments Limited and its associates in the Fund.

(g) Related Party Transactions

The Fund may transact with other managed investment schemes, which are also managed by the Responsible Entity. These transactions normally consist of the sale or purchase of units in related managed investment schemes and receipt and payment of distributions on normal commercial terms and conditions.

(i) Terms and Conditions of Transactions with Related Parties

All related party transactions are made in arm's length transactions on normal commercial terms and conditions. Outstanding balances at period end are unsecured and settlement occurs in cash.

(ii) Guarantees

There have been no guarantees provided or received for any related party receivables.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities

(i) Related Managed Investment Schemes

The Fund did not invest in any related managed investment schemes.

(ii) Related Listed Securities

The Fund did not invest in any related listed securities.

(iii) Other related Financial Instruments

The Fund has certain financial instruments issued by the Bank and its associates.

Colonial First State Developing Companies Fund

CBA

Fixed Interest and Discount securities - market value

2020	2019
\$	\$
-	14,989,635

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

9. FINANCIAL RISK MANAGEMENT

Prior to the termination of the Fund, its investing activities may expose the Fund to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk.

The overall risk management program used to focus on ensuring compliance with its Product Disclosure Statement and seeks to maximise the returns derived for the level of risk to which the Fund is exposed. A Fund may use derivative financial instruments to alter certain risk exposures. Financial risk management is carried out by the respective investment management departments (Investment Managers) and regularly monitored by the Investment Review Services Department of the Responsible Entity.

Different methods are used to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ratings analysis for credit risk.

(a) Market Risk

(i) Price Risk

Prior to the termination of the Fund, financial assets are either directly or indirectly exposed to price risk. This arises from investments held for which prices in the future are uncertain. They are classified on the balance sheet at fair value through profit or loss. All securities investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Investment Manager may mitigate price risk through diversification and a careful selection of securities and other financial instruments within specified limits and guidelines in accordance with the Product Disclosure Statement/Information Memorandum or Constitutions and are monitored by the Investment Review Services Department of the Responsible Entity.

As at end of the current reporting date the Fund has fully disposed its investments and is not subject to any price risk.

The table in part (b) under "Summarised Sensitivity Analysis" of the "Financial Risk Management" note to the financial statements, summarises the impact of an increase/decrease of the Australian and global indexes on a Fund's net assets attributable to unitholders at the end of the reporting periods. The analysis is based on the assumptions that the relevant indexes increased or decreased as tabled with all other variables held constant and that the fair value of the Fund which has indirect exposures to equity securities and derivatives moved according to the historical correlation with the indexes. Any Fund which invests in various asset classes, such as a multi-sector Fund, will have a weighted average movement calculated based on the proportion of their investments in the those classes.

(ii) Foreign Exchange Risk

The Fund does not hold monetary or non-monetary assets denominated in currencies other than the Australian dollars and therefore is not exposed to foreign exchange risk.

(iii) Interest Rate Risk

Prior to termination, the Fund may also enter into derivative financial instruments to mitigate the risk of future interest rate changes in accordance with the risk policies and guidelines of the Investment Managers. These transactions are regularly monitored by the Investment Review Services Department of the Responsible Entity. The table below summarises the Fund's exposure to interest rate risks. It includes the Fund's assets and liabilities at fair values.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

	Floating interest rate \$	Fixed interest rate \$	Non-interest bearing \$	Total \$
30/06/2020				
Financial assets				
Cash and cash equivalents	-	-	-	-
Receivables	-	-	-	-
Financial assets held at fair value through profit or loss	-	-	-	-
Financial liabilities				
Payables	-	-	-	-
Financial liabilities held at fair value through profit or loss	-	-	-	-
- Derivatives	-	-	-	-
	-	-	-	-
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	-	-	-	-
Net exposure	-	-	-	-
30/06/2019				
Financial assets				
Cash and cash equivalents	11,449,396	-	-	11,449,396
Receivables	-	-	565,661	565,661
Financial assets held at fair value through profit or loss	-	58,864,153	-	58,864,153
Financial liabilities				
Payables	-	-	(79,417)	(79,417)
Financial liabilities held at fair value through profit or loss	-	-	-	-
- Derivatives	-	(6,815)	-	(6,815)
	11,449,396	58,857,338	486,244	70,792,978
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	-	-	-	-
Net exposure	11,449,396	58,857,338	486,244	70,792,978

The table in part (b) under "Summarised Sensitivity Analysis" of the "Financial Risk Management" note to the financial statements, summarises the impact of an increase/decrease of interest rates on the Fund's operating profit and net assets attributable to unitholders through changes in fair value or changes in future cash flows. The analysis is based on the assumption that interest rates increase or decrease by a "predetermined basis points" from the year end rates with all other variables held constant. The impact mainly arises from changes in the fair value of debt securities. The "predetermined basis points" are disclosed in the table below.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

9. 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 or less 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.

The Fund may not be subject to all these risks and are denoted with "-" in the table below.

	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/(loss) and net assets attributable to unitholders					
30/06/2020	-25 basis points \$	50 basis points \$	-10.00% \$	10.00% \$	-5.00% \$	5.00% \$
	-	-	125	(125)	-	-
30/06/2019	-50 basis points \$	50 basis points \$	-10.00% \$	10.00% \$	-5.00% \$	5.00% \$
	(351,909)	351,909	-	-	-	-

(c) Credit risk

Prior to the termination of the Fund, the Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due. Credit risk primarily arises from investments in debt securities and derivative products. Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions, amounts due from brokers and other receivables.

