

BWA Cash Management Trust

ARSN 110 965 761
ABN 46 190 401 396

Annual Report 30 June 2015

Issued by: Colonial First State Investments Limited
ABN 98 002 348 352 | AFS Licence 232468

BWA Managed Investments



BWA CASH MANAGEMENT TRUST

ARSN : 110 965 761

**FINANCIAL REPORT
FOR THE REPORTING PERIOD ENDED 30 JUNE 2015**

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

BWA CASH MANAGEMENT TRUST

INDEX

| | Page |
|---|-------------|
| Directors' Report | 1 - 4 |
| Auditor's Independence Declaration | 5 |
| Statement of Comprehensive Income | 6 |
| Balance Sheet | 7 |
| Statement of Changes in Equity | 8 |
| Cash Flow Statement | 9 |
| Notes to the Financial Statements | 10 - 25 |
| Directors' Declaration | 26 |
| Independent Audit Report to the Unitholders | 27 - 28 |

BWA CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

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 2014 to 30 June 2015. The comparative reporting period is from 1 July 2013 to 30 June 2014.

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 | 14/09/2004 |
| Date of Registration | 28/09/2004 |

Principal Activities

The principal activities of the Fund is to invest in accordance with the investment objectives and guidelines as set out in the current Product Disclosure Statement and its Constitution.

Please refer to the current Product Disclosure Statement for more information.

Rounding of amounts to the nearest thousand dollars

The Fund is a registered scheme of a kind referred to in Class Order 98/0100 (as amended) issued by the ASIC relating to the "rounding off" of amounts in the Directors' Report and the Financial Report. Amounts in the Directors' Report and the Financial Report have been rounded to the nearest thousand dollars in accordance with the Class Order, unless otherwise stated.

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 30/06/2015 \$'000 | Period ended 30/06/2014 \$'000 |
|---|--------------------------------------|--------------------------------------|
| Operating profit/(loss) attributable to unitholders | 4,342 | 5,163 |

BWA CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

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 30/06/2015 \$'000 | Period ended 30/06/2014 \$'000 |
|---|--------------------------------------|--------------------------------------|
| Amount distributed during the reporting periods | 4,342 | 5,163 |

Details of the income distributions for the reporting periods ended 30 June 2015 and 30 June 2014 are disclosed in the "Distributions to Unitholders" note to the financial statements.

Exit Prices

Units in the Fund are recorded at \$1.00 and interest is calculated and accrued daily.

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 |
|------------------|------------------------------------|
| Andrew Morgan | Appointed on 4 February 2015. |
| Anne Ward | Appointed on 1 January 2013. |
| Linda Elkins | Appointed on 1 January 2013. |
| Penelope James | Appointed on 1 January 2013. |
| Peter Hodgett | Appointed on 1 January 2013. |
| Michael Venter | Resigned on 4 February 2015. |

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 8, Bankwest Place, 300 Murray Street, Perth, Western Australia, 6000.

BWA CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

Significant Changes in the State of Affairs

There were no significant changes in the nature of the Fund's activities during the reporting period.

Matters Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the current reporting period that have significantly affected, or may significantly affect:

- (i) the operations of the Fund in future financial periods, or
- (ii) the results of those operations in future financial periods, or
- (iii) the state of affairs of the Fund in future financial periods.

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 Company, a wholly owned subsidiary of CBA. Details of the nature of the liabilities covered or the amount of the premium paid have not been included as such disclosure is prohibited under the terms of the insurance contracts.

Likely Developments and Expected Results of Operations

The Fund is expected to continue to operate within the terms of its Constitution, and will continue to invest in accordance with their investment objectives and guidelines.

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

At the time of preparing this report the Responsible Entity is not aware of any likely developments which would impact upon the future operations of the Fund.

BWA CASH MANAGEMENT TRUST

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

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

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 "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.

Any interests in the Fund held by the Responsible Entity or its associates at the end of the reporting period are disclosed in the "Related Parties Disclosure" 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.

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.



