

2018

ANNUAL FINANCIAL REPORT

Wholesale Investments

Investments

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



Your Annual Financial Report

I am pleased to present the reports for the financial year ended 30 June 2018 for Colonial First State Wholesale Australian Share Fund, Colonial First State Wholesale Industrial Share Fund¹, Colonial First State Wholesale Global Health & Biotechnology Fund and Colonial First State Wholesale Global Technology & Communications Fund.

This statement is the final component of the reporting information for the 2017–2018 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 'L Elkins', with a stylized flourish at the end.

Linda Elkins
Executive General Manager

1 Closed to new investors.

COLONIAL FIRST STATE WHOLESALE FUNDS

ANNUAL REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

Responsible Entity of the Funds

COLONIAL FIRST STATE INVESTMENTS LIMITED

ABN: 98 002 348 352

Registered Address:

Ground Floor Tower 1, 201 Sussex Street
SYDNEY NSW 2000

COLONIAL FIRST STATE WHOLESALE FUNDS

Represented by:

ARSN

Colonial First State Wholesale Australian Share Fund	087 570 214
Colonial First State Wholesale Industrial Share Fund	087 564 118
Colonial First State Wholesale Global Health & Biotechnology Fund	092 203 506
Colonial First State Wholesale Global Technology & Communications Fund	089 743 395

COLONIAL FIRST STATE WHOLESALE FUNDS

INDEX

	Page
Directors' Report	1 - 5
Auditor's Independence Declaration	6
Statements of Comprehensive Income	7 - 8
Balance Sheets	9 - 10
Statements of Changes in Equity	11 - 12
Cash Flow Statements	13 - 14
Notes to the Financial Statements	15 - 43
Directors' Declaration	44
Independent Audit Report to the Unitholders	45 - 47

COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

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

Reporting Period

The current reporting period for the financial report is from 1 July 2017 to 30 June 2018. The comparative reporting period is from 1 July 2016 to 30 June 2017.

Date of Constitutions and Date of Registration of the Funds

The Funds in this Financial Report and their dates of Constitution and Registration with the Australian Securities & Investments Commission (ASIC) are as follows:

Name of Fund	Date of Constitution	Date of Registration
Colonial First State Wholesale Australian Share Fund	11/05/1999	9/06/1999
Colonial First State Wholesale Industrial Share Fund *	11/05/1999	9/06/1999
Colonial First State Wholesale Global Health & Biotechnology Fund	22/03/2000	3/04/2000
Colonial First State Wholesale Global Technology & Communications Fund	27/09/1999	7/10/1999

* also referred in this report as Colonial First State Australian Share Growth Fund (formerly Colonial First State Wholesale Industrial Share Fund).

Principal Activities

The principal activities of the Funds are to invest in accordance with the investment objectives and guidelines as set out in the current Product Disclosure Statements and their Constitutions.

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

Rounding of amounts to the nearest thousand dollars

Amounts in the Directors' Report have been rounded to the nearest thousand dollars in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, unless otherwise indicated.

Comparatives

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

COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

Review of Operations

Income

The results of the operations for the Funds for the current and previous reporting periods are tabled below:

Name of Fund	Operating profit/(loss) Attributable to unitholders	
	Period ended 30/06/2018 \$'000	Period ended 30/06/2017 \$'000
Colonial First State Wholesale Australian Share Fund	212,754	42,445
Colonial First State Australian Share Growth Fund	57,867	26,733
Colonial First State Wholesale Global Health & Biotechnology Fund	4,058	7,621
Colonial First State Wholesale Global Technology & Communications Fund	7,755	8,644

Distribution to unitholders

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

Name of Fund	Period ended 30/06/2018 \$'000	Period ended 30/06/2017 \$'000
Colonial First State Wholesale Australian Share Fund	57,675	109,447
Colonial First State Australian Share Growth Fund	37,213	30,862
Colonial First State Wholesale Global Health & Biotechnology Fund	-	-
Colonial First State Wholesale Global Technology & Communications Fund	2	13

Details of the income distributions for the reporting periods ended 30 June 2018 and 30 June 2017 are disclosed in the "Distributions to Unitholders" note to the financial statements.

Exit Prices

The exit price is the price at which unitholders realise an entitlement in a fund and is 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 a 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 following unit prices represent the ex-distribution exit unit prices as at 30 June 2018, together with comparative unit prices as at 30 June 2017:

Name of Fund	30/06/2018 \$	30/06/2017 \$
Colonial First State Wholesale Australian Share Fund	1.9643	1.6899
Colonial First State Australian Share Growth Fund	1.5869	1.5063
Colonial First State Wholesale Global Health & Biotechnology Fund	3.1509	2.9115
Colonial First State Wholesale Global Technology & Communications Fund	2.1584	1.8047

COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

Responsible Entity and Directors

The Responsible Entity of the Funds 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	Resigned on 10 July 2017.
Anne Ward	Appointed on 1 January 2013.
Penelope James	Appointed on 1 January 2013.
Peter Hodgett	Appointed on 1 January 2013.
Elizabeth Lewin	Appointed on 27 October 2015.
Edward James Eason	Appointed on 15 August 2017.
Linda Elkins	Resigned on 5 September 2016 and subsequently reappointed on 24 March 2017.

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 Funds are registered managed investment schemes domiciled in Australia and have their 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

The Funds have amended their constitutions to change the obligation to distribute trust income to unitholders effective 1 July 2017 as part of a process to become eligible to elect into the new AMIT tax regime. In the opinion of the Directors, there were no other significant changes in the state of affairs of the Funds that occurred during the financial year.

COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

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

Indemnification and Insurance Premiums for Officers and Auditor

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

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

The Funds are expected to continue to operate within the terms of their Constitutions, and will continue to invest in accordance with their investment objectives and guidelines.

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. 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 Funds.

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 Funds' assets during the reporting period are disclosed in the Statements of Comprehensive Income.

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

Interests in the Funds

The units issued and redeemed in the Funds 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 Funds' assets at the end of the financial period are set out in the Balance Sheets.

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

COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

Environmental Regulation

The Funds' 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 Funds.

Single Financial Report

The Funds are of the kind referred to in ASIC Corporation Instrument 2015/839 dated 1 October 2015 issued by ASIC and in accordance with that ASIC Corporation Instrument, funds with a common Responsible Entity can include the financial statements in adjacent columns in a single financial report.

Proceeds from redeeming units in a fund can be applied to acquire units in other funds included in this financial report.

