

2016

ANNUAL FINANCIAL REPORT

Managed Investment Funds & Premier CMT

Investments

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



Dear Investor

Annual Financial Report

I am pleased to present the reports for the financial year ended 30 June 2016 for the Colonial First State Managed Investment Funds & Premier CMT.

This statement is the final component of the reporting information for the 2015–2016 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', written in a cursive style.

Linda Elkins
Executive General Manager

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

FINANCIAL REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 MANAGED INVESTMENT FUNDS

Represented by:

ARSN

Colonial First State Conservative Fund	087 553 517
Colonial First State Balanced Fund	087 553 839
Colonial First State Diversified Fund	087 554 069
Colonial First State High Growth Fund	087 554 256
Colonial First State Australian Share Fund	087 554 372
Colonial First State Imputation Fund	087 554 443
Colonial First State Future Leaders Fund	087 554 578
Colonial First State Developing Companies Fund	087 554 676
Colonial First State Geared Share Fund	087 562 641
Colonial First State Global Share Fund	087 554 827
Colonial First State Global Resources Fund	087 554 872
Colonial First State Global Health & Biotechnology Fund	092 203 668
Colonial First State Global Technology & Communications Fund	089 744 856
Colonial First State Geared Global Share Fund	096 391 927
Colonial First State Property Securities Fund	087 554 292
Colonial First State Cash Fund	087 553 384
Colonial First State Premier CMT	087 562 481
Colonial First State Conservative Fund - Nil Entry Fee Option	098 596 662
Colonial First State Balanced Fund - Nil Entry Fee Option	098 594 873
Colonial First State Diversified Fund - Nil Entry Fee Option	098 594 855
Colonial First State Imputation Fund - Nil Entry Fee Option	098 597 025
Colonial First State Geared Share Fund - Nil Entry Fee Option	098 589 470
Colonial First State Property Securities Fund - Nil Entry Fee Option	098 596 877

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

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COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 2015 to 30 June 2016. The comparative reporting period is from 1 July 2014 to 30 June 2015.

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 Conservative Fund	11/05/1999	9/06/1999
Colonial First State Balanced Fund	11/05/1999	9/06/1999
Colonial First State Diversified Fund	11/05/1999	9/06/1999
Colonial First State High Growth Fund	11/05/1999	9/06/1999
Colonial First State Australian Share Fund	11/05/1999	9/06/1999
Colonial First State Imputation Fund	11/05/1999	9/06/1999
Colonial First State Future Leaders Fund	11/05/1999	9/06/1999
Colonial First State Developing Companies Fund	11/05/1999	9/06/1999
Colonial First State Geared Share Fund	11/05/1999	9/06/1999
Colonial First State Global Share Fund	11/05/1999	9/06/1999
Colonial First State Global Resources Fund	11/05/1999	9/06/1999
Colonial First State Global Health & Biotechnology Fund	22/03/2000	3/04/2000
Colonial First State Global Technology & Communications Fund	27/09/1999	7/10/1999
Colonial First State Geared Global Share Fund	27/03/2001	6/04/2001
Colonial First State Property Securities Fund	11/05/1999	9/06/1999
Colonial First State Cash Fund	11/05/1999	9/06/1999
Colonial First State Premier CMT	11/05/1999	9/06/1999
Colonial First State Conservative Fund - Nil Entry Fee Option	24/10/2001	12/11/2001
Colonial First State Balanced Fund - Nil Entry Fee Option	24/10/2001	12/11/2001
Colonial First State Diversified Fund - Nil Entry Fee Option	24/10/2001	12/11/2001
Colonial First State Imputation Fund - Nil Entry Fee Option	24/10/2001	12/11/2001
Colonial First State Geared Share Fund - Nil Entry Fee Option	24/10/2001	12/11/2001
Colonial First State Property Securities Fund - Nil Entry Fee Option	24/10/2001	12/11/2001

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.

Rounding of amounts to the nearest thousand dollars

The Funds are registered schemes of a kind referred to in ASIC Corporations Instrument 2016/191 issued by ASIC relating to the "rounding off" of amounts in the Directors' Report and the Financial Report. Amounts in the Directors' Report and the Financial Report have been rounded to the nearest thousand dollars in accordance with the ASIC Corporations Instrument, unless otherwise indicated.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

Comparatives

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

Review of Operations

Income

The 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 30/06/2016 \$'000	Period ended 30/06/2015 \$'000
Colonial First State Conservative Fund	1,825	4,503
Colonial First State Balanced Fund	2,824	6,671
Colonial First State Diversified Fund	6,967	20,156
Colonial First State High Growth Fund	2,082	4,955
Colonial First State Australian Share Fund	3,548	7,980
Colonial First State Imputation Fund	(11,476)	85,070
Colonial First State Future Leaders Fund	50,419	(12,636)
Colonial First State Developing Companies Fund	65,834	7,701
Colonial First State Geared Share Fund	(8,241)	34,304
Colonial First State Global Share Fund	5,937	8,945
Colonial First State Global Resources Fund	(1,796)	(9,438)
Colonial First State Global Health & Biotechnology Fund	(1,395)	10,101
Colonial First State Global Technology & Communications Fund	956	5,310
Colonial First State Geared Global Share Fund	(4,441)	11,530
Colonial First State Property Securities Fund	12,957	10,149
Colonial First State Cash Fund	365	514
Colonial First State Premier CMT	976	1,221
Colonial First State Conservative Fund - Nil Entry Fee Option	361	1,033
Colonial First State Balanced Fund - Nil Entry Fee Option ^	220,861	606,308
Colonial First State Diversified Fund - Nil Entry Fee Option ^	240,436	756,765
Colonial First State Imputation Fund - Nil Entry Fee Option	(210)	1,060
Colonial First State Geared Share Fund - Nil Entry Fee Option ^	(224,992)	981,642
Colonial First State Property Securities Fund - Nil Entry Fee Option ^	715,379	538,159

^ Amounts are rounded to nearest dollar.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

Review of Operations (continued)

Distribution to unitholders

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

Name of Fund	Period ended 30/06/2016 \$'000	Period ended 30/06/2015 \$'000
Colonial First State Conservative Fund	1,590	2,355
Colonial First State Balanced Fund	2,240	2,976
Colonial First State Diversified Fund	5,666	5,396
Colonial First State High Growth Fund	1,750	791
Colonial First State Australian Share Fund	9,742	16,283
Colonial First State Imputation Fund	87,938	79,591
Colonial First State Future Leaders Fund	34,084	38,028
Colonial First State Developing Companies Fund	32,402	2,869
Colonial First State Geared Share Fund	21,163	12,960
Colonial First State Global Share Fund	24	40
Colonial First State Global Resources Fund	210	102
Colonial First State Global Health & Biotechnology Fund	-	-
Colonial First State Global Technology & Communications Fund	-	-
Colonial First State Geared Global Share Fund	541	-
Colonial First State Property Securities Fund	2,885	1,169
Colonial First State Cash Fund	397	517
Colonial First State Premier CMT	989	1,233
Colonial First State Conservative Fund - Nil Entry Fee Option	302	493
Colonial First State Balanced Fund - Nil Entry Fee Option ^	165,668	243,462
Colonial First State Diversified Fund - Nil Entry Fee Option ^	192,394	168,873
Colonial First State Imputation Fund - Nil Entry Fee Option	634	511
Colonial First State Geared Share Fund - Nil Entry Fee Option ^	564,195	386,176
Colonial First State Property Securities Fund - Nil Entry Fee Option ^	145,857	49,300

^ Amounts are rounded to nearest dollar.

Details of the income distributions for the reporting periods ended 30 June 2016 and 30 June 2015 are disclosed in the "Distributions to Unitholders" note to the financial statements.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

Review of Operations (continued)

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 2016, together with comparative unit prices as at 30 June 2015:

Name of Fund	30/06/2016 \$	30/06/2015 \$
Colonial First State Conservative Fund	1.2331	1.2293
Colonial First State Balanced Fund	1.4150	1.4058
Colonial First State Diversified Fund	1.9371	1.9252
Colonial First State High Growth Fund	1.4063	1.3965
Colonial First State Australian Share Fund	1.9813	2.0886
Colonial First State Imputation Fund	3.4034	3.6401
Colonial First State Future Leaders Fund	3.6624	3.5821
Colonial First State Developing Companies Fund	2.2101	1.9481
Colonial First State Geared Share Fund	1.7667	1.9966
Colonial First State Global Share Fund	1.7275	1.5613
Colonial First State Global Resources Fund	0.9841	1.0140
Colonial First State Global Health & Biotechnology Fund	2.1428	2.2511
Colonial First State Global Technology & Communications Fund	1.2446	1.1932
Colonial First State Geared Global Share Fund	0.8916	0.9840
Colonial First State Property Securities Fund	0.8917	0.7611
Colonial First State Cash Fund	1.0072	1.0086
Colonial First State Premier CMT	1.0000	1.0000
Colonial First State Conservative Fund - Nil Entry Fee Option	0.9993	0.9962
Colonial First State Balanced Fund - Nil Entry Fee Option	0.9656	0.9595
Colonial First State Diversified Fund - Nil Entry Fee Option	1.0801	1.0743
Colonial First State Imputation Fund - Nil Entry Fee Option	0.9002	0.9415
Colonial First State Geared Share Fund - Nil Entry Fee Option	0.6084	0.6880
Colonial First State Property Securities Fund - Nil Entry Fee Option	0.5523	0.4713

Units in the Colonial First State Premier CMT are recorded at \$1.00 and interest is calculated and accrued daily.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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	Appointed on 4 February 2015.
Anne Ward	Appointed on 1 January 2013.
Linda Elkins	Appointed on 1 January 2013.
Penelope James	Appointed on 1 January 2013.
Peter Hodgett	Appointed on 1 January 2013.
Elizabeth Lewin	Appointed on 27 October 2015.
Michael Venter	Resigned on 4 February 2015.

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

Scheme Information

The 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

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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.

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
2 September 2016



Auditor's Independence Declaration

As lead auditor for the audits of Colonial First State Managed Investment Funds for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audits; and
2. no contraventions of any applicable code of professional conduct in relation to the audits.

A handwritten signature in black ink, appearing to read 'C J Cummins', followed by a horizontal line.