Linda Elkins
Director
Sydney
25 August 2015



Auditor's Independence Declaration

As lead auditor for the audit of BWA Cash Management Trust for the year ended 30 June 2015, 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 'C J Cummins', is written over a horizontal line.

C J Cummins
Partner
PricewaterhouseCoopers

Sydney
25 August 2015

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

BWA CASH MANAGEMENT TRUST

STATEMENT OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

| | Note | 1/07/2014 - 30/06/2015 | 1/07/2013 - 30/06/2014 |
|--|------|---------------------------|---------------------------|
| Investment Income | | \$'000 | \$'000 |
| Interest income | 3 | 5,590 | 6,499 |
| Total investment Income/(loss) | | 5,590 | 6,499 |
| Expenses | | | |
| Responsible Entity's management fees | 7(c) | 1,248 | 1,336 |
| Total operating expenses | | 1,248 | 1,336 |
| Operating profit/(loss) attributable to unitholders | | 4,342 | 5,163 |
| Distributions to unitholders | 4 | (4,342) | (5,163) |
| 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.

BWA CASH MANAGEMENT TRUST

BALANCE SHEET AS AT 30 JUNE 2015

| | Note | 30/06/2015 \$'000 | 30/06/2014 \$'000 |
|---|------|----------------------|----------------------|
| Assets | | | |
| Cash and cash equivalents | | 211,393 | 241,946 |
| Trade and other receivables: | | | |
| - interest and other receivables | | 20 | 26 |
| Total assets | | 211,413 | 241,972 |
| Liabilities | | | |
| Trade and other payables: | | | |
| - others | | 11 | 12 |
| Distribution payable | | 9 | 14 |
| Total liabilities (excluding net assets attributable to unitholders) | | 20 | 26 |
| Net assets attributable to unitholders - liability | | 211,393 | 241,946 |
| Represented by: | | | |
| Fair value of outstanding units based on redemption value | | 211,393 | 241,946 |
| Net assets attributable to unitholders | | 211,393 | 241,946 |

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

BWA CASH MANAGEMENT TRUST

STATEMENT OF CHANGES IN EQUITY FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

The Fund's net assets attributable to unitholders are classified as a liability under AASB 132 Financial Instruments Presentation. As such the Fund has no equity, and no items of changes in equity have been presented for the current and comparative reporting periods.

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.

BWA CASH MANAGEMENT TRUST

CASH FLOW STATEMENT FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

| Note | 1/07/2014 - 30/06/2015 \$'000 | 1/07/2013 - 30/06/2014 \$'000 |
|--|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Interest received | 5,595 | 6,539 |
| Responsible Entity fee received/ (paid) | (1,249) | (1,339) |
| Net cash (used in)/from operating activities | 4,346 | 5,200 |
| 6(a) | | |
| Cash flows from financing activities | | |
| Receipts from issue of units | 838,198 | 1,049,570 |
| Payment for redemption of units | (873,098) | (1,078,714) |
| Net cash (used in)/from financing activities | (34,900) | (29,144) |
| Net movement in cash and cash equivalents | (30,553) | (23,944) |
| Add opening cash and cash equivalents brought forward | 241,946 | 265,890 |
| Closing cash and cash equivalents carried forward | 211,393 | 241,946 |

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 Equivalent" note to the financial statements.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Accounting Standards Board and the Corporations Act 2001 in Australia. The Fund is a for-profit unit trust for the purpose of preparing these financial statements.

The financial statements are 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 do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial assets at fair value through profit or loss and net assets attributable to unitholders.

The Fund manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at balance date.

In the case of net assets attributable to unitholders, the units are redeemed on demand at the unitholder's option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within 12 months cannot be reliably determined.

The financial report was authorised for issue by the Directors of the Responsible Entity on 25 August 2015. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

The current reporting period for the financial report is from 1 July 2014 to 30 June 2015. The comparative reporting period is from 1 July 2013 to 30 June 2014.

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

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

The Fund is a registered scheme of a kind referred to in Class Order 98/0100 (as amended) issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the Directors' Report and the Financial Report. Amounts in the Directors' Report and the Financial Report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

(i) Compliance with International Financial Reporting Standards

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").