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
29 August 2018



Auditor's Independence Declaration

As lead auditor for the audit of Colonial First State Wholesale Funds for the year ended 30 June 2018, 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'.

CJ Cummins
Partner
PricewaterhouseCoopers

Sydney
29 August 2018

PricewaterhouseCoopers, ABN 52 780 433 757

One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

COLONIAL FIRST STATE WHOLESALE FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

		Colonial First State Wholesale Australian Share Fund		Colonial First State Australian Share Growth Fund		Colonial First State Wholesale Global Health & Biotechnology Fund	
	Note	1/07/2017 - 30/06/2018	1/07/2016 - 30/06/2017	1/07/2017 - 30/06/2018	1/07/2016 - 30/06/2017	1/07/2017 - 30/06/2018	1/07/2016 - 30/06/2017
Investment Income		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	3	177	188	86	71	27	13
Dividend income		33,803	36,827	12,822	15,033	445	426
Distribution income		7,907	3,604	2,601	1,294	-	-
Changes in fair value of financial instruments held for trading		181,430	13,170	46,437	14,779	4,117	7,812
Other income		1	18	-	5	4	3
Net foreign exchange gain/(loss)		-	-	-	-	56	(39)
Total investment income/(loss)		223,318	53,807	61,946	31,182	4,649	8,215
Expenses							
Responsible Entity's management fees	8(c)	9,755	10,118	3,577	3,831	578	561
Custody fees	8(d)	43	38	16	14	9	15
Brokerage costs		765	1,206	485	603	3	9
Other expenses		1	-	1	1	1	9
Total operating expenses		10,564	11,362	4,079	4,449	591	594
Operating profit/(loss) attributable to unitholders		212,754	42,445	57,867	26,733	4,058	7,621
Distributions to unitholders ^	4	-	(109,447)	-	(30,862)	-	-
Change in net assets attributable to unitholders from operations ^	6(a)	-	67,002	-	4,129	-	(7,621)
Profit/(Loss) for the period		212,754	-	57,867	-	4,058	-
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		212,754	-	57,867	-	4,058	-

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

^ As of 1 July 2017, the Funds' redeemable units have been reclassified from liability to equity and as such distributions and changes in net assets attributable to unitholders have been recognised in the Statements of Changes in Equity.

COLONIAL FIRST STATE WHOLESALE FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

		Colonial First State Wholesale Global Technology & Communications Fund	
	Note	1/07/2017 - 30/06/2018 \$'000	1/07/2016 - 30/06/2017 \$'000
Investment Income			
Interest income	3	19	11
Dividend income		379	466
Changes in fair value of financial instruments held for trading		7,814	8,688
Other income		6	5
Net foreign exchange gain/(loss)		66	(45)
Total investment income/(loss)		8,284	9,125
Expenses			
Responsible Entity's management fees	8(c)	496	429
Custody fees	8(d)	8	11
Brokerage costs		24	29
Other expenses		1	12
Total operating expenses		529	481
Operating profit/(loss) attributable to unitholders		7,755	8,644
Distributions to unitholders ^	4	-	(13)
Change in net assets attributable to unitholders from operations ^	6(a)	-	(8,631)
Profit/(Loss) for the period		7,755	-
Other comprehensive income for the period		-	-
Total comprehensive income for the period		7,755	-

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

^ As of 1 July 2017, the Funds' redeemable units have been reclassified from liability to equity and as such distributions and changes in net assets attributable to unitholders have been recognised in the Statements of Changes in Equity.

COLONIAL FIRST STATE WHOLESALE FUNDS

BALANCE SHEETS AS AT 30 JUNE 2018

		Colonial First State Wholesale Australian Share Fund		Colonial First State Australian Share Growth Fund		Colonial First State Wholesale Global Health & Biotechnology Fund	
	Note	30/06/2018 \$'000	30/06/2017 \$'000	30/06/2018 \$'000	30/06/2017 \$'000	30/06/2018 \$'000	30/06/2017 \$'000
Assets							
Cash and cash equivalents		17,735	18,988	5,697	2,739	2,492	2,578
Trade and other receivables:							
- outstanding sales settlement		-	10,165	-	3,918	-	-
- application monies		-	49	-	-	-	-
- dividends		7,235	8,416	2,764	3,521	12	11
- interest		18	13	6	10	3	1
- others		291	297	118	116	19	19
Financial assets held for trading	5	1,067,866	971,913	374,023	360,769	50,045	49,967
Total assets		1,093,145	1,009,841	382,608	371,073	52,571	52,576
Liabilities							
Trade and other payables:							
- outstanding purchase settlements		-	14,402	-	645	89	-
- redemptions		-	183	-	-	-	59
- others		-	1	-	-	2	-
Distribution payable		1,306	3,252	51	27	-	-
Responsible Entity - fee	8(c)	939	868	329	319	52	52
Financial liabilities held for trading	5	-	-	-	5	-	-
Total liabilities (excluding net assets attributable to unitholders)		2,245	18,706	380	996	143	111
Net assets attributable to unitholders ^		1,090,900	991,135	382,228	370,077	52,428	52,465
Represented by:							
Fair value of outstanding units based on redemption value		1,089,505	989,876	381,694	369,578	52,350	52,401
Adjustments arising from different unit pricing and AIFRS valuation principles		(413)	(403)	(128)	(151)	(3)	(19)
Buy and sell spread		2,065	1,875	723	702	79	79
Adjustment to period end accruals		(257)	(213)	(61)	(52)	2	4
Net assets attributable to unitholders		1,090,900	991,135	382,228	370,077	52,428	52,465

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

^ Net assets attributable to unitholders have been classified as equity in the current period and as a financial liability in the prior period. Refer to Note 1 for further detail.

COLONIAL FIRST STATE WHOLESALE FUNDS

BALANCE SHEETS AS AT 30 JUNE 2018

		Colonial First State Wholesale Global Technology & Communications Fund	
	Note	30/06/2018	30/06/2017
Assets		\$'000	\$'000
Cash and cash equivalents		1,408	1,430
Trade and other receivables:			
- outstanding sales settlement		591	1,309
- application monies		-	25
- dividends		24	37
- interest		2	1
- others		17	15
Financial assets held for trading	5	44,251	38,353
Total assets		46,293	41,170
Liabilities			
Trade and other payables:			
- outstanding purchase settlements		463	880
- redemptions		-	21
- others		1	1
Distribution payable		-	1
Responsible Entity - fee	8(c)	46	40
Financial liabilities held for trading	5	3	-
Total liabilities (excluding net assets attributable to unitholders)		513	943
Net assets attributable to unitholders ^		45,780	40,227
Represented by:			
Fair value of outstanding units based on redemption value		45,736	40,185
Adjustments arising from different unit pricing and AIFRS valuation principles		(25)	(22)
Buy and sell spread		69	60
Adjustment to period end accruals		-	4
Net assets attributable to unitholders		45,780	40,227

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

^ Net assets attributable to unitholders have been classified as equity in the current period and as a financial liability in the prior period. Refer to Note 1 for further detail.