C J Cummins
Partner
PricewaterhouseCoopers

Sydney
2 September 2016

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

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**AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS
OF COLONIAL FIRST STATE INVESTMENTS LIMITED
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

The Auditor's Independence Declaration to the Directors
will be inserted after the Financial Report has been
approved and signed by the Directors

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State Conservative Fund		Colonial First State Balanced Fund		Colonial First State Diversified Fund	
	Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Investment Income							
Interest income	3	3	4	4	5	10	13
Distribution income		2,131	2,896	3,023	3,714	7,824	7,540
Changes in fair value of financial instruments held for trading		202	2,157	502	3,702	1,177	14,775
Total investment income/(loss)		2,336	5,057	3,529	7,421	9,011	22,328
Expenses							
Responsible Entity's management fees	8(c)	495	536	683	727	1,993	2,117
Expenses recharged	8(d)	16	17	22	23	51	54
Other expenses		-	1	-	-	-	1
Total operating expenses		511	554	705	750	2,044	2,172
Operating profit/(loss) attributable to unitholders		1,825	4,503	2,824	6,671	6,967	20,156
Distributions to unitholders	4	(1,590)	(2,355)	(2,240)	(2,976)	(5,666)	(5,396)
Change in net assets attributable to unitholders from operations	6(a)	(235)	(2,148)	(584)	(3,695)	(1,301)	(14,760)
Profit/(Loss) for the period		-	-	-	-	-	-
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State High Growth Fund		Colonial First State Australian Share Fund		Colonial First State Imputation Fund	
	Note	1/07/2015 - 30/06/2016	1/07/2014 - 30/06/2015	1/07/2015 - 30/06/2016	1/07/2014 - 30/06/2015	1/07/2015 - 30/06/2016	1/07/2014 - 30/06/2015
Investment Income		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	3	2	3	31	45	540	1,038
Dividend income		-	-	4,722	5,144	62,323	68,089
Distribution income		2,264	1,348	318	179	4,020	2,622
Changes in fair value of financial instruments held for trading		352	4,161	738	5,070	(50,764)	43,876
Other income		-	-	6	5	221	481
Net foreign exchange gain/(loss)		-	-	-	-	(56)	-
Total investment income/(loss)		2,618	5,512	5,815	10,443	16,284	116,106
Expenses							
Responsible Entity's management fees	8(c)	525	545	2,142	2,315	26,758	29,736
Custody fees	8(d)	-	-	6	5	70	58
Expenses recharged	8(d)	11	12	25	27	314	347
Brokerage costs		-	-	93	116	617	894
Other expenses		-	-	1	-	1	1
Total operating expenses		536	557	2,267	2,463	27,760	31,036
Operating profit/(loss) attributable to unitholders		2,082	4,955	3,548	7,980	(11,476)	85,070
Distributions to unitholders	4	(1,750)	(791)	(9,742)	(16,283)	(87,938)	(79,591)
Change in net assets attributable to unitholders from operations	6(a)	(332)	(4,164)	6,194	8,303	99,414	(5,479)
Profit/(Loss) for the period		-	-	-	-	-	-
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State Future Leaders Fund		Colonial First State Developing Companies Fund		Colonial First State Geared Share Fund	
	Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Investment Income							
Interest income	3	318	407	160	137	13	23
Dividend income		18,024	18,208	11,119	8,701	-	-
Distribution income		-	-	-	-	32,250	20,302
Changes in fair value of financial instruments held for trading		43,785	(18,590)	61,998	5,499	(38,042)	16,742
Other income		32	1	40	-	-	1
Net foreign exchange gain/(loss)		(125)	(48)	(53)	(102)	-	-
Total investment income/(loss)		62,034	(22)	73,264	14,235	(5,779)	37,068
Expenses							
Responsible Entity's management fees	8(c)	10,803	11,654	7,194	6,366	2,409	2,704
Custody fees	8(d)	25	21	14	10	-	-
Expenses recharged	8(d)	-	-	-	-	53	60
Brokerage costs		787	824	221	148	-	-
Other expenses		-	115	1	10	-	-
Total operating expenses		11,615	12,614	7,430	6,534	2,462	2,764
Operating profit/(loss) attributable to unitholders		50,419	(12,636)	65,834	7,701	(8,241)	34,304
Distributions to unitholders	4	(34,084)	(38,028)	(32,402)	(2,869)	(21,163)	(12,960)
Change in net assets attributable to unitholders from operations	6(a)	(16,335)	50,664	(33,432)	(4,832)	29,404	(21,344)
Profit/(Loss) for the period		-	-	-	-	-	-
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State Global Share Fund		Colonial First State Global Resources Fund		Colonial First State Global Health & Biotechnology Fund	
	Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Investment Income							
Interest income	3	2	3	1	3	1	1
Distribution income		228	919	609	706	-	-
Changes in fair value of financial instruments held for trading		6,250	8,522	(2,009)	(9,543)	(1,146)	10,315
Total investment income/(loss)		6,480	9,444	(1,399)	(8,834)	(1,145)	10,316
Expenses							
Responsible Entity's management fees	8(c)	531	488	390	591	244	210
Expenses recharged	8(d)	12	11	7	11	6	5
Other expenses		-	-	-	2	-	-
Total operating expenses		543	499	397	604	250	215
Operating profit/(loss) attributable to unitholders		5,937	8,945	(1,796)	(9,438)	(1,395)	10,101
Distributions to unitholders	4	(24)	(40)	(210)	(102)	-	-
Change in net assets attributable to unitholders from operations	6(a)	(5,913)	(8,905)	2,006	9,540	1,395	(10,101)
Profit/(Loss) for the period		-	-	-	-	-	-
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State Global Technology & Communications Fund		Colonial First State Geared Global Share Fund		Colonial First State Property Securities Fund	
	Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Investment Income							
Interest income	3	1	1	2	3	3	3
Distribution income		190	15	559	-	3,873	1,616
Changes in fair value of financial instruments held for trading		978	5,480	(4,544)	12,001	9,543	8,969
Total investment income/(loss)		1,169	5,496	(3,983)	12,004	13,419	10,588
Expenses							
Responsible Entity's management fees	8(c)	208	182	447	464	448	427
Expenses recharged	8(d)	5	4	10	10	13	12
Other expenses		-	-	1	-	1	-
Total operating expenses		213	186	458	474	462	439
Operating profit/(loss) attributable to unitholders		956	5,310	(4,441)	11,530	12,957	10,149
Distributions to unitholders	4	-	-	(541)	-	(2,885)	(1,169)
Change in net assets attributable to unitholders from operations	6(a)	(956)	(5,310)	4,982	(11,530)	(10,072)	(8,980)
Profit/(Loss) for the period		-	-	-	-	-	-
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State Cash Fund		Colonial First State Premier CMT		Colonial First State Conservative Fund - Nil Entry Fee Option	
	Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Investment Income							
Interest income	3	1	-	1,344	1,619	1	1
Distribution income		533	667	-	-	501	707
Changes in fair value of financial instruments held for trading		(32)	(5)	2	(4)	54	541
Other income		-	1	1	1	-	1
Net foreign exchange gain/(loss)		-	-	1	-	-	-
Total investment income/(loss)		502	663	1,348	1,616	556	1,250
Expenses							
Responsible Entity's management fees	8(c)	131	144	368	385	190	213
Expenses recharged	8(d)	5	5	-	-	4	4
Other expenses		1	-	4	10	1	-
Total operating expenses		137	149	372	395	195	217
Operating profit/(loss) attributable to unitholders		365	514	976	1,221	361	1,033
Distributions to unitholders	4	(397)	(517)	(989)	(1,233)	(302)	(493)
Change in net assets attributable to unitholders from operations	6(a)	32	3	13	12	(59)	(540)
Profit/(Loss) for the period		-	-	-	-	-	-
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State Balanced Fund - Nil Entry Fee Option		Colonial First State Diversified Fund - Nil Entry Fee Option		Colonial First State Imputation Fund - Nil Entry Fee Option	
	Note	1/07/2015 - 30/06/2016	1/07/2014 - 30/06/2015	1/07/2015 - 30/06/2016	1/07/2014 - 30/06/2015	1/07/2015 - 30/06/2016	1/07/2014 - 30/06/2015
Investment Income		\$	\$	\$	\$	\$'000	\$'000
Interest income	3	414	606	407	550	1	1
Distribution income		272,886	359,302	309,091	294,401	1,481	1,253
Changes in fair value of financial instruments held for trading		49,913	362,786	50,317	588,427	(1,457)	71
Other income		1	-	1	1	-	1
Total investment income/(loss)		323,214	722,694	359,816	883,379	25	1,326
Expenses							
Responsible Entity's management fees	8(c)	100,349	114,082	117,354	124,402	231	261
Expenses recharged	8(d)	1,976	2,227	2,003	2,128	4	5
Other expenses		28	77	23	84	-	-
Total operating expenses		102,353	116,386	119,380	126,614	235	266
Operating profit/(loss) attributable to unitholders		220,861	606,308	240,436	756,765	(210)	1,060
Distributions to unitholders	4	(165,668)	(243,462)	(192,394)	(168,873)	(634)	(511)
Change in net assets attributable to unitholders from operations	6(a)	(55,193)	(362,846)	(48,042)	(587,892)	844	(549)
Profit/(Loss) for the period		-	-	-	-	-	-
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State Geared Share Fund - Nil Entry Fee Option		Colonial First State Property Securities Fund - Nil Entry Fee Option	
	Note	1/07/2015 - 30/06/2016	1/07/2014 - 30/06/2015	1/07/2015 - 30/06/2016	1/07/2014 - 30/06/2015
Investment Income		\$	\$	\$	\$
Interest income	3	399	985	171	180
Dividend income		-	-	-	-
Distribution income		895,784	605,324	216,237	87,470
Changes in fair value of financial instruments held for trading		(1,020,085)	493,004	539,231	487,618
Other income		-	221	1	-
Responsible Entity fees rebate		-	-	-	-
Net foreign exchange gain/(loss)		-	-	-	-
Total investment income/(loss)		(123,902)	1,099,534	755,640	575,268
Expenses					
Responsible Entity's management fees	8(c)	99,504	115,982	39,520	36,374
Responsible Entity's performance fees	8(c)	-	-	-	-
Custody fees	8(d)	-	-	-	-
Expenses recharged	8(d)	1,553	1,820	728	670
Interest expenses		-	-	-	-
Dividend expense - short sell		-	-	-	-
Bad debts written off		-	-	-	-
Provision for doubtful debts		-	-	-	-
Brokerage costs		-	-	-	-
Other expenses		33	90	13	65
Total operating expenses		101,090	117,892	40,261	37,109
Operating profit/(loss) attributable to unitholders		(224,992)	981,642	715,379	538,159
Distributions to unitholders	4	(564,195)	(386,176)	(145,857)	(49,300)
Change in net assets attributable to unitholders from operations	6(a)	789,187	(595,466)	(569,522)	(488,859)
Profit/(Loss) for the period		-	-	-	-
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		-	-	-	-

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2016

		Colonial First State Conservative Fund		Colonial First State Balanced Fund		Colonial First State Diversified Fund	
	Note	30/06/2016	30/06/2015	30/06/2016	30/06/2015	30/06/2016	30/06/2015
Assets		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents		251	514	408	583	1,075	1,087
Trade and other receivables:							
- application monies		-	20	1	34	3	6
- interest		-	-	-	-	1	1
- others		15	15	19	22	54	60
Financial assets held for trading	5	73,793	78,910	103,101	108,386	244,480	257,098
Total assets		74,059	79,459	103,529	109,025	245,613	258,252
Liabilities							
Trade and other payables:							
- redemptions		4	22	22	109	45	16
- others		-	-	-	-	1	-
Distribution payable		164	291	180	298	478	494
Responsible Entity - fee	8(c)	44	47	61	65	178	189
Total liabilities (excluding net assets attributable to unitholders)		212	360	263	472	702	699
Net assets attributable to unitholders - liability		73,847	79,099	103,266	108,553	244,911	257,553
Represented by:							
Fair value of outstanding units based on redemption value		73,847	79,097	103,265	108,557	244,911	257,549
Adjustment to period end accruals		-	2	1	(4)	-	4
Net assets attributable to unitholders		73,847	79,099	103,266	108,553	244,911	257,553