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of Preparation (continued)

(ii) New and Amended Standards adopted by the Fund

The Fund has applied the following new and revised accounting standard which became effective for the annual reporting period commencing on 1 July 2014:

- AASB 2013-4 "Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting"

The adoption of AASB 2013-4 did not have any impact on the current period or any prior period and is not likely to affect future periods.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2014 that would be expected to have a material impact on the Fund.

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

(i) 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 Statements of Comprehensive Income.

(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.

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.

(iii) Measurement

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method, less impairment losses, if any. Financial liabilities are measured at amortised cost using the effective interest rate. Financial liabilities arising from the redeemable units issued by the Fund are carried at the redemption amount representing the investor's right to a residual interest in the Fund's assets, which is effectively fair value at the reporting date.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) 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:

(i) Distribution or Dividend Income

The Fund did not receive any distribution or dividend income.

(ii) Interest Income

Interest income arises from cash and cash equivalents and is recognised in the Statement of Comprehensive Income as it accrues using the effective interest method. Interest income includes the amortisation of any discount or premium, transaction costs or other differences between the initial carrying amount of any interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis.

(iii) Changes in Fair Value of Financial Assets Held for Trading

Gains or losses on investments held for trading are calculated and recognised 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.

(d) Cash and Cash Equivalents

Cash comprises current Bankwest 'at call' deposits issued by the Responsible Entity's parent company Commonwealth Bank of Australia. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(e) 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.

(f) 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.

(g) 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 its taxable income.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Distributions to Unitholders

Under current legislation the Fund is not subject to income tax as its taxable income (including assessable realised capital gains) is distributed in full to the unitholders. The Fund fully distributes its distributable income, calculated in accordance with the Fund Constitution and applicable taxation legislation, to the unitholders who are presently entitled to the income under the Fund Constitution.

(i) Net Assets Attributable to Unitholders

Under AASB 132 "Financial Instruments: Disclosure and Presentation", contractual obligations are regarded as liabilities. As unitholders have the ability to redeem units from the Fund, all net assets attributable to unitholders have been recognised as liabilities of the Fund, rather than as equity. The classification of net assets attributable to unitholders does not alter the underlying economic interest of the unitholders in the net assets and net profit attributable to unitholders of the Fund.

(j) Applications and Redemptions

All redeemable units issued by the Fund provide the investors with the right to require redemption for cash and give rise to a financial liability. In accordance with the current Product Disclosure Statement the Fund is contractually obliged to redeem units at redemption price, which includes an allowance for transaction costs that would be incurred by the Fund on disposal of its assets required to fund the redemptions.

(k) 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 Sheets.

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.

(l) 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.

(m) 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.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Unit Prices

The unit price is based on unit price accounting outlined in the Fund Constitution and current Product Disclosure Statement.

(o) Investment Entity

The Responsible Entity has determined that the fund is an investment entity under the definition in AASB 10 as it meets 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.

The Fund also meets all of the typical characteristics of an investment entity.

(p) Transactions in Foreign Currencies

The Fund mainly transacts in Australian currency.

(r) New Application of Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods and have not been early adopted by the Fund. The director's assessment of the impact of these new standards (to the extent relevant to the fund) and interpretations is set out below:

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting. The standard is not applicable until 1 January 2018 but is available for early adoption.

The directors do not expect this to have a significant impact on the recognition and measurement of the Fund's financial instruments as they are carried at fair value through profit or loss.

The derecognition rules have not been changed from the previous requirements, and the Fund does not apply hedge accounting. AASB 9 introduces a new impairment model. However, as the fund's investments are all held at fair value through profit or loss, the change in impairment rules will not impact the fund.

The Fund has not yet decided when to adopt AASB 9.