COLONIAL FIRST STATE WHOLESALE FUNDS

STATEMENTS OF CHANGES IN EQUITY AS AT 30 JUNE 2018

		Colonial First State Wholesale Australian Share Fund		Colonial First State Australian Share Growth Fund		Colonial First State Wholesale Global Health & Biotechnology Fund	
	Note	30/06/2018 \$'000	30/06/2017 \$'000	30/06/2018 \$'000	30/06/2017 \$'000	30/06/2018 \$'000	30/06/2017 \$'000
Opening equity at the beginning of the period ^		991,135	-	370,077	-	52,465	-
Profit/(Loss) for the period		212,754	-	57,867	-	4,058	-
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		212,754	-	57,867	-	4,058	-
Transactions with unitholders in their capacity as owners							
Distribution to unit holders	4	(57,675)	-	(37,213)	-	-	-
Application of units		18,448	-	-	-	4,008	-
Redemption of units		(127,193)	-	(45,629)	-	(8,103)	-
Reinvestment during the period		53,431	-	37,126	-	-	-
Closing equity at the end of the period		1,090,900	-	382,228	-	52,428	-

^ Effective from 1 July 2017, the Funds' units have been reclassified from financial liability to equity. Refer Note 1 for further detail. As a result, equity transactions, including distributions have been disclosed in the above statement for the current reporting period.

The above Statements 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 WHOLESALE FUNDS

STATEMENTS OF CHANGES IN EQUITY AS AT 30 JUNE 2018

		Colonial First State Wholesale Global Technology & Communications Fund	
	Note	30/06/2018 \$'000	30/06/2017 \$'000
Opening equity at the beginning of the period ^		40,227	-
Profit/(Loss) for the period		7,755	-
Other comprehensive income for the period		-	-
Total comprehensive income for the period		7,755	-
Transactions with unitholders in their capacity as owners			
Distribution to unit holders	4	(2)	-
Application of units		3,382	-
Redemption of units		(5,584)	-
Reinvestment during the period		2	-
Closing equity at the end of the period		45,780	-

^ Effective from 1 July 2017, the Funds' units have been reclassified from financial liability to equity. Refer Note 1 for further detail. As a result, equity transactions, including distributions have been disclosed in the above statement for the current reporting period.

The above Statements 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 WHOLESALE FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

	Colonial First State Wholesale Australian Share Fund		Colonial First State Australian Share Growth Fund		Colonial First State Wholesale Global Health & Biotechnology Fund	
Note	1/07/2017 - 30/06/2018 \$'000	1/07/2016 - 30/06/2017 \$'000	1/07/2017 - 30/06/2018 \$'000	1/07/2016 - 30/06/2017 \$'000	1/07/2017 - 30/06/2018 \$'000	1/07/2016 - 30/06/2017 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	490,885	692,273	344,946	376,761	7,950	20,314
Payments for purchase of financial instruments held for trading	(401,617)	(591,767)	(305,882)	(315,663)	(3,831)	(13,229)
Interest received	172	188	90	65	26	12
Dividends received	34,863	37,726	13,567	15,866	445	447
Responsible Entity fee received/ (paid)	(9,678)	(10,306)	(3,569)	(3,873)	(578)	(559)
Payment for brokerage costs	(765)	(1,206)	(485)	(603)	(3)	(9)
Others	(43)	(20)	(17)	(11)	(6)	(22)
Net cash (used in)/from operating activities 7(a)	113,817	126,888	48,650	72,542	4,003	6,954
Cash flows from financing activities						
Receipts from issue of units	18,496	20,262	-	1,207	4,008	5,274
Payment for redemption of units	(127,376)	(149,949)	(45,629)	(75,432)	(8,162)	(11,064)
Distributions paid	(6,190)	(7,353)	(63)	(51)	-	-
Net cash (used in)/from financing activities	(115,070)	(137,040)	(45,692)	(74,276)	(4,154)	(5,790)
Net movement in cash and cash equivalents	(1,253)	(10,152)	2,958	(1,734)	(151)	1,164
Effects of exchange rate changes	-	-	-	-	65	(16)
Add opening cash and cash equivalents brought forward	18,988	29,140	2,739	4,473	2,578	1,430
Closing cash and cash equivalents carried forward	17,735	18,988	5,697	2,739	2,492	2,578

The above Cash Flow Statements 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 WHOLESALE FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

		Colonial First State Wholesale Global Technology & Communications Fund	
	Note	1/07/2017 - 30/06/2018 \$'000	1/07/2016 - 30/06/2017 \$'000
Cash flows from operating activities			
Proceeds from sale of financial instruments held for trading		56,052	52,877
Payments for purchase of financial instruments held for trading		(53,771)	(50,506)
Interest received		18	10
Dividends received		392	455
Responsible Entity fee received/ (paid)		(492)	(425)
Payment for brokerage costs		(24)	(29)
Others		(3)	(19)
Net cash (used in)/from operating activities	7(a)	2,172	2,363
Cash flows from financing activities			
Receipts from issue of units		3,407	2,654
Payment for redemption of units		(5,605)	(5,069)
Distributions paid		(1)	(6)
Net cash (used in)/from financing activities		(2,199)	(2,421)
Net movement in cash and cash equivalents		(27)	(58)
Effects of exchange rate changes		5	(5)
Add opening cash and cash equivalents brought forward		1,430	1,493
Closing cash and cash equivalents carried forward		1,408	1,430

The above Cash Flow Statements 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 WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

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 Funds are for-profit unit trusts 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 Sheets are 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 Funds manage 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 29 August 2018.

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 2017 to 30 June 2018. The comparative reporting period is from 1 July 2016 to 30 June 2017.

Both the functional and presentation currency of the Funds 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 Funds are registered schemes of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 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, unless otherwise indicated.