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2016

		Colonial First State High Growth Fund		Colonial First State Australian Share Fund		Colonial First State Imputation Fund	
	Note	30/06/2016	30/06/2015	30/06/2016	30/06/2015	30/06/2016	30/06/2015
Assets		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents		195	268	3,373	1,968	24,087	75,906
Trade and other receivables:							
- outstanding sales settlement		-	-	41	-	26,542	8,909
- application monies		1	1	-	106	61	33
- dividends		-	-	1,022	962	13,546	12,712
- interest		-	-	1	2	27	101
- others		15	17	62	67	737	863
Financial assets held for trading	5	54,901	56,345	116,192	122,903	1,418,179	1,518,705
Total assets		55,112	56,631	120,691	126,008	1,483,179	1,617,229
Liabilities							
Trade and other payables:							
- outstanding purchase settlements		-	-	1,029	-	18,881	14,498
- redemptions		2	41	87	69	870	503
- others		-	-	-	-	2	-
Distribution payable		72	29	792	1,273	7,914	7,131
Responsible Entity - fee	8(c)	48	49	190	201	2,342	2,585
Financial liabilities held for trading	5	-	-	-	-	662	820
Total liabilities (excluding net assets attributable to unitholders)		122	119	2,098	1,543	30,671	25,537
Net assets attributable to unitholders - liability		54,990	56,512	118,593	124,465	1,452,508	1,591,692
Represented by:							
Fair value of outstanding units based on redemption value		54,991	56,511	118,529	124,389	1,451,217	1,590,570
Adjustments arising from different unit pricing and AIFRS valuation principles		-	-	(145)	(155)	(1,433)	(1,937)
Buy and sell spread		-	-	225	238	2,753	3,036
Adjustment to period end accruals		(1)	1	(16)	(7)	(29)	23
Net assets attributable to unitholders		54,990	56,512	118,593	124,465	1,452,508	1,591,692

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2016

		Colonial First State Future Leaders Fund		Colonial First State Developing Companies Fund		Colonial First State Geared Share Fund	
	Note	30/06/2016	30/06/2015	30/06/2016	30/06/2015	30/06/2016	30/06/2015
Assets		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents		34,114	14,583	8,896	8,588	3,220	2,757
Trade and other receivables:							
- outstanding sales settlement		3,670	147	6,829	-	-	-
- application monies		354	226	1,079	51	3	84
- dividends		1,236	896	-	66	-	-
- interest		22	25	10	13	1	2
- others		322	342	215	176	64	56
Financial assets held for trading	5	497,268	505,429	343,154	263,038	240,266	268,347
Total assets		536,986	521,648	360,183	271,932	243,554	271,246
Liabilities							
Trade and other payables:							
- outstanding purchase settlements		7,916	-	3,535	10	-	-
- redemptions		218	417	55	335	96	395
- others		-	-	2	-	-	-
Distribution payable		2,946	2,406	1,921	-	2,687	1,652
Responsible Entity - fee	8(c)	972	972	733	560	214	221
Financial liabilities held for trading	5	5	-	-	-	-	-
Total liabilities (excluding net assets attributable to unitholders)		12,057	3,795	6,246	905	2,997	2,268
Net assets attributable to unitholders - liability		524,929	517,853	353,937	271,027	240,557	268,978
Represented by:							
Fair value of outstanding units based on redemption value		526,467	523,872	358,154	273,376	240,552	268,981
Adjustments arising from different unit pricing and AIFRS valuation principles		(2,577)	(7,060)	(4,943)	(2,901)	-	-
Buy and sell spread		1,055	1,050	718	548	-	-
Adjustment to period end accruals		(16)	(9)	8	4	5	(3)
Net assets attributable to unitholders		524,929	517,853	353,937	271,027	240,557	268,978

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2016

		Colonial First State Global Share Fund		Colonial First State Global Resources Fund		Colonial First State Global Health & Biotechnology Fund	
	Note	30/06/2016	30/06/2015	30/06/2016	30/06/2015	30/06/2016	30/06/2015
Assets		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents		212	258	197	185	93	82
Trade and other receivables:							
- application monies		-	-	-	1	-	21
- others		14	15	12	27	7	7
Financial assets held for trading	5	59,352	57,109	37,176	44,636	25,449	28,393
Total assets		59,578	57,382	37,385	44,849	25,549	28,503
Liabilities							
Trade and other payables:							
- redemptions		11	53	79	43	8	6
Distribution payable		2	4	38	12	-	-
Responsible Entity - fee	8(c)	48	47	37	47	21	23
Total liabilities (excluding net assets attributable to unitholders)		61	104	154	102	29	29
Net assets attributable to unitholders - liability		59,517	57,278	37,231	44,747	25,520	28,474
Represented by:							
Fair value of outstanding units based on redemption value		59,514	57,275	37,229	44,745	25,519	28,473
Adjustment to period end accruals		3	3	2	2	1	1
Net assets attributable to unitholders		59,517	57,278	37,231	44,747	25,520	28,474

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2016

		Colonial First State Global Technology & Communications Fund		Colonial First State Geared Global Share Fund		Colonial First State Property Securities Fund	
	Note	30/06/2016	30/06/2015	30/06/2016	30/06/2015	30/06/2016	30/06/2015
Assets		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents		77	79	148	165	812	315
Trade and other receivables:							
- application monies		-	6	-	7	8	16
- others		5	5	12	10	13	13
Financial assets held for trading	5	22,366	22,420	46,393	54,228	68,341	60,940
Total assets		22,448	22,510	46,553	54,410	69,174	61,284
Liabilities							
Trade and other payables:							
- redemptions		-	4	5	22	-	17
Distribution payable		-	-	58	-	463	111
Responsible Entity - fee	8(c)	18	18	38	41	44	39
Total liabilities (excluding net assets attributable to unitholders)		18	22	101	63	507	167
Net assets attributable to unitholders - liability		22,430	22,488	46,452	54,347	68,667	61,117
Represented by:							
Fair value of outstanding units based on redemption value		22,429	22,487	46,451	54,343	68,666	61,115
Adjustment to period end accruals		1	1	1	4	1	2
Net assets attributable to unitholders		22,430	22,488	46,452	54,347	68,667	61,117

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2016

		Colonial First State Cash Fund		Colonial First State Premier CMT		Colonial First State Conservative Fund - Nil Entry Fee Option	
	Note	30/06/2016 \$'000	30/06/2015 \$'000	30/06/2016 \$'000	30/06/2015 \$'000	30/06/2016 \$'000	30/06/2015 \$'000
Assets							
Cash and cash equivalents		63	-	11,373	11,566	152	91
Trade and other receivables:							
- application monies		7	204	15	-	-	-
- interest		-	-	10	10	-	-
- others		4	4	10	10	5	11
Financial assets held for trading	5	22,638	24,953	38,225	43,220	16,925	19,100
Total assets		22,712	25,161	49,633	54,806	17,082	19,202
Liabilities							
Bank overdraft		-	118	-	-	-	-
Trade and other payables:							
- redemptions		7	9	-	-	93	-
- others		1	-	2	2	-	-
Distribution payable		7	3	7	11	22	51
Responsible Entity - fee	8(c)	11	13	29	32	16	19
Total liabilities (excluding net assets attributable to unitholders)		26	143	38	45	131	70
Net assets attributable to unitholders - liability		22,686	25,018	49,595	54,761	16,951	19,132
Represented by:							
Fair value of outstanding units based on redemption value		22,687	25,016	49,701	54,854	16,951	19,131
Adjustments arising from different unit pricing and AIFRS valuation principles		-	-	(4)	(4)	-	-
Under or (over) distributions		-	-	(107)	(94)	-	-
Adjustment to period end accruals		(1)	2	5	5	-	1
Net assets attributable to unitholders		22,686	25,018	49,595	54,761	16,951	19,132

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2016

		Colonial First State Balanced Fund - Nil Entry Fee Option		Colonial First State Diversified Fund - Nil Entry Fee Option		Colonial First State Imputation Fund - Nil Entry Fee Option	
	Note	30/06/2016	30/06/2015	30/06/2016	30/06/2015	30/06/2016	30/06/2015
Assets		\$	\$	\$	\$	\$'000	\$'000
Cash and cash equivalents		29,796	46,796	30,939	39,466	68	91
Trade and other receivables:							
- application monies		-	-	340	100	-	-
- interest		50	51	34	44	-	-
- others		2,635	3,138	3,151	3,481	6	8
Financial assets held for trading	5	9,127,512	10,440,314	9,765,145	9,975,737	18,197	20,175
Total assets		9,159,993	10,490,299	9,799,609	10,018,828	18,271	20,274
Liabilities							
Trade and other payables:							
- redemptions		-	-	-	-	-	24
Distribution payable		10,550	19,588	7,352	6,394	28	15
Responsible Entity - fee	8(c)	8,709	10,077	10,652	11,040	20	22
Total liabilities (excluding net assets attributable to unitholders)		19,259	29,665	18,004	17,434	48	61
Net assets attributable to unitholders - liability		9,140,734	10,460,634	9,781,605	10,001,394	18,223	20,213
Represented by:							
Fair value of outstanding units based on redemption value		9,140,012	10,461,142	9,781,576	10,000,729	18,223	20,212
Adjustment to period end accruals		722	(508)	29	665	-	1
Net assets attributable to unitholders		9,140,734	10,460,634	9,781,605	10,001,394	18,223	20,213

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2016

		Colonial First State Geared Share Fund - Nil Entry Fee Option		Colonial First State Property Securities Fund - Nil Entry Fee Option	
	Note	30/06/2016	30/06/2015	30/06/2016	30/06/2015
Assets		\$	\$	\$	\$
Cash and cash equivalents		81,321	163,195	30,490	11,992
Trade and other receivables:					
- outstanding sales settlement		-	-	-	-
- application monies		15,000	10,000	-	-
- dividends		-	-	-	-
- interest		29	160	24	13
- others		2,551	2,304	1,103	985
Responsible Entity fee rebate	8(c)	-	-	-	-
Financial assets held for trading	5	6,656,280	7,992,580	3,785,106	3,350,638
Others		-	-	-	-
Total assets		6,755,181	8,168,239	3,816,723	3,363,628
Liabilities					
Trade and other payables:					
- redemptions		-	95,256	-	-
Distribution payable		81,247	53,881	13,571	3,091
Responsible Entity - fee	8(c)	8,382	9,519	3,771	3,322
Total liabilities (excluding net assets attributable to unitholders)		89,629	158,656	17,342	6,413
Net assets attributable to unitholders - liability		6,665,552	8,009,583	3,799,381	3,357,215
Represented by:					
Fair value of outstanding units based on redemption value		6,665,528	8,009,637	3,798,992	3,357,323
Adjustment to period end accruals		24	(54)	389	(108)
Net assets attributable to unitholders		6,665,552	8,009,583	3,799,381	3,357,215

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

STATEMENTS OF CHANGES IN EQUITY FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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

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 MANAGED INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

	Colonial First State Conservative Fund		Colonial First State Balanced Fund		Colonial First State Diversified Fund	
Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	8,720	10,940	10,420	11,245	23,870	30,320
Payments for purchase of financial instruments held for trading	(1,270)	(2,030)	(1,610)	(1,960)	(2,250)	(2,690)
Interest received	3	4	4	6	10	14
Responsible Entity fee received/ (paid)	(498)	(538)	(685)	(729)	(1,998)	(2,121)
Others	(15)	(17)	(21)	(24)	(51)	(55)
Net cash (used in)/from operating activities 7(a)	6,940	8,359	8,108	8,538	19,581	25,468
Cash flows from financing activities						
Receipts from issue of units	2,869	4,308	3,958	4,000	6,053	6,268
Payment for redemption of units	(9,553)	(12,080)	(11,701)	(11,959)	(24,746)	(30,901)
Distributions paid	(519)	(507)	(540)	(529)	(900)	(648)
Net cash (used in)/from financing activities	(7,203)	(8,279)	(8,283)	(8,488)	(19,593)	(25,281)
Net movement in cash and cash equivalents	(263)	80	(175)	50	(12)	187
Add opening cash and cash equivalents brought forward	514	434	583	533	1,087	900
Closing cash and cash equivalents carried forward	251	514	408	583	1,075	1,087

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 MANAGED INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