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 also fully paid by the Responsible Entity.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

3. INTEREST INCOME

The interest income of the Fund is summarised as follows:

| | 1/07/2014 - 30/06/2015 \$'000 | 1/07/2013 - 30/06/2014 \$'000 |
|------------------------------|-------------------------------------|-------------------------------------|
| Cash and cash equivalents | 5,590 | 6,499 |
| Total Interest Income | 5,590 | 6,499 |

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 or proposed to be distributed to unitholders in cents per unit (cpu) during the period were:

| Distribution Periods ended: | 1/07/2014 - 30/06/2015 | | 1/07/2013 - 30/06/2014 | |
|--------------------------------------|------------------------|--------------|------------------------|--------------|
| | cpu | \$'000 | cpu | \$'000 |
| Interim distributions paid - monthly | 1.91 | 4,333 | 2.08 | 5,150 |
| Final distributions paid - June | - | 9 | 0.01 | 14 |
| Distributions to unitholders | | 4,342 | | 5,163 |

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

5. 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.

(a) Movements in Number of Units and Net Assets Attributable to Unitholders

| | 1/07/2014 - 30/06/2015 | | 1/07/2013 - 30/06/2014 | |
|--|------------------------|----------------|------------------------|----------------|
| | No.'000 | \$'000 | No.'000 | \$'000 |
| Opening balance | 241,946 | 241,946 | 265,890 | 265,890 |
| Applications | 838,198 | 838,198 | 1,049,570 | 1,049,570 |
| Redemptions | (873,098) | (873,098) | (1,078,714) | (1,078,714) |
| Units issued upon reinvestment of distributions | 4,347 | 4,347 | 5,201 | 5,201 |
| Change in net assets attributable to unitholders from operations | | - | | - |
| Closing Balance | 211,393 | 211,393 | 241,946 | 241,946 |

(b) Capital Risk Management

The Responsible Entity manages the Fund's net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. 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.

The Responsible Entity monitors the level of daily applications and redemptions relative to the liquid assets in the Fund.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

6. CASH AND CASH EQUIVALENTS

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

| | 1/07/2014 - 30/06/2015 \$'000 | 1/07/2013 - 30/06/2014 \$'000 |
|---|-------------------------------------|-------------------------------------|
| Net profit/(loss) attributable to unitholders | 4,342 | 5,163 |
| Change in receivables and other assets | 6 | 40 |
| Change in payables and other liabilities | (2) | (2) |
| Net Cash From/(Used In) Operating Activities | 4,346 | 5,201 |

(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.

(c) Terms and Conditions on Cash

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

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

7. 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:

| Name of Director | Date of Appointment or Resignation |
|------------------|------------------------------------|
| Andrew Morgan | Appointed on 4 February 2015. |
| Anne Ward | Appointed on 1 January 2013. |
| Linda Elkins | Appointed on 1 January 2013. |
| Penelope James | Appointed on 1 January 2013. |
| Peter Hodgett | Appointed on 1 January 2013. |
| Michael Venter | Resigned on 4 February 2015. |
| | |

(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:

| | 1/07/2014 - 30/06/2015 % | 1/07/2013 - 30/06/2014 % |
|---|--------------------------------|--------------------------------|
| Management fees rate for the reporting periods for retail clients | 0.60 | 0.60 |

For wholesale clients of the Fund, the management fee is separately negotiated and agreed.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

7. RELATED PARTIES DISCLOSURES (continued)

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

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

| | 1/07/2014 - 30/06/2015 | 1/07/2013 - 30/06/2014 |
|--|---------------------------|---------------------------|
| | \$ | \$ |
| Management fees charged/(refunded) for the reporting periods | 1,248,067 | 1,336,129 |

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

| | 1/07/2014 - 30/06/2015 | 1/07/2013 - 30/06/2014 |
|---|---------------------------|---------------------------|
| | \$ | \$ |
| Fees due to/(refund from) the Responsible Entity as at the end of the reporting periods | 3,122 | 6,177 |

(d) Management Expenses Recharged

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

(e) Bank and Deposit Accounts

Cash comprises current Bankwest 'at call' deposits issued by the Responsible Entity's parent company Commonwealth Bank of Australia. Fees and expenses are negotiated on an arm's length basis.

(f) Units Held by Related Parties

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

(g) Related Party Transactions

The Fund has a payable to Colonial First State Investments Ltd of \$7,436 (2014: \$8,260) at the balance date.