On 5 May 2016, a new tax regime applying to Managed Investment Trusts ("MITs") was established under the Tax Laws Amendment (New Tax System for Managed Investment Trusts) Act 2016. The Attribution Managed Investment Trust ("AMIT") regime allows MITs that meet certain requirements to make an irrevocable choice to be an AMIT. In order to allow the Funds to elect into the AMIT tax regime, the Funds' constitutions have been amended and the other conditions to adopt the AMIT tax regime have been met effective 1 July 2017. The Responsible Entity is therefore no longer contractually obligated to pay distributions. Consequently the units in the Funds have been reclassified from a financial liability to equity on 1 July 2017. See Changes in Net Assets Attributable to Unitholders note for further information.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of Preparation

(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").

(ii) New and Amended Standards adopted by the Funds

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2017 that have a material impact on the Funds.

The amendments made by AASB 2016-2 Amendments to Australian Accounting Standard - Disclosure Initiative: Amendments to AASB 107 require disclosure of changes in liabilities arising from financing activities. The relevant information is provided in Note 6.

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

(i) Classification

The Funds' 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 Funds recognise financial assets and financial liabilities on the date they become 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 Funds no longer control 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

At initial recognition, the Funds measure their financial assets at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statements of Comprehensive Income.

Subsequent to initial recognition, all financial assets and financial liabilities held for trading are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities held for trading' category are presented in the Statements of Comprehensive Income within changes in fair value of financial instruments held for trading in the period in which they arise.

For further details on how the fair values of financial instruments are determined refer to the "Financial Assets Held for Trading" note to the financial statements.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheets 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 WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

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 Funds 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

Income is recognised when the right to receive the payment is established.

(ii) Interest Income

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

(iii) Changes in Fair Value of Financial Instruments 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 and cash equivalents in the Balance Sheets 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 Statements, 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.

(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 Funds.

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 Funds are not subject to income tax provided they attribute the entirety of their taxable income to their unitholders.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Distributions to Unitholders

Distributions are payable as set out in the Funds' Product Disclosure Statements. Such distributions are determined by the Responsible Entity of the Funds. Distributable income includes capital gains arising from the disposal of financial assets and liabilities held for trading. Unrealised gains and losses on financial assets and liabilities held for trading that are recognised as income are transferred to net assets attributable to unitholders and are not assessable and distributable until realised. Capital losses are not distributed to unitholders but are retained to be offset against any realised capital gains.

(i) 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 Funds at any time for cash based on the redemption price, which is equal to a proportionate share of the Funds' 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 Funds. 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 Funds' 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 Funds, and it is not a contract settled in the Funds' 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.

As at 30 June 2017, net assets attributable to unitholders are classified as a financial liability. Effective from 1 July 2017, the Funds' units have been reclassified from financial liability to equity as they satisfied all the above criteria.

(j) Terms and Conditions on Units

Each unit issued confers upon the unitholder an equal interest in the respective fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the particular fund. Unitholders have various rights under the Constitutions 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 within each fund are identical in all respects.

(k) Applications and Redemptions

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

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) 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 Funds from the Australian Taxation Office are recognised as receivables in the Balance Sheets.

Cash flows are included in the Cash Flow Statements 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.

(m) Expense Recognition

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

(n) 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 Funds' 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.

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.

(o) Unit Prices

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

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Investment Entity

The Responsible Entity has determined that the Funds are investment entities under the definition in AASB 10 as they meet the following criteria:

- (a) the Funds have obtained funds from unitholders for the purpose of providing them with investment management services
- (b) the Funds' 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 Funds are measured and evaluated on a fair value basis.

The Funds also meet all of the typical characteristics of investment entities.

(q) Transactions in Foreign Currencies

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheets date.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in a previous financial report, are recognised in the profit or loss in the period in which they arise.

Items included in the Funds' Financial Statements are measured using the currency of the primary economic environment in which it operates ("the functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Funds compete for funds and is regulated. The Australian dollar is also the Funds' presentation currency.

The Funds do not isolate that portion of gains or losses on securities and derivative financial instruments that are measured at fair value through profit and loss and which is due to changes in foreign exchange rates from that which is due to changes in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit and loss.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) New Application of Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2018 reporting period and have not been early adopted. Management's assessment of the impact of these new standards (to the extent relevant) and interpretations is set out below:

(i) AASB 9 Financial Instruments (and applicable amendments) (effective from 1 January 2018)

AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities. It also introduces revised rules around hedge accounting and impairment. The standard is applicable for years commencing 1 January 2018 but is available for early adoption.

More specifically, AASB 9 replaces the classification and measurement model in AASB 139 Financial Instruments: Recognition and Measurement with a new model that categorises financial assets based on a) the business model within which the assets are managed, and b) whether the contractual cash flows under the instrument solely represent the payment of principal and interest. Under the new standard, financial assets will be measured at:

- fair value through profit or loss if they are held for trading or if the cash flows on the asset do not solely represent payments of principal and interest. An entity can also elect to measure a financial asset at fair value through profit or loss if it eliminates or reduces an accounting mismatch;
- amortised cost where the business model is to hold the financial assets in order to collect contractual cash flows and those cash flows represent solely payments of principal and interest; or
- fair value through other comprehensive income where the business model is to both collect contractual cash flows and sell financial assets and the cash flows represent solely payments of principal and interest.

The accounting for financial liabilities is largely unchanged.

Implementation

Management has assessed the impact of AASB 9 on the Funds' financial statements. This has involved assessing the Funds' business model and a review of the contractual cash flows across the Funds' investment portfolio. Given the Funds' business model is to manage and report the Funds' investment in financial assets on a fair value basis, management expects all financial assets will be classified and measured at fair value through profit or loss. There will be no impact on the financial position or performance of the Funds on adoption of the new standard as financial assets are currently measured at fair value through profit or loss under AASB 139.

AASB 9 will be adopted for the financial year commencing 1 July 2018.

(s) 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 Funds' power over the activities of the entity and their exposure to and ability to influence its own returns, they may control the entity. However, the Funds apply the Investment Entity Exemption available under AASB10 and therefore does not consolidate its controlled entities (Note 1(p)). In other cases they 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 Funds. Such interests include holdings of units in unlisted trusts. The nature and extent of the Funds' interests in structured entities are titled "unlisted unit trusts" and are summarised in Note 1(b), "Financial Assets Held for Trading" and "Related Parties Disclosures" notes where appropriate. The total size of the structured entities that the Funds have exposure to is the net assets of the "unlisted unit trusts", which is determined based on the percentage interest held and carrying value disclosed in the "Related Parties Disclosures" note.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

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 Funds. 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 Funds and tax compliance services. The auditor's non-audit remuneration is also fully paid by the Responsible Entity.