	Colonial First State High Growth Fund		Colonial First State Australian Share Fund		Colonial First State Imputation Fund	
Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	5,390	5,640	53,248	65,080	409,834	533,402
Payments for purchase of financial instruments held for trading	(1,330)	(1,480)	(44,352)	(60,526)	(366,566)	(385,719)
Interest received	2	3	32	54	614	986
Dividends received	-	-	4,520	5,001	58,541	65,040
Responsible Entity fee received/ (paid)	(526)	(545)	(2,148)	(2,322)	(26,876)	(29,855)
Payment for brokerage costs	-	-	(93)	(116)	(617)	(894)
Others	(10)	(11)	(24)	(28)	(164)	73
Net cash (used in)/from operating activities 7(a)	3,526	3,607	11,183	7,143	74,766	183,033
Cash flows from financing activities						
Receipts from issue of units	2,550	2,969	3,994	4,875	21,802	26,148
Payment for redemption of units	(6,092)	(6,404)	(11,867)	(14,335)	(133,178)	(175,401)
Distributions paid	(57)	(48)	(1,905)	(2,381)	(15,209)	(19,209)
Net cash (used in)/from financing activities	(3,599)	(3,483)	(9,778)	(11,841)	(126,585)	(168,462)
Net movement in cash and cash equivalents	(73)	124	1,405	(4,698)	(51,819)	14,571
Add opening cash and cash equivalents brought forward	268	144	1,968	6,666	75,906	61,335
Closing cash and cash equivalents carried forward	195	268	3,373	1,968	24,087	75,906

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 MANAGED INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State Future Leaders Fund		Colonial First State Developing Companies Fund		Colonial First State Geared Share Fund	
	Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Cash flows from operating activities							
Proceeds from sale of financial instruments held for trading		451,766	422,465	116,949	74,401	29,570	52,770
Payments for purchase of financial instruments held for trading		(395,290)	(369,174)	(137,979)	(70,013)	(7,280)	(7,150)
Interest received		322	413	163	155	14	23
Dividends received		17,426	17,898	10,741	8,406	-	-
Responsible Entity fee received/ (paid)		(10,784)	(11,772)	(7,059)	(6,381)	(2,425)	(2,707)
Payment for brokerage costs		(787)	(824)	(221)	(148)	-	-
Others		7	(136)	25	(22)	(53)	(59)
Net cash (used in)/from operating activities	7(a)	62,660	58,870	(17,381)	6,398	19,826	42,877
Cash flows from financing activities							
Receipts from issue of units		15,062	14,155	53,725	23,030	18,784	22,036
Payment for redemption of units		(54,678)	(71,251)	(35,230)	(30,961)	(36,495)	(62,908)
Distributions paid		(3,513)	(4,043)	(806)	(2,511)	(1,652)	(1,485)
Net cash (used in)/from financing activities		(43,129)	(61,139)	17,689	(10,442)	(19,363)	(42,357)
Net movement in cash and cash equivalents		19,531	(2,269)	308	(4,044)	463	520
Add opening cash and cash equivalents brought forward		14,583	16,852	8,588	12,632	2,757	2,237
Closing cash and cash equivalents carried forward		34,114	14,583	8,896	8,588	3,220	2,757

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 MANAGED INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

	Colonial First State Global Share Fund		Colonial First State Global Resources Fund		Colonial First State Global Health & Biotechnology Fund	
Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	5,555	4,430	6,400	11,450	3,505	2,607
Payments for purchase of financial instruments held for trading	(1,320)	(2,590)	(340)	(450)	(1,707)	(2,985)
Interest received	2	3	1	3	1	1
Responsible Entity fee received/ (paid)	(530)	(483)	(383)	(617)	(246)	(204)
Others	(12)	(12)	(7)	(12)	(5)	(5)
Net cash (used in)/from operating activities 7(a)	3,695	1,348	5,671	10,374	1,548	(586)
Cash flows from financing activities						
Receipts from issue of units	2,240	3,649	1,006	1,354	2,658	3,858
Payment for redemption of units	(5,977)	(4,910)	(6,643)	(11,728)	(4,195)	(3,260)
Distributions paid	(4)	-	(22)	(32)	-	-
Net cash (used in)/from financing activities	(3,741)	(1,261)	(5,659)	(10,406)	(1,537)	598
Net movement in cash and cash equivalents	(46)	87	12	(32)	11	12
Add opening cash and cash equivalents brought forward	258	171	185	217	82	70
Closing cash and cash equivalents carried forward	212	258	197	185	93	82

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 MANAGED INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State Global Technology & Communications Fund		Colonial First State Geared Global Share Fund		Colonial First State Property Securities Fund	
	Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Cash flows from operating activities							
Proceeds from sale of financial instruments held for trading		2,193	1,903	4,660	6,287	6,595	7,035
Payments for purchase of financial instruments held for trading		(971)	(921)	(810)	(2,680)	(580)	(1,260)
Interest received		1	1	2	3	2	3
Responsible Entity fee received/ (paid)		(208)	(180)	(452)	(459)	(444)	(425)
Others		(5)	(4)	(10)	(11)	(13)	(13)
Net cash (used in)/from operating activities	7(a)	1,010	799	3,390	3,140	5,560	5,340
Cash flows from financing activities							
Receipts from issue of units		1,374	1,428	1,559	3,908	1,714	2,931
Payment for redemption of units		(2,386)	(2,189)	(4,966)	(7,034)	(6,385)	(7,748)
Distributions paid		-	-	-	(64)	(392)	(626)
Net cash (used in)/from financing activities		(1,012)	(761)	(3,407)	(3,190)	(5,063)	(5,443)
Net movement in cash and cash equivalents		(2)	38	(17)	(50)	497	(103)
Add opening cash and cash equivalents brought forward		79	41	165	215	315	418
Closing cash and cash equivalents carried forward		77	79	148	165	812	315

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 MANAGED INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

	Colonial First State Cash Fund		Colonial First State Premier CMT		Colonial First State Conservative Fund - Nil Entry Fee Option	
Note	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	12,545	15,513	232,189	262,132	2,750	2,511
Payments for purchase of financial instruments held for trading	(9,730)	(12,740)	(227,219)	(259,172)	(20)	(40)
Interest received	1	1	1,371	1,636	1	1
Responsible Entity fee received/ (paid)	(132)	(144)	(370)	(379)	(187)	(218)
Others	(5)	(5)	(1)	(9)	(4)	(4)
Net cash (used in)/from operating activities 7(a)	2,679	2,625	5,970	4,208	2,540	2,250
Cash flows from financing activities						
Receipts from issue of units	14,263	17,900	69,505	67,424	153	237
Payment for redemption of units	(16,735)	(20,689)	(75,617)	(70,195)	(2,549)	(2,411)
Distributions paid	(26)	(46)	(51)	(67)	(83)	(71)
Net cash (used in)/from financing activities	(2,498)	(2,835)	(6,163)	(2,838)	(2,479)	(2,245)
Net movement in cash and cash equivalents	181	(210)	(193)	1,370	61	5
Add opening cash and cash equivalents brought forward	(118)	92	11,566	10,196	91	86
Closing cash and cash equivalents carried forward	63	(118)	11,373	11,566	152	91

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 MANAGED INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

	Colonial First State Balanced Fund - Nil Entry Fee Option	Colonial First State Diversified Fund - Nil Entry Fee Option	Colonial First State Imputation Fund - Nil Entry Fee Option			
Note	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	1,805,600	1,357,000	696,000	1,526,000	2,172	3,575
Payments for purchase of financial instruments held for trading	(169,999)	(252,000)	(126,000)	(184,000)	(170)	(290)
Interest received	415	624	417	569	1	1
Responsible Entity fee received/ (paid)	(101,214)	(114,425)	(117,412)	(124,861)	(232)	(262)
Others	(2,003)	(2,304)	(2,025)	(2,211)	(5)	(5)
Net cash (used in)/from operating activities 7(a)	1,532,799	988,895	450,980	1,215,497	1,766	3,019
Cash flows from financing activities						
Receipts from issue of units	249,800	309,534	200,836	307,331	362	483
Payment for redemption of units	(1,767,531)	(1,270,210)	(649,624)	(1,527,298)	(2,102)	(3,433)
Distributions paid	(32,068)	(28,155)	(10,719)	(9,374)	(49)	(49)
Net cash (used in)/from financing activities	(1,549,799)	(988,831)	(459,507)	(1,229,341)	(1,789)	(2,999)
Net movement in cash and cash equivalents	(17,000)	64	(8,527)	(13,844)	(23)	20
Add opening cash and cash equivalents brought forward	46,796	46,732	39,466	53,310	91	71
Closing cash and cash equivalents carried forward	29,796	46,796	30,939	39,466	68	91

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 MANAGED INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

		Colonial First State Geared Share Fund - Nil Entry Fee Option		Colonial First State Property Securities Fund - Nil Entry Fee Option	
	Note	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Cash flows from operating activities					
Proceeds from sale of financial instruments held for trading		3,161,000	3,055,500	383,000	329,500
Payments for purchase of financial instruments held for trading		(1,949,001)	(1,774,999)	(62,000)	(151,000)
Interest received		530	844	160	184
Responsible Entity fee received/ (paid)		(100,888)	(115,954)	(39,189)	(36,147)
Others		(1,586)	(1,689)	(740)	(735)
Net cash (used in)/from operating activities	7(a)	1,110,055	1,163,702	281,231	141,802
Cash flows from financing activities					
Receipts from issue of units		2,194,606	1,947,966	70,894	168,161
Payment for redemption of units		(3,332,654)	(2,961,383)	(323,427)	(300,819)
Distributions paid		(53,881)	(37,964)	(10,200)	(17,089)
Net cash (used in)/from financing activities		(1,191,929)	(1,051,381)	(262,733)	(149,747)
Net movement in cash and cash equivalents		(81,874)	112,321	18,498	(7,945)
Add opening cash and cash equivalents brought forward		163,195	50,874	11,992	19,937
Closing cash and cash equivalents carried forward		81,321	163,195	30,490	11,992

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 MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 2 September 2016. 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 2015 to 30 June 2016. The comparative reporting period is from 1 July 2014 to 30 June 2015.

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 Instrument 2016/191 issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the Directors' Report and the Financial Report. Amounts in the Directors' Report and the Financial Report have been rounded to the nearest thousand dollars in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

(i) Compliance with International Financial Reporting Standards

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

(ii) New and Amended Standards adopted by the Funds

There are no new or amended Accounting Standards adopted by the Funds. There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2015 that have a material impact on the Funds.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(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 Assets Held for Trading

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheets comprise cash at bank, deposits at call with futures clearing house 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.

Margin accounts comprise 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 the unitholders are presently entitled to the income of the Funds and the Funds fully distribute their taxable income.

(h) Distributions to Unitholders

In accordance with the Funds' Constitutions, the Funds fully distribute their distributable income to unitholders. Distributions are payable at the end of each distribution period. Such distributions are determined by reference to the taxable income 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

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 Constitution and the Corporations Act 2001, including the right to:

- have their units redeemed;
- receive income distributions;
- 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.

(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.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

The Funds invest in managed investment schemes which are also managed by the Responsible Entity. For the majority of the financial instruments of these managed investment schemes, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them. Models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

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

(o) Unit Prices

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

Units in the Colonial First State Premier CMT are recorded at \$1.00 per unit and interest is calculated and accrued daily.

(p) Investment Entity

The Responsible Entity has determined that the Funds are an investment entity 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.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(r) New Application of Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the Funds. The Responsible Entity's assessment of the impact of these new standards (to the extent relevant to the fund) and interpretations is set out below:

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

The Responsible Entity does not expect this to have a significant impact on the recognition and measurement of the Funds' financial instruments as they are carried at fair value through profit or loss.

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

The Funds have not yet decided when to adopt AASB 9.