Prior to termination the Fund may transact in derivatives in the over the counter (OTC) markets. OTC derivatives are entered into directly with the counterparty as there is no Clearing House arrangement. Such transactions are only dealt through suitably credit-worthy counterparties. The maximum exposure to credit risk for these OTC derivatives is the contract/notional amount, as shown in the "Derivative Financial Instruments" note to the financial statements.

Prior to termination, the Fund invested in 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 exposure to credit risk for cash and cash equivalents is low as all counterparties have a credit rating of at least AA or higher (as determined by the Standard and Poor's or equivalent agency).

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

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

	30/06/2020 \$	30/06/2019 \$
Rating		
AAA	-	58,864,153
Total	-	58,864,153

(d) Liquidity risk

Prior to termination, the Fund may, from time to time, invests in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Fund may not be able to quickly liquidate its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty. Investments with a higher liquidity risk have been disclosed under "Level 3" in the "Fair Value Hierarchy Of Financial Assets And Liabilities" note to the financial statements.

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

The table below analyses the Fund's derivative financial instruments into relevant maturity groupings based on the remaining period to the contractual maturity date at the end of the prior reporting period. The amounts disclosed in the table are the contractual undiscounted gross cash flows expected to be paid or received, determined by reference to the conditions existing at the reporting period end date. The contractual amounts can be settled on a gross or net basis.

	Less than 1 month \$	1 - 3 months \$	3 - 12 months \$	1 - 2 years \$	2 - 3 years \$	More than 3 years \$	Total \$
30/06/2020							
Derivatives:							
Inflows	-	-	-	-	-	-	-
(Outflows)	-	-	-	-	-	-	-
30/06/2019							
Derivatives:							
Inflows	-	-	-	-	-	-	-
(Outflows)	-	(6,815)	-	-	-	-	(6,815)

Comparative disclosures have been updated to include the AUD component of all derivatives held by the Fund.

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

10. DERIVATIVE FINANCIAL INSTRUMENTS

In the normal course of business the Fund may enter into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include many different instruments such as forwards, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Fund's portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability against a fluctuation in market values, to reduce volatility or as a substitution for trading of physical securities and
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Fund.

Derivative instruments used by the Fund may include the following:

- Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates at a future date at a specified price, established in an organised market.

Derivative financial instruments of the Fund at reporting period end are detailed below:

	Contract/ Notional	Fair Values		Contract/ Notional	Fair Values	
		Assets	Liabilities		Assets	Liabilities
		30/06/2020			30/06/2019	
	\$	\$	\$	\$	\$	\$
- Interest rate futures	-	-	-	(18,791,000)	-	(6,815)
	-	-	-	(18,791,000)	-	(6,815)

COLONIAL FIRST STATE CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2020

11. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Fund will present the fair value of its derivative assets and liabilities on a gross basis. Certain derivative financial instruments are subject to enforceable master netting arrangements, such as an International Swaps and Derivatives Association (ISDA) master netting agreement. In certain circumstances, for example, when a credit event such as a default occurs, all outstanding transactions under the ISDA agreement are terminated, the termination value is assessed and only a single net amount may be payable in settlement of all transactions.

The Fund does not invest in derivatives and is therefore not subject to master netting arrangements.

12. STRUCTURED ENTITIES

The Fund has exposures to unconsolidated structured entities through trading activities. The Fund typically has no other involvement with the structured entity other than the securities it holds as part of trading activities and its maximum exposure to loss is restricted to the carrying value of the asset.

Exposure to trading assets are managed in accordance with financial risk management practices as set out in "Financial Risk Management" note, which includes an indication of changes in risk measures compared to prior year.

13. CONTINGENT LIABILITIES AND COMMITMENTS

The Fund did not have any contingent liabilities or commitments at the end of the current and previous reporting period.

14. EVENTS AFTER BALANCE SHEET DATE

No significant events have occurred since balance sheet date which would impact on the financial position of the Fund disclosed in the Balance Sheet as at 30 June 2020 or on the results and cash flows of the Fund for the reporting period ended on that date.


COLONIAL FIRST STATE CASH MANAGEMENT TRUST

**DIRECTORS' DECLARATION
FOR THE REPORTING PERIOD ENDED 30 JUNE 2020**

In the opinion of the Directors of Colonial First State Investments Limited:

- a) the financial statements and notes to the financial statements of the above mentioned Fund are in accordance with the Corporations Act 2001, including:
 - i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii) giving a true and fair view of the Fund's financial position as at 30 June 2020 and of its performance for the reporting period ended on that date, and
- b) as disclosed in Note 1(a) to the financial statements, the Fund is being terminated. However, 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
- c) the financial statements comply with International Financial Reporting Standards issued by the International Accounting Standards Board as stated in Note 1.

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



Penelope James
Director
Sydney
26 August 2020



Independent auditor's report

To the unitholders of Colonial First State Cash Management Trust

Our opinion

In our opinion:

The accompanying financial report of Colonial First State Cash Management Trust (the Registered Scheme) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Registered Scheme's financial position as at 30 June 2020 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the balance sheet as at 30 June 2020
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the cash flow statement for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

Independence

We are independent of the Registered Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter - going concern no longer appropriate

We draw attention to Note 1(a) in the financial report, which discusses that the directors of the Responsible Entity of the Registered Scheme (the directors) have approved and substantially completed the termination of the Registered Scheme as at 30 June 2020. As a result, the financial

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report has been prepared on a liquidation basis and not on a going concern basis. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Registered Scheme to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Registered Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in dark ink, appearing to read 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in dark ink, appearing to read 'CJ Cummins'.

CJ Cummins
Partner

Sydney
26 August 2020

Enquiries

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