3. INTEREST INCOME

Interest income of the Funds is derived mainly from interest earned on bank accounts.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

4. DISTRIBUTIONS TO UNITHOLDERS

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

Quarterly and half-yearly distributing Funds:

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

Colonial First State Wholesale Australian Share Fund				
Period ended:	1/07/2017 - 30/06/2018		1/07/2016 - 30/06/2017	
	cpu	\$'000	cpu	\$'000
- 30 September	2.50	14,242	2.10	12,253
- 31 December	1.60	8,997	4.00	23,039
- 31 March	3.00	16,574	5.20	29,583
- 30 June	3.27	17,862	7.94	44,572
Distributions to unitholders		57,675		109,447

Colonial First State Australian Share Growth Fund				
Period ended:	1/07/2017 - 30/06/2018		1/07/2016 - 30/06/2017	
	cpu	\$'000	cpu	\$'000
- 30 September	2.10	5,111	2.00	5,213
- 31 December	1.90	4,504	3.50	8,832
- 31 March	2.70	6,268	2.00	5,126
- 30 June	9.39	21,330	4.92	11,691
Distributions to unitholders		37,213		30,862

Colonial First State Wholesale Global Health & Biotechnology Fund				
Period ended:	1/07/2017 - 30/06/2018		1/07/2016 - 30/06/2017	
	cpu	\$'000	cpu	\$'000
- 31 December	-	-	-	-
- 30 June	-	-	-	-
Distributions to unitholders		-		-

Colonial First State Wholesale Global Technology & Communications Fund				
Period ended:	1/07/2017 - 30/06/2018		1/07/2016 - 30/06/2017	
	cpu	\$'000	cpu	\$'000
- 31 December	-	-	-	-
- 30 June	0.01	2	0.06	13
Distributions to unitholders		2		13

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

5. FINANCIAL ASSETS HELD FOR TRADING

(a) Fair Value Measurements

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis:

- Financial assets / liabilities held for trading
- Derivative financial instruments

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

(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 Funds value their investments in accordance with policies set out in Note 1 to the financial statements. For the majority of these investments, the Funds rely on information provided by independent pricing services for the valuation of their investments.

The quoted market price used for financial assets held by the Funds is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Funds hold 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 WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

5. FINANCIAL ASSETS HELD FOR TRADING (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 Funds 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 Funds hold. Valuations are therefore adjusted, to allow for additional factors including liquidity risk and counterparty risk.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements

The following tables presents the Funds' assets and liabilities measured and recognised at fair value as at the end of the reporting periods.

Colonial First State Wholesale Australian Share Fund				
30/06/2018	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	990,823	990,823	-	-
Listed Property Trusts	17,899	17,899	-	-
Managed Investment Schemes	59,144	-	59,144	-
Total Assets Held for Trading	1,067,866	1,008,722	59,144	-
30/06/2017	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	917,754	917,754	-	-
Managed Investment Schemes	54,159	-	54,159	-
Derivatives	-	-	-	-
Total Assets Held for Trading	971,913	917,754	54,159	-

Colonial First State Australian Share Growth Fund				
30/06/2018	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	348,078	348,078	-	-
Listed Property Trusts	4,952	4,952	-	-
Managed Investment Schemes	20,993	-	20,993	-
Total Assets Held for Trading	374,023	353,030	20,993	-
30/06/2017	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	336,263	336,263	-	-
Listed Property Trusts	5,379	5,379	-	-
Managed Investment Schemes	19,127	-	19,127	-
Total Assets Held for Trading	360,769	341,642	19,127	-
Financial Liabilities Held for Trading:				
Derivatives	(5)	(5)	-	-
Total Liabilities Held for Trading	(5)	(5)	-	-

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Wholesale Global Health & Biotechnology Fund				
30/06/2018	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	50,045	49,428	617	-
Total Assets Held for Trading	50,045	49,428	617	-
30/06/2017	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	49,967	49,704	263	-
Total Assets Held for Trading	49,967	49,704	263	-

Colonial First State Wholesale Global Technology & Communications Fund				
30/06/2018	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	44,250	44,168	82	-
Derivatives	1	-	1	-
Total Assets Held for Trading	44,251	44,168	83	-
Financial Liabilities Held for Trading:				
Derivatives	(3)	-	(3)	-
Total Liabilities Held for Trading	(3)	-	(3)	-
30/06/2017	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	38,353	37,753	600	-
Total Assets Held for Trading	38,353	37,753	600	-

(d) Transfers between Levels

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

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

6. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Under AASB 132 Financial instruments: Presentation, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions.

Prior to 1 July 2017 the Funds classified their net assets attributable to unitholders as liabilities in accordance with AASB 132. On 1 July 2017, the Funds have elected into the AMIT tax regime. The Funds' Constitutions have been amended on the same date and it no longer has a contractual obligation to pay distributions to unitholders. Therefore the net assets attributable to unitholders of the Funds meet the criteria set out under AASB 132 and are classified as equity from 1 July 2017 onwards.

As a result of the reclassification of net assets attributable to unitholders from liabilities to equity, the Funds' distributions are no longer classified as finance cost in the Statements of Comprehensive Income, but rather as dividends paid in the Statements of Changes in Equity.

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

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

Colonial First State Wholesale Australian Share Fund				
	1/07/2017 - 30/06/2018		1/07/2016 - 30/06/2017	
	No.'000	\$'000	No.'000	\$'000
Opening balance	585,761	991,135	598,626	1,085,719
Applications	10,318	18,448	11,084	20,217
Redemptions	(70,765)	(127,193)	(82,168)	(149,926)
Units issued upon reinvestment of distributions	29,339	53,431	58,219	102,127
Change in net assets attributable to unitholders from operations		155,079		(67,002)
	554,653	1,090,900	585,761	991,135

Colonial First State Australian Share Growth Fund				
	1/07/2017 - 30/06/2018		1/07/2016 - 30/06/2017	
	No.'000	\$'000	No.'000	\$'000
Opening balance	245,355	370,077	272,913	417,625
Applications	-	-	770	1,200
Redemptions	(28,519)	(45,629)	(48,605)	(75,432)
Units issued upon reinvestment of distributions	23,692	37,126	20,277	30,813
Change in net assets attributable to unitholders from operations		20,654		(4,129)
	240,528	382,228	245,355	370,077

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

6. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (continued)