(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 MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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

With the exception of Colonial First State Premier CMT, interest income of the Funds is derived mainly from interest earned on bank accounts.

The interest income of Colonial First State Premier CMT is summarised as follows:

Colonial First State Premier CMT		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Cash and cash equivalents	241	293
Debt securities	1,103	1,326
Total Interest Income	1,344	1,619

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 Conservative Fund			
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015
	cpu	\$'000	cpu \$'000
- 30 September	0.40	250	0.40 272
- 31 December	0.60	372	0.70 466
- 31 March	0.50	302	0.70 453
- 30 June	1.12	666	1.83 1,164
Distributions to unitholders		1,590	2,355

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

Colonial First State Balanced Fund				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$'000	cpu	\$'000
- 30 September	0.30	229	0.30	239
- 31 December	0.90	679	0.90	707
- 31 March	0.50	369	0.60	465
- 30 June	1.33	963	2.05	1,565
Distributions to unitholders		2,240		2,976

Colonial First State Diversified Fund				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$'000	cpu	\$'000
- 30 September	0.20	264	0.30	421
- 31 December	0.90	1,172	1.40	1,916
- 31 March	0.90	1,153	-	-
- 30 June	2.46	3,077	2.31	3,059
Distributions to unitholders		5,666		5,396

Colonial First State High Growth Fund				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$'000	cpu	\$'000
- 30 September	-	-	0.10	41
- 31 December	1.20	476	0.70	287
- 31 March	-	-	-	-
- 30 June	3.33	1,274	1.15	463
Distributions to unitholders		1,750		791

Colonial First State Australian Share Fund				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$'000	cpu	\$'000
- 30 September	1.50	880	1.80	1,016
- 31 December	3.60	2,101	4.90	2,737
- 31 March	2.30	1,339	7.80	4,350
- 30 June	9.43	5,422	14.54	8,180
Distributions to unitholders		9,742		16,283

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

Colonial First State Imputation Fund				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$'000	cpu	\$'000
- 30 September	2.40	10,287	3.00	13,410
- 31 December	5.40	22,948	4.10	18,114
- 31 March	2.60	10,991	2.20	9,553
- 30 June	10.51	43,712	8.99	38,514
Distributions to unitholders		87,938		79,591

Colonial First State Future Leaders Fund				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$'000	cpu	\$'000
- 30 September	0.20	285	0.40	594
- 31 December	6.30	8,838	5.20	7,593
- 31 March	-	-	7.30	10,426
- 30 June	18.12	24,961	13.72	19,415
Distributions to unitholders		34,084		38,028

Colonial First State Developing Companies Fund				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$'000	cpu	\$'000
- 30 September	0.40	552	0.40	571
- 31 December	1.20	1,674	1.60	2,298
- 31 March	4.70	6,774	-	-
- 30 June	15.36	23,402	-	-
Distributions to unitholders		32,402		2,869

Colonial First State Geared Share Fund				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$'000	cpu	\$'000
- 30 September	-	-	-	-
- 31 December	-	-	-	-
- 31 March	-	-	-	-
- 30 June	16.83	21,163	10.04	12,960
Distributions to unitholders		21,163		12,960

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

Colonial First State Global Share Fund			
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015
	cpu	\$'000	cpu \$'000
- 31 December	-	-	-
- 30 June	0.07	24	0.11 40
Distributions to unitholders		24	40

Colonial First State Global Resources Fund			
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015
	cpu	\$'000	cpu \$'000
- 31 December	0.10	41	0.10 49
- 30 June	0.45	169	0.12 53
Distributions to unitholders		210	102

Colonial First State Global Health & Biotechnology Fund			
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015
	cpu	\$'000	cpu \$'000
- 31 December	-	-	-
- 30 June	-	-	-
Distributions to unitholders		-	-

Colonial First State Global Technology & Communications Fund			
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015
	cpu	\$'000	cpu \$'000
- 31 December	-	-	-
- 30 June	-	-	-
Distributions to unitholders		-	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

Colonial First State Geared Global Share Fund			
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015
	cpu	\$'000	cpu \$'000
- 31 December	-	-	-
- 30 June	1.05	541	-
Distributions to unitholders		541	-

Colonial First State Property Securities Fund			
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015
	cpu	\$'000	cpu \$'000
- 30 September	-	-	0.40 336
- 31 December	1.00	775	0.30 246
- 31 March	0.40	306	0.20 163
- 30 June	2.39	1,804	0.53 424
Distributions to unitholders		2,885	1,169

Colonial First State Premier CMT			
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015
	Annualised rates	\$'000	Annualised rates \$'000
- 30 September	1.67%	252	2.25% 333
- 31 December	1.76%	257	2.23% 333
- 31 March	1.78%	245	2.03% 296
- 30 June	1.83%	235	1.93% 271
Distributions to unitholders		989	1,233

Colonial First State Conservative Fund - Nil Entry Fee Option			
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015
	cpu	\$'000	cpu \$'000
- 30 September	0.20	37	0.20 41
- 31 December	0.40	73	0.50 102
- 31 March	0.40	71	0.40 78
- 30 June	0.72	121	1.43 272
Distributions to unitholders		302	493

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

Colonial First State Balanced Fund - Nil Entry Fee Option				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$	cpu	\$
- 30 September	0.10	10,142	0.10	11,481
- 31 December	0.50	50,484	0.50	55,451
- 31 March	0.30	29,853	0.30	33,237
- 30 June	0.80	75,189	1.33	143,293
Distributions to unitholders		165,668		243,462

Colonial First State Diversified Fund - Nil Entry Fee Option				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$	cpu	\$
- 30 September	-	-	0.10	9,766
- 31 December	0.40	36,252	0.70	67,729
- 31 March	0.40	36,184	-	-
- 30 June	1.34	119,958	0.99	91,378
Distributions to unitholders		192,394		168,873

Colonial First State Imputation Fund - Nil Entry Fee Option				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$'000	cpu	\$'000
- 30 September	0.20	42	0.60	140
- 31 December	1.10	227	0.90	203
- 31 March	0.40	82	0.10	22
- 30 June	1.42	283	0.68	146
Distributions to unitholders		634		511

Colonial First State Geared Share Fund - Nil Entry Fee Option				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$	cpu	\$
- 30 September	-	-	-	-
- 31 December	-	-	-	-
- 31 March	-	-	-	-
- 30 June	5.55	564,195	3.46	386,176
Distributions to unitholders		564,195		386,176

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

Colonial First State Property Securities Fund - Nil Entry Fee Option				
Period ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$	cpu	\$
- 30 September	-	-	0.20	14,479
- 31 December	0.50	35,705	0.10	7,167
- 31 March	0.20	13,925	0.10	7,102
- 30 June	1.43	96,227	0.29	20,552
Distributions to unitholders		145,857		49,300

Monthly distributing Funds:

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

Colonial First State Cash Fund				
Distribution Periods ended:	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	cpu	\$'000	cpu	\$'000
- 31 July	0.10	25	0.15	42
- 31 August	0.10	23	0.10	27
- 30 September	0.10	23	0.10	25
- 31 October	0.10	23	0.15	38
- 30 November	0.10	23	0.15	39
- 31 December	0.10	22	0.20	51
- 31 January	0.10	23	0.25	65
- 28 February	0.10	23	0.25	64
- 31 March	0.10	23	0.25	64
- 30 April	0.15	37	0.15	37
- 31 May	0.20	50	0.10	25
- 30 June	0.45	102	0.16	40
Distributions to unitholders		397		517

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Conservative Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	73,793	-	73,793	-
Total Assets Held for Trading	73,793	-	73,793	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	78,910	-	78,910	-
Total Assets Held for Trading	78,910	-	78,910	-

Colonial First State Balanced Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	103,101	-	103,101	-
Total Assets Held for Trading	103,101	-	103,101	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	108,386	-	108,386	-
Total Assets Held for Trading	108,386	-	108,386	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Diversified Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	244,480	-	244,480	-
Total Assets Held for Trading	244,480	-	244,480	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	257,098	-	257,098	-
Total Assets Held for Trading	257,098	-	257,098	-

Colonial First State High Growth Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	54,901	-	54,901	-
Total Assets Held for Trading	54,901	-	54,901	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	56,345	-	56,345	-
Total Assets Held for Trading	56,345	-	56,345	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Australian Share Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	108,662	108,662	-	-
Listed Property Trusts	578	578	-	-
Managed Investment Schemes	6,151	-	6,151	-
Derivatives	801	-	801	-
Total Assets Held for Trading	116,192	109,240	6,952	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	112,417	112,417	-	-
Listed Property Trusts	2,125	2,125	-	-
Managed Investment Schemes	5,619	-	5,619	-
Derivatives	2,742	2,742	-	-
Total Assets Held for Trading	122,903	117,284	5,619	-

Colonial First State Imputation Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	1,316,275	1,316,275	-	-
Listed Property Trusts	12,501	12,501	-	-
Managed Investment Schemes	77,579	-	77,579	-
Derivatives	11,824	-	11,824	-
Total Assets Held for Trading	1,418,179	1,328,776	89,403	-
Financial Liabilities Held for Trading:				
Derivatives	(662)	-	(662)	-
Total Liabilities Held for Trading	(662)	-	(662)	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	1,413,808	1,413,808	-	-
Listed Property Trusts	9,255	9,255	-	-
Managed Investment Schemes	75,820	-	75,820	-
Derivatives	19,822	19,822	-	-
Total Assets Held for Trading	1,518,705	1,442,885	75,820	-
Financial Liabilities Held for Trading:				
Derivatives	(820)	(820)	-	-
Total Liabilities Held for Trading	(820)	(820)	-	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Future Leaders Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	463,201	450,552	12,649	-
Listed Property Trusts	34,067	34,067	-	-
Total Assets Held for Trading	497,268	484,619	12,649	-
Financial Liabilities Held for Trading:				
Derivatives	(5)	-	(5)	-
Total Liabilities Held for Trading	(5)	-	(5)	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	476,215	476,178	37	-
Listed Property Trusts	29,214	29,214	-	-
Total Assets Held for Trading	505,429	505,392	37	-
Financial Liabilities Held for Trading:				
Derivatives	-	-	-	-
Total Liabilities Held for Trading	-	-	-	-

Colonial First State Developing Companies Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	318,644	308,423	10,221	-
Listed Property Trusts	24,510	18,724	5,786	-
Total Assets Held for Trading	343,154	327,147	16,007	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	238,862	227,359	11,503	-
Listed Property Trusts	24,176	24,176	-	-
Total Assets Held for Trading	263,038	251,535	11,503	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Geared Share Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	240,266	-	240,266	-
Total Assets Held for Trading	240,266	-	240,266	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	268,347	-	268,347	-
Total Assets Held for Trading	268,347	-	268,347	-

Colonial First State Global Share Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	59,352	-	59,352	-
Total Assets Held for Trading	59,352	-	59,352	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	57,109	-	57,109	-
Total Assets Held for Trading	57,109	-	57,109	-

Colonial First State Global Resources Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	37,176	-	37,176	-
Total Assets Held for Trading	37,176	-	37,176	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	44,636	-	44,636	-
Total Assets Held for Trading	44,636	-	44,636	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Global Health & Biotechnology Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	25,449	-	25,449	-
Total Assets Held for Trading	25,449	-	25,449	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	28,393	-	28,393	-
Total Assets Held for Trading	28,393	-	28,393	-

Colonial First State Global Technology & Communications Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	22,366	-	22,366	-
Total Assets Held for Trading	22,366	-	22,366	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	22,420	-	22,420	-
Total Assets Held for Trading	22,420	-	22,420	-