(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.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

7. 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 did not invest in derivatives, money market and fixed interest securities issued by the Bank and its associates.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

8. FINANCIAL RISK MANAGEMENT

Investing activities of a Fund may expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The overall risk management programme focuses on ensuring compliance with its Product Disclosure Statement/Information Memorandum and seeks to maximise the returns derived for the level of risk to which the Fund is exposed.

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

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.

An 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.

(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

Interest bearing financial instruments are exposed to fluctuations in the prevailing levels of market interest rates on their financial position and cash flows. Cash flow interest rate risk arises on financial instruments with variable interest rates. Financial instruments with fixed rates expose the Fund to fair value interest rate risk. The risk is measured using sensitivity analysis.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

8. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

| | Floating interest rate \$'000 | Fixed interest rate \$'000 | Non-interest bearing \$'000 | Total \$'000 |
|--------------------------------|-------------------------------------|----------------------------------|-----------------------------------|-----------------|
| 30/06/2015 | | | | |
| Financial assets | | | | |
| Cash and cash equivalents | 211,393 | - | - | 211,393 |
| Interest and other receivables | - | - | 20 | 20 |
| Financial liabilities | | | | |
| Payables | - | - | 11 | 11 |
| Distribution payable | - | - | 9 | 9 |
| 30/06/2014 | | | | |
| Financial assets | | | | |
| Cash and cash equivalents | 241,946 | - | - | 241,946 |
| Interest and other receivables | - | - | 26 | 26 |
| Financial liabilities | | | | |
| Payables | - | - | 12 | 12 |
| Distribution payable | - | - | 14 | 14 |

An analysis of financial liabilities by maturities is provided under "Liquidity Risk" of the "Financial Risk Management" note to the financial statements.

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.

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

8. 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 | | | | | |
| | -50 basis points \$'000 | 50 basis points \$'000 | 0.00% \$'000 | 0.00% \$'000 | 0.00% \$'000 | 0.00% \$'000 |
| 30/06/2015 | (1,057) | 1,057 | - | - | - | - |
| | -50 basis points \$'000 | 50 basis points \$'000 | -10.00% \$'000 | 10.00% \$'000 | 0.00% \$'000 | 0.00% \$'000 |
| 30/06/2014 | (1,210) | 1,210 | - | - | - | - |

(c) Credit risk

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.

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a credit rating of at least AA.

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:

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

8. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

| | 30/06/2015 \$'000 | 30/06/2014 \$'000 |
|---------------|----------------------|----------------------|
| Rating | | |
| A or above | 211,413 | 241,972 |
| Total | 211,413 | 241,972 |

(d) Liquidity risk

The Fund is exposed to daily cash redemptions of redeemable units. It therefore primarily holds investments that are traded in an active market and can be readily disposed.

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

BWA CASH MANAGEMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2015

9. CONTINGENT LIABILITIES AND COMMITMENTS

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

10. 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 2015 or on the results and cash flows of the Fund for the reporting period ended on that date.

BWA CASH MANAGEMENT TRUST

**DIRECTORS' DECLARATION
FOR THE REPORTING PERIOD ENDED 30 JUNE 2015**

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 2015 and of its performance for the reporting period ended on that date, and
- b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable, 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.



Linda Elkins
Director
Sydney
25 August 2015



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

Report on the financial report

We have audited the accompanying financial report of BWA Cash Management Trust (the Fund), which comprises the balance sheet as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year 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 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 report complies 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. Those 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 Fund'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 Fund'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.

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

Independence

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

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.



Auditor's opinion

In our opinion:

- (a) the financial report of BWA Cash Management Trust is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Fund's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- (b) the Fund's financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

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

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'C J Cummins', written in a cursive style.

C J Cummins
Partner

Sydney
25 August 2015

BWA Managed Investments
300 Murray Street, Perth WA 6000

Telephone: 1300 663 117
Facsimile: 1300 853 628

Postal Address: GPO Box 2515, PERTH WA 6001

Email address: support@bwami.com.au
Web address: www.bwami.com.au