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

Colonial First State Wholesale Global Health & Biotechnology Fund				
	1/07/2017 - 30/06/2018		1/07/2016 - 30/06/2017	
	No.'000	\$'000	No.'000	\$'000
Opening balance	17,998	52,465	20,214	50,692
Applications	1,374	4,008	2,048	5,268
Redemptions	(2,758)	(8,103)	(4,264)	(11,116)
Units issued upon reinvestment of distributions	-	-	-	-
Change in net assets attributable to unitholders from operations		4,058		7,621
	16,614	52,428	17,998	52,465

Colonial First State Wholesale Global Technology & Communications Fund				
	1/07/2017 - 30/06/2018		1/07/2016 - 30/06/2017	
	No.'000	\$'000	No.'000	\$'000
Opening balance	22,267	40,227	23,760	34,004
Applications	1,722	3,382	1,573	2,671
Redemptions	(2,800)	(5,584)	(3,073)	(5,091)
Units issued upon reinvestment of distributions	1	2	7	12
Change in net assets attributable to unitholders from operations		7,753		8,631
	21,190	45,780	22,267	40,227

(b) Capital Risk Management

The Funds consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders were classified as a liability until 30 June 2017. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are 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 Funds' underlying assets on a daily basis by the responsible entity. Under the terms of the Funds' Constitutions, 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.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

7. CASH AND CASH EQUIVALENTS

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

Colonial First State Wholesale Australian Share Fund		
	1/07/2017 - 30/06/2018 \$'000	1/07/2016 - 30/06/2017 \$'000
Net profit/(loss) attributable to unitholders	212,754	42,445
Proceeds from sale of financial instruments held for trading	490,885	692,273
Payments for purchase of financial instruments held for trading	(401,617)	(591,767)
Changes in fair value of financial instruments held for trading	(181,430)	(13,170)
Distribution or Dividend income reinvested	(8,028)	(3,604)
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	1,181	785
Change in payables and other liabilities	72	(74)
Net Cash From/(Used In) Operating Activities	113,817	126,888

Colonial First State Australian Share Growth Fund		
	1/07/2017 - 30/06/2018 \$'000	1/07/2016 - 30/06/2017 \$'000
Net profit/(loss) attributable to unitholders	57,867	26,733
Proceeds from sale of financial instruments held for trading	344,946	376,761
Payments for purchase of financial instruments held for trading	(305,882)	(315,663)
Changes in fair value of financial instruments held for trading	(46,437)	(14,779)
Distribution or Dividend income reinvested	(2,612)	(1,294)
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	758	829
Change in payables and other liabilities	10	(45)
Net Cash From/(Used In) Operating Activities	48,650	72,542

Colonial First State Wholesale Global Health & Biotechnology Fund		
	1/07/2017 - 30/06/2018 \$'000	1/07/2016 - 30/06/2017 \$'000
Net profit/(loss) attributable to unitholders	4,058	7,621
Proceeds from sale of financial instruments held for trading	7,950	20,314
Payments for purchase of financial instruments held for trading	(3,831)	(13,229)
Changes in fair value of financial instruments held for trading	(4,117)	(7,812)
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	(56)	39
Change in receivables and other assets	(1)	19
Change in payables and other liabilities	-	2
Net Cash From/(Used In) Operating Activities	4,003	6,954

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

7. CASH AND CASH EQUIVALENTS (continued)

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

Colonial First State Wholesale Global Technology & Communications Fund		
	1/07/2017 - 30/06/2018 \$'000	1/07/2016 - 30/06/2017 \$'000
Net profit/(loss) attributable to unitholders	7,755	8,644
Proceeds from sale of financial instruments held for trading	56,052	52,877
Payments for purchase of financial instruments held for trading	(53,771)	(50,506)
Changes in fair value of financial instruments held for trading	(7,814)	(8,688)
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	(66)	45
Change in receivables and other assets	11	(16)
Change in payables and other liabilities	5	7
Net Cash From/(Used In) Operating Activities	2,172	2,363

(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.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

8. RELATED PARTIES DISCLOSURES

(a) Responsible Entity

The Responsible Entity of the Funds 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	Resigned on 10 July 2017.
Anne Ward	Appointed on 1 January 2013.
Penelope James	Appointed on 1 January 2013.
Peter Hodgett	Appointed on 1 January 2013.
Elizabeth Lewin	Appointed on 27 October 2015.
Edward James Eason	Appointed on 15 August 2017.
Linda Elkins	Resigned on 5 September 2016 and subsequently reappointed on 24 March 2017.

(ii) Compensation of Key Management Personnel

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

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 Funds to the Directors as Key Management Personnel.

(c) Responsible Entity's Management Fees

Under the terms of the Constitutions, the Responsible Entity is entitled to receive monthly management fees which are expressed as a percentage of the total assets of each fund (i.e. excluding liabilities). Management fees are paid directly by the Funds. The table below shows the current fee rates charged.

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

Name of Fund:	Period Ended 30/06/2018 Management Fees %	Period Ended 30/06/2017 Management Fees %
Colonial First State Wholesale Australian Share Fund	0.95	0.95
Colonial First State Australian Share Growth Fund	0.95	0.95
Colonial First State Wholesale Global Health & Biotechnology Fund	1.15	1.15
Colonial First State Wholesale Global Technology & Communications Fund	1.15	1.15

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

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:

Name of Fund:	Period Ended 30/06/2018 \$	Period Ended 30/06/2017 \$
Colonial First State Wholesale Australian Share Fund	9,754,932	10,117,819
Colonial First State Australian Share Growth Fund	3,576,788	3,830,608
Colonial First State Wholesale Global Health & Biotechnology Fund	577,678	560,588
Colonial First State Wholesale Global Technology & Communications Fund	495,569	429,191

Fees due to/(refund from) the Responsible Entity as at the end of the reporting periods are as follows:

Name of Fund:	Period Ended 30/06/2018 \$	Period Ended 30/06/2017 \$
Colonial First State Wholesale Australian Share Fund	939,277	867,557
Colonial First State Australian Share Growth Fund	328,739	318,846
Colonial First State Wholesale Global Health & Biotechnology Fund	51,932	51,985
Colonial First State Wholesale Global Technology & Communications Fund	45,828	40,429

(d) Management Expenses Recharged

The Responsible Entity is responsible for paying the custody fees on behalf of the Funds. The amount paid is based on the overall arrangement in place with the custodian. The Responsible Entity recharges the custody fees to the Funds. The amount recharged is disclosed as "Custody Fees" in the "Statements of Comprehensive Income".