Colonial First State Geared Global Share Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	46,393	-	46,393	-
Total Assets Held for Trading	46,393	-	46,393	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	54,228	-	54,228	-
Total Assets Held for Trading	54,228	-	54,228	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Property Securities Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	68,341	-	68,341	-
Total Assets Held for Trading	68,341	-	68,341	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	60,940	-	60,940	-
Total Assets Held for Trading	60,940	-	60,940	-

Colonial First State Cash Fund				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	22,638	-	22,638	-
Total Assets Held for Trading	22,638	-	22,638	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	24,953	-	24,953	-
Total Assets Held for Trading	24,953	-	24,953	-

Colonial First State Premier CMT				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Debt Securities	38,225	-	38,225	-
Total Assets Held for Trading	38,225	-	38,225	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Debt Securities	43,220	-	43,220	-
Total Assets Held for Trading	43,220	-	43,220	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Conservative Fund - Nil Entry Fee Option				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	16,925	-	16,925	-
Total Assets Held for Trading	16,925	-	16,925	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	19,100	-	19,100	-
Total Assets Held for Trading	19,100	-	19,100	-

Colonial First State Balanced Fund - Nil Entry Fee Option				
30/06/2016	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading: Managed Investment Schemes	9,127,512	-	9,127,512	-
Total Assets Held for Trading	9,127,512	-	9,127,512	-
30/06/2015	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading: Managed Investment Schemes	10,440,314	-	10,440,314	-
Total Assets Held for Trading	10,440,314	-	10,440,314	-

Colonial First State Diversified Fund - Nil Entry Fee Option				
30/06/2016	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading: Managed Investment Schemes	9,765,145	-	9,765,145	-
Total Assets Held for Trading	9,765,145	-	9,765,145	-
30/06/2015	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading: Managed Investment Schemes	9,975,737	-	9,975,737	-
Total Assets Held for Trading	9,975,737	-	9,975,737	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Imputation Fund - Nil Entry Fee Option				
30/06/2016	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	18,197	-	18,197	-
Total Assets Held for Trading	18,197	-	18,197	-
30/06/2015	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	20,175	-	20,175	-
Total Assets Held for Trading	20,175	-	20,175	-

Colonial First State Geared Share Fund - Nil Entry Fee Option				
30/06/2016	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading: Managed Investment Schemes	6,656,280	-	6,656,280	-
Total Assets Held for Trading	6,656,280	-	6,656,280	-
30/06/2015	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading: Managed Investment Schemes	7,992,580	-	7,992,580	-
Total Assets Held for Trading	7,992,580	-	7,992,580	-

Colonial First State Property Securities Fund - Nil Entry Fee Option				
30/06/2016	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading: Managed Investment Schemes	3,785,106	-	3,785,106	-
Total Assets Held for Trading	3,785,106	-	3,785,106	-
30/06/2015	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading: Managed Investment Schemes	3,350,638	-	3,350,638	-
Total Assets Held for Trading	3,350,638	-	3,350,638	-

(d) Transfers between Levels

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

6. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

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 Funds.

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

Colonial First State Conservative Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	64,342	79,099	69,206	82,957
Applications	2,304	2,849	3,495	4,325
Redemptions	(7,734)	(9,534)	(9,785)	(12,089)
Units issued upon reinvestment of distributions	976	1,198	1,426	1,758
Change in net assets attributable to unitholders from operations		235		2,148
Closing Balance	59,888	73,847	64,342	79,099

Colonial First State Balanced Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	77,221	108,553	81,228	110,478
Applications	2,810	3,925	2,837	4,033
Redemptions	(8,362)	(11,614)	(8,559)	(12,063)
Units issued upon reinvestment of distributions	1,307	1,818	1,715	2,410
Change in net assets attributable to unitholders from operations		584		3,695
Closing Balance	72,976	103,266	77,221	108,553

Colonial First State Diversified Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	133,771	257,553	144,370	262,867
Applications	3,158	6,051	3,265	6,273
Redemptions	(12,997)	(24,776)	(16,250)	(30,864)
Units issued upon reinvestment of distributions	2,500	4,782	2,386	4,517
Change in net assets attributable to unitholders from operations		1,301		14,760
Closing Balance	126,432	244,911	133,771	257,553

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 High Growth Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	40,466	56,512	42,496	55,098
Applications	1,822	2,550	2,124	2,953
Redemptions	(4,369)	(6,053)	(4,698)	(6,444)
Units issued upon reinvestment of distributions	1,185	1,649	544	741
Change in net assets attributable to unitholders from operations		332		4,164
Closing Balance	39,104	54,990	40,466	56,512

Colonial First State Australian Share Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	59,557	124,465	57,400	128,479
Applications	1,867	3,889	2,107	4,923
Redemptions	(5,749)	(11,885)	(6,222)	(14,360)
Units issued upon reinvestment of distributions	4,149	8,318	6,272	13,726
Change in net assets attributable to unitholders from operations		(6,194)		(8,303)
Closing Balance	59,824	118,593	59,557	124,465

Colonial First State Imputation Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	437,003	1,591,692	458,630	1,670,387
Applications	6,107	21,829	6,842	26,133
Redemptions	(37,502)	(133,545)	(46,132)	(175,040)
Units issued upon reinvestment of distributions	20,799	71,946	17,663	64,733
Change in net assets attributable to unitholders from operations		(99,414)		5,479
Closing Balance	426,407	1,452,508	437,003	1,591,692

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Future Leaders Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	146,248	517,853	151,826	592,282
Applications	4,021	15,190	3,628	14,333
Redemptions	(14,593)	(54,480)	(18,159)	(71,365)
Units issued upon reinvestment of distributions	8,075	30,031	8,953	33,267
Change in net assets attributable to unitholders from operations		16,335		(50,664)
Closing Balance	143,751	524,929	146,248	517,853

Colonial First State Developing Companies Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	140,330	271,027	143,135	271,761
Applications	24,290	54,753	11,702	23,023
Redemptions	(15,967)	(34,950)	(15,906)	(31,163)
Units issued upon reinvestment of distributions	13,400	29,675	1,399	2,574
Change in net assets attributable to unitholders from operations		33,432		4,832
Closing Balance	162,053	353,937	140,330	271,027

Colonial First State Geared Share Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	134,720	268,978	148,112	277,480
Applications	9,330	18,703	10,628	22,089
Redemptions	(18,301)	(36,196)	(29,658)	(63,243)
Units issued upon reinvestment of distributions	10,410	18,476	5,638	11,308
Change in net assets attributable to unitholders from operations		(29,404)		21,344
Closing Balance	136,159	240,557	134,720	268,978

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Global Share Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	36,684	57,278	37,677	49,628
Applications	1,354	2,240	2,417	3,640
Redemptions	(3,599)	(5,936)	(3,433)	(4,931)
Units issued upon reinvestment of distributions	13	22	23	36
Change in net assets attributable to unitholders from operations		5,913		8,905
Closing Balance	34,452	59,517	36,684	57,278

Colonial First State Global Resources Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	44,129	44,747	53,411	64,598
Applications	1,150	1,006	1,193	1,351
Redemptions	(7,623)	(6,679)	(10,553)	(11,741)
Units issued upon reinvestment of distributions	175	163	78	79
Change in net assets attributable to unitholders from operations		(2,006)		(9,540)
Closing Balance	37,831	37,231	44,129	44,747

Colonial First State Global Health & Biotechnology Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	12,647	28,474	12,418	17,748
Applications	1,178	2,638	2,049	3,874
Redemptions	(1,917)	(4,197)	(1,820)	(3,249)
Units issued upon reinvestment of distributions	-	-	-	-
Change in net assets attributable to unitholders from operations		(1,395)		10,101
Closing Balance	11,908	25,520	12,647	28,474

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Global Technology & Communications Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	18,845	22,488	19,641	17,931
Applications	1,075	1,369	1,310	1,432
Redemptions	(1,900)	(2,383)	(2,106)	(2,185)
Units issued upon reinvestment of distributions	-	-	-	-
Change in net assets attributable to unitholders from operations		956		5,310
Closing Balance	18,020	22,430	18,845	22,488

Colonial First State Geared Global Share Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	55,226	54,347	58,798	45,932
Applications	1,654	1,552	4,306	3,907
Redemptions	(5,323)	(4,949)	(7,878)	(7,022)
Units issued upon reinvestment of distributions	541	484	-	-
Change in net assets attributable to unitholders from operations		(4,982)		11,530
Closing Balance	52,098	46,452	55,226	54,347

Colonial First State Property Securities Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	80,298	61,117	85,850	56,084
Applications	2,071	1,705	3,929	2,947
Redemptions	(7,877)	(6,368)	(10,659)	(7,749)
Units issued upon reinvestment of distributions	2,513	2,141	1,178	855
Change in net assets attributable to unitholders from operations		10,072		8,980
Closing Balance	77,005	68,667	80,298	61,117

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Cash Fund				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	24,803	25,018	26,884	27,121
Applications	13,926	14,067	17,912	18,098
Redemptions	(16,569)	(16,734)	(20,464)	(20,674)
Units issued upon reinvestment of distributions	364	367	471	476
Change in net assets attributable to unitholders from operations		(32)		(3)
Closing Balance	22,524	22,686	24,803	25,018

Colonial First State Premier CMT				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	54,855	54,761	56,442	56,360
Applications	69,521	69,522	67,438	67,438
Redemptions	(75,617)	(75,617)	(70,195)	(70,195)
Units issued upon reinvestment of distributions	943	942	1,170	1,170
Change in net assets attributable to unitholders from operations		(13)		(12)
Closing Balance	49,702	49,595	54,855	54,761

Colonial First State Conservative Fund - Nil Entry Fee Option				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	19,204	19,132	20,962	20,363
Applications	153	153	237	236
Redemptions	(2,644)	(2,641)	(2,398)	(2,409)
Units issued upon reinvestment of distributions	249	248	403	402
Change in net assets attributable to unitholders from operations		59		540
Closing Balance	16,962	16,951	19,204	19,132

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Balanced Fund - Nil Entry Fee Option				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.	\$	No.	\$
Opening balance	10,902,701	10,460,634	11,686,043	10,847,024
Applications	262,842	249,800	322,085	309,409
Redemptions	(1,849,961)	(1,767,531)	(1,324,289)	(1,268,710)
Units issued upon reinvestment of distributions	150,048	142,638	218,862	210,065
Change in net assets attributable to unitholders from operations		55,193		362,846
Closing Balance	9,465,630	9,140,734	10,902,701	10,460,634

Colonial First State Diversified Fund - Nil Entry Fee Option				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.	\$	No.	\$
Opening balance	9,309,065	10,001,394	10,294,840	10,457,237
Applications	188,222	201,076	285,763	307,331
Redemptions	(610,028)	(649,624)	(1,420,165)	(1,507,859)
Units issued upon reinvestment of distributions	168,917	180,717	148,627	156,793
Change in net assets attributable to unitholders from operations		48,042		587,892
Closing Balance	9,056,176	9,781,605	9,309,065	10,001,394

Colonial First State Imputation Fund - Nil Entry Fee Option				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.'000	\$'000	No.'000	\$'000
Opening balance	21,468	20,213	24,065	22,179
Applications	389	362	500	483
Redemptions	(2,243)	(2,079)	(3,593)	(3,456)
Units issued upon reinvestment of distributions	629	571	496	458
Change in net assets attributable to unitholders from operations		(844)		549
Closing Balance	20,243	18,223	21,468	20,213

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Geared Share Fund - Nil Entry Fee Option				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.	\$	No.	\$
Opening balance	11,641,914	8,009,583	12,622,231	8,182,129
Applications	3,379,420	2,199,606	2,691,969	1,956,332
Redemptions	(4,855,665)	(3,237,398)	(4,153,038)	(3,056,639)
Units issued upon reinvestment of distributions	790,163	482,948	480,752	332,295
Change in net assets attributable to unitholders from operations		(789,187)		595,466
Closing Balance	10,955,832	6,665,552	11,641,914	8,009,583

Colonial First State Property Securities Fund - Nil Entry Fee Option				
	1/07/2015 - 30/06/2016		1/07/2014 - 30/06/2015	
	No.	\$	No.	\$
Opening balance	7,123,536	3,357,215	7,317,033	2,959,307
Applications	144,611	70,894	387,916	168,161
Redemptions	(625,836)	(323,427)	(674,022)	(300,819)
Units issued upon reinvestment of distributions	236,182	125,177	92,609	41,707
Change in net assets attributable to unitholders from operations		569,522		488,859
Closing Balance	6,878,493	3,799,381	7,123,536	3,357,215

(b) Capital Risk Management

The Responsible Entity manages the Funds' net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of unitholders.

The Responsible Entity monitors the level of daily applications and redemptions relative to the liquid assets in the Funds. Liquid assets include cash and cash equivalents and financial assets classified as Level 1 in the "Financial Assets Held for Trading" note to the financial statements.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Conservative Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	1,825	4,503
Proceeds from sale of financial instruments held for trading	8,720	10,940
Payments for purchase of financial instruments held for trading	(1,270)	(2,030)
Changes in fair value of financial instruments held for trading	(202)	(2,157)
Distribution or Dividend income reinvested	(2,131)	(2,896)
Change in receivables and other assets	2	1
Change in payables and other liabilities	(4)	(2)
Net Cash From/(Used In) Operating Activities	6,940	8,359

Colonial First State Balanced Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	2,824	6,671
Proceeds from sale of financial instruments held for trading	10,420	11,245
Payments for purchase of financial instruments held for trading	(1,610)	(1,960)
Changes in fair value of financial instruments held for trading	(502)	(3,702)
Distribution or Dividend income reinvested	(3,023)	(3,714)
Change in receivables and other assets	3	(1)
Change in payables and other liabilities	(4)	(1)
Net Cash From/(Used In) Operating Activities	8,108	8,538

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Diversified Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	6,967	20,156
Proceeds from sale of financial instruments held for trading	23,870	30,320
Payments for purchase of financial instruments held for trading	(2,250)	(2,690)
Changes in fair value of financial instruments held for trading	(1,177)	(14,775)
Distribution or Dividend income reinvested	(7,824)	(7,540)
Change in receivables and other assets	6	-
Change in payables and other liabilities	(11)	(3)
Net Cash From/(Used In) Operating Activities	19,581	25,468

Colonial First State High Growth Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	2,082	4,955
Proceeds from sale of financial instruments held for trading	5,390	5,640
Payments for purchase of financial instruments held for trading	(1,330)	(1,480)
Changes in fair value of financial instruments held for trading	(352)	(4,161)
Distribution or Dividend income reinvested	(2,264)	(1,348)
Change in receivables and other assets	2	-
Change in payables and other liabilities	(2)	1
Net Cash From/(Used In) Operating Activities	3,526	3,607

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Australian Share Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	3,548	7,980
Proceeds from sale of financial instruments held for trading	53,248	65,080
Payments for purchase of financial instruments held for trading	(44,352)	(60,526)
Changes in fair value of financial instruments held for trading	(738)	(5,070)
Distribution or Dividend income reinvested	(460)	(335)
Change in receivables and other assets	(52)	20
Change in payables and other liabilities	(11)	(6)
Net Cash From/(Used In) Operating Activities	11,183	7,143

Colonial First State Imputation Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	(11,476)	85,070
Proceeds from sale of financial instruments held for trading	409,834	533,402
Payments for purchase of financial instruments held for trading	(366,566)	(385,719)
Changes in fair value of financial instruments held for trading	50,764	(43,876)
Distribution or Dividend income reinvested	(6,968)	(5,329)
Net foreign exchange gain/(loss)	56	-
Change in receivables and other assets	(635)	(398)
Change in payables and other liabilities	(243)	(117)
Net Cash From/(Used In) Operating Activities	74,766	183,033

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Future Leaders Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	50,419	(12,636)
Proceeds from sale of financial instruments held for trading	451,766	422,465
Payments for purchase of financial instruments held for trading	(395,290)	(369,174)
Changes in fair value of financial instruments held for trading	(43,785)	18,590
Distribution or Dividend income reinvested	(259)	(116)
Net foreign exchange gain/(loss)	125	48
Change in receivables and other assets	(316)	(184)
Change in payables and other liabilities	-	(123)
Net Cash From/(Used In) Operating Activities	62,660	58,870

Colonial First State Developing Companies Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	65,834	7,701
Proceeds from sale of financial instruments held for trading	116,949	74,401
Payments for purchase of financial instruments held for trading	(137,979)	(70,013)
Changes in fair value of financial instruments held for trading	(61,998)	(5,499)
Distribution or Dividend income reinvested	(445)	(229)
Net foreign exchange gain/(loss)	53	102
Change in receivables and other assets	32	(53)
Change in payables and other liabilities	173	(12)
Net Cash From/(Used In) Operating Activities	(17,381)	6,398

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Geared Share Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	(8,241)	34,304
Proceeds from sale of financial instruments held for trading	29,570	52,770
Payments for purchase of financial instruments held for trading	(7,280)	(7,150)
Changes in fair value of financial instruments held for trading	38,042	(16,742)
Distribution or Dividend income reinvested	(32,250)	(20,302)
Change in receivables and other assets	(8)	(5)
Change in payables and other liabilities	(7)	2
Net Cash From/(Used In) Operating Activities	19,826	42,877

Colonial First State Global Share Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	5,937	8,945
Proceeds from sale of financial instruments held for trading	5,555	4,430
Payments for purchase of financial instruments held for trading	(1,320)	(2,590)
Changes in fair value of financial instruments held for trading	(6,250)	(8,522)
Distribution or Dividend income reinvested	(228)	(919)
Change in receivables and other assets	-	(2)
Change in payables and other liabilities	1	6
Net Cash From/(Used In) Operating Activities	3,695	1,348

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Global Resources Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	(1,796)	(9,438)
Proceeds from sale of financial instruments held for trading	6,400	11,450
Payments for purchase of financial instruments held for trading	(340)	(450)
Changes in fair value of financial instruments held for trading	2,009	9,543
Distribution or Dividend income reinvested	(609)	(706)
Change in receivables and other assets	17	(7)
Change in payables and other liabilities	(10)	(18)
Net Cash From/(Used In) Operating Activities	5,671	10,374

Colonial First State Global Health & Biotechnology Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	(1,395)	10,101
Proceeds from sale of financial instruments held for trading	3,505	2,607
Payments for purchase of financial instruments held for trading	(1,707)	(2,985)
Changes in fair value of financial instruments held for trading	1,146	(10,315)
Change in receivables and other assets	1	(2)
Change in payables and other liabilities	(2)	8
Net Cash From/(Used In) Operating Activities	1,548	(586)

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Global Technology & Communications Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	956	5,310
Proceeds from sale of financial instruments held for trading	2,193	1,903
Payments for purchase of financial instruments held for trading	(971)	(921)
Changes in fair value of financial instruments held for trading	(978)	(5,480)
Distribution or Dividend income reinvested	(190)	(15)
Change in receivables and other assets	-	(1)
Change in payables and other liabilities	-	3
Net Cash From/(Used In) Operating Activities	1,010	799

Colonial First State Geared Global Share Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	(4,441)	11,530
Proceeds from sale of financial instruments held for trading	4,660	6,287
Payments for purchase of financial instruments held for trading	(810)	(2,680)
Changes in fair value of financial instruments held for trading	4,544	(12,001)
Distribution or Dividend income reinvested	(559)	-
Change in receivables and other assets	(2)	(2)
Change in payables and other liabilities	(2)	6
Net Cash From/(Used In) Operating Activities	3,390	3,140

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Property Securities Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	12,957	10,149
Proceeds from sale of financial instruments held for trading	6,595	7,035
Payments for purchase of financial instruments held for trading	(580)	(1,260)
Changes in fair value of financial instruments held for trading	(9,543)	(8,969)
Distribution or Dividend income reinvested	(3,873)	(1,616)
Change in receivables and other assets	(1)	(2)
Change in payables and other liabilities	5	3
Net Cash From/(Used In) Operating Activities	5,560	5,340

Colonial First State Cash Fund		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	365	514
Proceeds from sale of financial instruments held for trading	12,545	15,513
Payments for purchase of financial instruments held for trading	(9,730)	(12,740)
Changes in fair value of financial instruments held for trading	32	5
Distribution or Dividend income reinvested	(533)	(667)
Change in receivables and other assets	2	1
Change in payables and other liabilities	(2)	(1)
Net Cash From/(Used In) Operating Activities	2,679	2,625

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Premier CMT		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	976	1,221
Proceeds from sale of financial instruments held for trading	232,189	262,132
Payments for purchase of financial instruments held for trading	(227,219)	(259,172)
Changes in fair value of financial instruments held for trading	(2)	4
Net foreign exchange gain/(loss)	(1)	-
Change in receivables and other assets	31	24
Change in payables and other liabilities	(4)	(1)
Net Cash From/(Used In) Operating Activities	5,970	4,208

Colonial First State Conservative Fund - Nil Entry Fee Option		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	361	1,033
Proceeds from sale of financial instruments held for trading	2,750	2,511
Payments for purchase of financial instruments held for trading	(20)	(40)
Changes in fair value of financial instruments held for trading	(54)	(541)
Distribution or Dividend income reinvested	(501)	(707)
Change in receivables and other assets	6	(5)
Change in payables and other liabilities	(2)	(1)
Net Cash From/(Used In) Operating Activities	2,540	2,250

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Balanced Fund - Nil Entry Fee Option		
	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Net profit/(loss) attributable to unitholders	220,861	606,308
Proceeds from sale of financial instruments held for trading	1,805,600	1,357,000
Payments for purchase of financial instruments held for trading	(169,999)	(252,000)
Changes in fair value of financial instruments held for trading	(49,913)	(362,786)
Distribution or Dividend income reinvested	(272,886)	(359,302)
Change in receivables and other assets	504	4
Change in payables and other liabilities	(1,368)	(329)
Net Cash From/(Used In) Operating Activities	1,532,799	988,895

Colonial First State Diversified Fund - Nil Entry Fee Option		
	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Net profit/(loss) attributable to unitholders	240,436	756,765
Proceeds from sale of financial instruments held for trading	696,000	1,526,000
Payments for purchase of financial instruments held for trading	(126,000)	(184,000)
Changes in fair value of financial instruments held for trading	(50,317)	(588,427)
Distribution or Dividend income reinvested	(309,091)	(294,401)
Change in receivables and other assets	340	4
Change in payables and other liabilities	(388)	(444)
Net Cash From/(Used In) Operating Activities	450,980	1,215,497

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Imputation Fund - Nil Entry Fee Option		
	1/07/2015 - 30/06/2016 \$'000	1/07/2014 - 30/06/2015 \$'000
Net profit/(loss) attributable to unitholders	(210)	1,060
Proceeds from sale of financial instruments held for trading	2,172	3,575
Payments for purchase of financial instruments held for trading	(170)	(290)
Changes in fair value of financial instruments held for trading	1,457	(71)
Distribution or Dividend income reinvested	(1,481)	(1,253)
Change in receivables and other assets	1	-
Change in payables and other liabilities	(3)	(2)
Net Cash From/(Used In) Operating Activities	1,766	3,019

Colonial First State Geared Share Fund - Nil Entry Fee Option		
	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Net profit/(loss) attributable to unitholders	(224,992)	981,642
Proceeds from sale of financial instruments held for trading	3,161,000	3,055,500
Payments for purchase of financial instruments held for trading	(1,949,001)	(1,774,999)
Changes in fair value of financial instruments held for trading	1,020,085	(493,004)
Distribution or Dividend income reinvested	(895,784)	(605,324)
Change in receivables and other assets	(116)	(411)
Change in payables and other liabilities	(1,137)	298
Net Cash From/(Used In) Operating Activities	1,110,055	1,163,702

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Property Securities Fund - Nil Entry Fee Option		
	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Net profit/(loss) attributable to unitholders	715,379	538,159
Proceeds from sale of financial instruments held for trading	383,000	329,500
Payments for purchase of financial instruments held for trading	(62,000)	(151,000)
Changes in fair value of financial instruments held for trading	(539,231)	(487,618)
Distribution or Dividend income reinvested	(216,237)	(87,470)
Change in receivables and other assets	(129)	(113)
Change in payables and other liabilities	449	344
Net Cash From/(Used In) Operating Activities	281,231	141,802

(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 in collateral and deposits at call with a futures clearing house, earn interest at floating rate as determined by the financial institutions.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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	Appointed on 4 February 2015.
Anne Ward	Appointed on 1 January 2013.
Linda Elkins	Appointed on 1 January 2013.
Penelope James	Appointed on 1 January 2013.
Peter Hodgett	Appointed on 1 January 2013.
Elizabeth Lewin	Appointed on 27 October 2015.
Michael Venter	Resigned on 4 February 2015.