The Responsible Entity is also responsible for paying certain expenses (such as audit fees, printing and postage) for the Funds. The amount recharged is based on the lower of the expenses paid or 0.02% of the net assets of the Funds. The amount recharged is disclosed under "Expenses Recharged" in the "Statements of Comprehensive Income".

(e) Bank and Deposit Accounts

The bank accounts and 11am deposit accounts for the Funds 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.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

8. RELATED PARTIES DISCLOSURES (continued)

(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 Funds. 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.

The interests of Colonial First State Investments Limited and its associates in the Funds are tabled below:

Name of Fund:	30/06/2018 Number of Units No.'000	30/06/2017 Number of Units No.'000
Colonial First State Wholesale Australian Share Fund	447,906	473,590
Colonial First State Australian Share Growth Fund	239,268	244,163
Colonial First State Wholesale Global Health & Biotechnology Fund	14,681	16,034
Colonial First State Wholesale Global Technology & Communications Fund	18,298	19,661

(g) Related Party Transactions

The Funds 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 WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities

(i) Related Managed Investment Schemes

The following funds held investments in the following managed investment schemes which were managed by Colonial First State Investments Limited. Distributions received are immediately reinvested into additional units.

Investment Name	Units Held at Period End No'000	Value of Investment at Period End \$'000	Interest held in Investment at Period End %	Units Acquired During Period No'000	Units Disposed During Period No'000	Distribution Received \$'000
-----------------	------------------------------------	---	--	--	--	---------------------------------

Colonial First State Wholesale Australian Share Fund

Units held in:

Colonial First State Global Asset Management Equity Trust 5

- 2018	49,493	59,144	22.19	6,751	10,205	7,907
- 2017	52,947	54,159	23.18	3,492	6,338	3,604

Colonial First State Australian Share Growth Fund

Units held in:

Colonial First State Global Asset Management Equity Trust 5

- 2018	17,567	20,993	7.88	6,015	7,147	2,601
- 2017	18,699	19,127	8.19	1,254	2,795	1,294

(ii) Related Listed Securities

The following Funds invest in listed securities issued by the Bank and its related parties as follows:

Investment Name	Shares Held At The End of the Period No.'000	Value of Investment At Period End \$'000	Interest held in Investment at Period End %	Shares Acquired During Period No.'000	Shares Disposed During Period No.'000	Distribution Received \$'000
-----------------	---	---	--	--	--	---------------------------------

Colonial First State Wholesale Australian Share Fund

Commonwealth Bank of Australia

- 2018	1,106	80,551	0.06	78	279	5,302
- 2017	1,307	108,272	0.08	277	375	5,851

Colonial First State Australian Share Growth Fund

Commonwealth Bank of Australia

- 2018	489	35,627	0.03	133	278	2,606
- 2017	634	52,542	0.04	57	153	2,806

(iii) Other related Financial Instruments

The Funds did not invest in any other related Financial Instruments.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

9. FINANCIAL RISK MANAGEMENT

Investing activities of the Funds may expose them 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 Funds are exposed. The Funds 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

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 monitored by the Investment Review Services Department of the Responsible Entity.

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 the Funds' 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 fair values of the Funds move according to the historical correlation with the indexes.

(ii) Foreign Exchange Risk

The Funds may hold both monetary and non-monetary assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk not foreign exchange risk. Foreign exchange risk arises as the value of monetary securities denominated in other currencies fluctuates due to changes in exchange rates. The risk is measured using sensitivity analysis.

The Funds may manage this risk by entering into foreign exchange forward contracts to hedge the risks. The terms and conditions of these contracts rarely exceed twelve months and are contracted in accordance with the investment guidelines. However, for accounting purposes, these Funds do not designate any derivatives as hedges in a hedging relationship, and hence these derivative financial instruments are classified as at fair value through profit or loss.

The tables below summarises the Funds' assets and liabilities, monetary and non-monetary, that are denominated in a currency other than the Australian dollar.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

9. FINANCIAL RISK MANAGEMENT

(a) Market Risk (continued)

(ii) Foreign Exchange Risk

Colonial First State Wholesale Global Health & Biotechnology Fund					
	United States Dollar	Japanese Yen	European Euro	Danish Kroner	Others
30/06/2018	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	2,096	2	-	-	-
Receivables	10	1	-	-	-
Financial assets held for trading	46,936	1,683	753	448	225
Payables	(89)	-	-	-	-
	48,953	1,686	753	448	225
	United States Dollar	Japanese Yen	European Euro	Danish Kroner	Others
30/06/2017	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	1,704	-	-	-	-
Receivables	10	1	-	-	-
Financial assets held for trading	47,095	1,400	657	633	181
	48,809	1,401	657	633	181

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Colonial First State Wholesale Global Technology & Communications Fund					
	United States Dollar	Japanese Yen	Hong Kong Dollar	European Euro	Others
30/06/2018	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	742	6	-	2	5
Receivables	96	2	54	9	454
Financial assets held for trading	37,536	1,942	1,228	1,076	2,468
Payables	(463)	-	-	-	-
Financial liabilities held for trading - Derivatives	(3)	-	-	-	-
	37,908	1,950	1,282	1,087	2,927
Net increase/decrease in exposure from:					
- foreign currency contract	52	-	(52)	-	-
	37,960	1,950	1,230	1,087	2,927
	United States Dollar	Japanese Yen	European Euro	U K Pound Sterling	Others
30/06/2017	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	862	-	-	-	-
Receivables	1,328	3	-	2	12
Financial assets held for trading	29,243	3,356	1,384	1,189	3,180
Payables	(865)	-	(15)	-	-
	30,568	3,359	1,369	1,191	3,192

(iii) Interest Rate Risk

The exposure to interest rate risk of the Funds contained in this Financial Report is limited to its cash and cash equivalents or bank overdraft, which earns/(charges) a floating rate of interest.

(b) Summarised Sensitivity Analysis

The following tables summarise the sensitivity of the Funds' 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 Funds' 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 Funds invest. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Certain funds may not be subject to all these risks and are denoted with "-" in the tables below.

Colonial First State Wholesale Australian Share Fund						
	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	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
30/06/2018	(89)	89	-	-	(174,103)	174,103
30/06/2017	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(95)	95	-	-	(162,408)	162,408

Colonial First State Australian Share Growth Fund						
	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	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
30/06/2018	(28)	28	-	-	(61,278)	61,278
30/06/2017	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(14)	14	-	-	(58,211)	58,210

Colonial First State Wholesale Global Health & Biotechnology Fund						
	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	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
30/06/2018	(12)	12	(202)	202	(10,009)	10,009
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
30/06/2017	(13)	13	(172)	172	(9,993)	9,993

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Wholesale Global Technology & Communications Fund						
	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	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
30/06/2018	(7)	7	(91)	91	(8,848)	8,848
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(7)	7	(133)	133	(7,671)	7,671

(c) Credit risk

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a high credit rating. The Funds' investments in managed investment schemes are subject to credit risk at the point in time it renders its investment. However, as the Responsible Entity of the Funds are the same as the underlying investment, the credit risk is deemed to be insignificant.

(d) Liquidity risk

The Funds are exposed to daily cash redemptions of redeemable units. They therefore primarily hold investments that are traded in an active market and can be readily disposed. Only a limited proportion of their assets are held in investments not actively traded on a stock exchange.

The Funds' listed securities are considered readily realisable, as they are listed on either the Australian Stock Exchange or other recognised International Stock Exchanges.

Certain funds may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Funds may not be able to quickly liquidate their 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 Held for Trading" note to the Financial Statements.

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

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

10. DERIVATIVE FINANCIAL INSTRUMENTS

In the normal course of business the Funds 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 Funds' 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 Funds.

Derivative instruments used by the Funds 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.

- **Options**

An option is a contractual agreement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or buy a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of future securities price. Options held by the Funds are exchange-traded. The Funds are exposed to credit risk on purchased options to the extent of their carrying amount, which is their fair value. Options are settled on a gross basis.

- **Forward Currency Contracts**

Forward currency contracts are primarily used by the Funds to hedge against foreign currency exchange rate risks on its non-Australian dollar denominated trading securities. The Funds agree to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Forward currency contracts are valued at the prevailing bid price at the reporting date. The Funds recognise a gain or loss equal to the change in fair value at the reporting date.

- **Interest Rate Swaps**

Interest rate swap contracts are agreements under which the parties exchange one stream of interest for another. They are used to hedge cash flows against unfavourable movements in interest rates. The contracts are for interest rates on notional principal amounts and can cover, for example, fixed interest rate to floating rate or fixed rate and floating rate to fixed rate. The party with the higher interest obligation pays the net amount to the other party. The amount received is considered an offset to the interest on investment or debt hedged. At reporting dates, the differences expected to be paid or received on the maturity of the contracts are marked-to-market with the unrealised gains and losses being recognised in investment revenue.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

10. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

- Cross Currency Swaps

A cross currency swap is a foreign exchange agreement between two parties to exchange principal and interest payments on a loan in one currency for principal and interest payments on an equal (regarding net present value) loan in another currency. Unlike interest rate swaps, cross currency swaps involve the exchange of the principal amount. Interest payments are not netted (as they are in interest rate swaps) because they are denominated in different currencies. Cross currency swaps are valued at fair value which is based on the estimated amount the Funds would pay or receive to terminate the currency derivatives at the balance sheet date, taking into account current interest rates, foreign exchange rates, volatility and the current creditworthiness of the counterparties.

- Credit Default Swaps

A credit default swap is a swap contract in which the buyer makes a series of payments to the seller and, in exchange, receives a payoff if a particular credit event occurs. The credit event can be a credit instrument, typically a bond or loan, that goes into default or a company undergoing restructuring, bankruptcy or having its credit rating downgraded. Credit derivatives are valued at fair value which is based on the estimated amount the Funds would pay or receive to terminate these derivatives at the balance sheet date, taking into account current interest rates, volatility and credit risk.

- Warrants

Warrants are an option to purchase additional securities from the issuer at a specified price during a specified period. Warrants are valued at the prevailing market price at the end of each reporting period. The Funds recognise a gain or loss equal to the change in fair value at the end of each reporting period.

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

Colonial First State Australian Share Growth Fund						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
		30/06/2018			30/06/2017	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
- Share price index futures	-	-	-	2,825	-	(5)
	-	-	-	2,825	-	(5)

Colonial First State Wholesale Global Technology & Communications Fund						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
		30/06/2018			30/06/2017	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
- Forward Currency Contracts	52	-	-	-	-	-
- Others	441	1	(3)	15	-	-
	493	1	(3)	15	-	-

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

11. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Certain funds will present the fair value of their 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 Funds are not subject to master netting arrangements.

12. STRUCTURED ENTITIES

Certain funds have exposures to unconsolidated structured entities through trading activities. These funds typically have no other involvement with the structured entities other than the securities they hold as part of trading activities and their 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 Funds 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 positions of the Funds disclosed in the Balance Sheets as at 30 June 2018 or on the results and cash flows of the Funds for the reporting period ended on that date.

COLONIAL FIRST STATE WHOLESALE FUNDS
DIRECTORS' DECLARATION
FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

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

- a) the financial statements and notes to the financial statements of the Funds in this Financial Report 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 Funds' financial positions as at 30 June 2018 and of their performances for the reporting period ended on that date, and
- b) there are reasonable grounds to believe that the Funds will be able to pay their 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
29 August 2018



Independent auditor's report

To the unitholders of Colonial First State Wholesale Funds

Our opinion

In our opinion:

The accompanying financial report of Colonial First State Wholesale Funds (the Registered Schemes) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Registered Schemes' financial positions as at 30 June 2018 and of their 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 sheets as at 30 June 2018
- the statements of comprehensive income for the year then ended
- the statements of changes in equity for the year then ended
- the cash flow statements for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the directors' declaration.

The Colonial First State Wholesale Funds comprise the following registered schemes:

Colonial First State Wholesale Australian Share Fund
Colonial First State Wholesale Industrial Share Fund
Colonial First State Wholesale Global Health & Biotechnology Fund
Colonial First State Wholesale Global Technology & Communications Fund

PricewaterhouseCoopers, ABN 52 780 433 757

One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

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 Schemes 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* (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.

Other information

The Directors of the Responsible Entity are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2018, including the Directors' Report, 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 identified above 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 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 of the Responsible Entity for the financial report

The directors of 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 of the Responsible Entity 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 of the Responsible Entity are responsible for assessing the ability of the Registered Schemes 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 of the Responsible Entity either intend to liquidate the Registered Schemes 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 black ink, appearing to read 'PricewaterhouseCoopers', written in a cursive style.

PricewaterhouseCoopers

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

CJ Cummins
Partner

Sydney
29 August 2018

Enquiries

Investor Services: **13 13 36**

Website: **colonialfirststate.com.au**

Email: **contactus@colonialfirststate.com.au**