(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.

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

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

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

Name of Fund:	Period Ended 30/06/2016 Management Fees %	Period Ended 30/06/2015 Management Fees %
Colonial First State Conservative Fund	1.40	1.40
Colonial First State Balanced Fund	1.50	1.50
Colonial First State Diversified Fund	1.75	1.75
Colonial First State High Growth Fund	2.10	2.10
Colonial First State Australian Share Fund	1.75	1.75
Colonial First State Imputation Fund	1.75	1.75
Colonial First State Future Leaders Fund	2.00	2.00
Colonial First State Developing Companies Fund	2.25	2.25
Colonial First State Geared Share Fund	1.95	1.95
Colonial First State Global Share Fund	2.05	2.05
Colonial First State Global Resources Fund	2.25	2.25
Colonial First State Global Health & Biotechnology Fund	2.05	2.05
Colonial First State Global Technology & Communications Fund	2.05	2.05
Colonial First State Geared Global Share Fund	2.05	2.05
Colonial First State Property Securities Fund	1.50	1.50
Colonial First State Cash Fund	0.95	0.95
Colonial First State Premier CMT	0.65	0.65
Colonial First State Conservative Fund - Nil Entry Fee Option	1.80	1.80
Colonial First State Balanced Fund - Nil Entry Fee Option	1.90	1.90
Colonial First State Diversified Fund - Nil Entry Fee Option	2.15	2.15
Colonial First State Imputation Fund - Nil Entry Fee Option	2.15	2.15
Colonial First State Geared Share Fund - Nil Entry Fee Option	2.35	2.35
Colonial First State Property Securities Fund - Nil Entry Fee Option	1.90	1.90

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

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

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

Name of Fund:	Period Ended 30/06/2016 \$	Period Ended 30/06/2015 \$
Colonial First State Conservative Fund	495,198	536,256
Colonial First State Balanced Fund	683,358	727,126
Colonial First State Diversified Fund	1,993,429	2,117,256
Colonial First State High Growth Fund	525,228	544,996
Colonial First State Australian Share Fund	2,142,071	2,315,046
Colonial First State Imputation Fund	26,757,938	29,735,837
Colonial First State Future Leaders Fund	10,803,447	11,654,173
Colonial First State Developing Companies Fund	7,193,664	6,366,244
Colonial First State Geared Share Fund	2,408,543	2,704,164
Colonial First State Global Share Fund	531,014	487,837
Colonial First State Global Resources Fund	389,946	591,334
Colonial First State Global Health & Biotechnology Fund	244,112	210,363
Colonial First State Global Technology & Communications Fund	208,077	182,494
Colonial First State Geared Global Share Fund	447,235	463,658
Colonial First State Property Securities Fund	448,049	426,833
Colonial First State Cash Fund	130,994	143,604
Colonial First State Premier CMT	367,850	384,754
Colonial First State Conservative Fund - Nil Entry Fee Option	189,740	212,750
Colonial First State Balanced Fund - Nil Entry Fee Option	100,349	114,082
Colonial First State Diversified Fund - Nil Entry Fee Option	117,354	124,402
Colonial First State Imputation Fund - Nil Entry Fee Option	230,538	260,688
Colonial First State Geared Share Fund - Nil Entry Fee Option	99,504	115,982
Colonial First State Property Securities Fund - Nil Entry Fee Option	39,520	36,374

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

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

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

Name of Fund:	Period Ended 30/06/2016 \$	Period Ended 30/06/2015 \$
Colonial First State Conservative Fund	43,619	47,411
Colonial First State Balanced Fund	61,052	64,869
Colonial First State Diversified Fund	178,389	189,148
Colonial First State High Growth Fund	47,530	49,043
Colonial First State Australian Share Fund	190,235	200,947
Colonial First State Imputation Fund	2,341,787	2,584,749
Colonial First State Future Leaders Fund	972,402	971,931
Colonial First State Developing Companies Fund	733,366	560,222
Colonial First State Geared Share Fund	213,640	220,795
Colonial First State Global Share Fund	47,985	46,695
Colonial First State Global Resources Fund	37,210	46,895
Colonial First State Global Health & Biotechnology Fund	20,724	22,571
Colonial First State Global Technology & Communications Fund	18,278	18,121
Colonial First State Geared Global Share Fund	38,013	40,507
Colonial First State Property Securities Fund	43,530	38,735
Colonial First State Cash Fund	11,282	12,787
Colonial First State Premier CMT	28,995	32,496
Colonial First State Conservative Fund - Nil Entry Fee Option	16,143	18,519
Colonial First State Balanced Fund - Nil Entry Fee Option	8,709	10,077
Colonial First State Diversified Fund - Nil Entry Fee Option	10,652	11,040
Colonial First State Imputation Fund - Nil Entry Fee Option	19,642	22,327
Colonial First State Geared Share Fund - Nil Entry Fee Option	8,382	9,519
Colonial First State Property Securities Fund - Nil Entry Fee Option	3,771	3,322

(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 value of the Funds, however no such expenses were recharged in the current and previous reporting periods.

(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 MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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:	30/06/2016 Number of Units No.'000	30/06/2015 Number of Units No.'000
Colonial First State Future Leaders Fund	44,393	44,252
Colonial First State Developing Companies Fund	56,522	36,866

(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 MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities

(i) Related Managed Investment Schemes

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

Colonial First State Conservative Fund

Units held in:

Colonial First State Wholesale Conservative Fund

- 2016	63,104	73,793	7.21	2,913	7,450	2,131
- 2015	67,641	78,910	7.25	4,200	9,309	2,896

Colonial First State Balanced Fund

Units held in:

Colonial First State Wholesale Balanced Fund

- 2016	88,514	103,101	12.02	4,040	9,100	3,023
- 2015	93,574	108,386	11.91	4,886	9,684	3,714

Colonial First State Diversified Fund

Units held in:

Colonial First State Wholesale Diversified Fund

- 2016	147,109	244,480	13.96	6,159	14,584	7,824
- 2015	155,534	257,098	13.71	6,264	18,588	7,540

Colonial First State High Growth Fund

Units held in:

Colonial First State Wholesale High Growth Fund

- 2016	41,693	54,901	16.82	2,763	4,164	2,264
- 2015	43,094	56,345	16.85	2,186	4,383	1,348

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(i) Related Managed Investment Schemes (continued)

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

Colonial First State Australian Share Fund

Units held in:

Colonial First State Global Asset Management Equity Trust 5

- 2016	5,848	6,151	2.41	301	-	318
- 2015	5,547	5,619	2.24	175	-	179

Colonial First State Imputation Fund

Units held in:

Colonial First State Global Asset Management Equity Trust 5

- 2016	73,751	77,579	30.36	3,807	4,903	4,020
- 2015	74,847	75,820	30.26	2,570	17,406	2,622

Colonial First State Geared Share Fund

Units held in:

Colonial First State Wholesale Geared Share Fund

- 2016	71,154	240,266	11.38	11,230	7,559	32,250
- 2015	67,483	268,347	11.72	6,814	12,056	20,302

Colonial First State Global Share Fund

Units held in:

Colonial First State Wholesale Global Share Fund

- 2016	29,322	59,352	8.73	795	2,874	228
- 2015	31,401	57,109	8.55	1,965	2,630	919

Colonial First State Global Resources Fund

Units held in:

Colonial First State Wholesale Global Resources Fund

- 2016	27,448	37,176	4.21	782	5,281	609
- 2015	31,947	44,636	4.58	793	7,440	706

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(i) Related Managed Investment Schemes (continued)

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

Colonial First State Global Health & Biotechnology Fund

Units held in:

Colonial First State Wholesale Global Health & Biotechnology Fund

- 2016	10,161	25,449	50.27	656	1,383	-
- 2015	10,888	28,393	43.39	1,364	1,275	-

Colonial First State Global Technology & Communications Fund

Units held in:

Colonial First State Wholesale Global Technology & Communications Fund

- 2016	15,652	22,366	65.88	792	1,524	190
- 2015	16,384	22,420	67.55	743	1,611	15

Colonial First State Geared Global Share Fund

Units held in:

Colonial First State Wholesale Geared Global Share Fund

- 2016	46,416	46,393	35.48	1,340	4,506	559
- 2015	49,582	54,228	37.03	2,654	6,367	-

Colonial First State Property Securities Fund

Units held in:

Colonial First State Wholesale Property Securities Fund

- 2016	68,568	68,341	11.83	4,682	7,173	3,873
- 2015	71,059	60,940	7.62	3,451	8,646	1,616

Colonial First State Cash Fund

Units held in:

Colonial First State Wholesale Cash Fund

- 2016	22,463	22,638	0.48	10,163	12,423	533
- 2015	24,723	24,953	0.46	13,267	15,353	667

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(i) Related Managed Investment Schemes (continued)

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

Colonial First State Conservative Fund - Nil Entry Fee Option

Units held in:

Colonial First State Wholesale Conservative Fund

- 2016	14,473	16,925	1.65	448	2,348	501
- 2015	16,373	19,100	1.75	640	2,130	707

Colonial First State Balanced Fund - Nil Entry Fee Option^

Units held in:

Colonial First State Wholesale Balanced Fund

- 2016	7,836,119	9,127,512	1.06	386,013	1,563,374	272,886
- 2015	9,013,480	10,440,314	1.15	527,809	1,171,025	359,302

^ Amounts and units are rounded to nearest dollar and unit.

Colonial First State Diversified Fund - Nil Entry Fee Option^

Units held in:

Colonial First State Wholesale Diversified Fund

- 2016	5,875,892	9,765,145	0.56	265,689	424,725	309,091
- 2015	6,034,928	9,975,737	0.53	293,304	933,299	294,401

^ Amounts and units are rounded to nearest dollar and unit.

Colonial First State Imputation Fund - Nil Entry Fee Option

Units held in:

Colonial First State Wholesale Imputation Fund

- 2016	7,831	18,197	1.12	692	880	1,481
- 2015	8,019	20,175	1.09	603	1,360	1,253

Colonial First State Geared Share Fund - Nil Entry Fee Option^

Units held in:

Colonial First State Wholesale Geared Share Fund

- 2016	1,971,238	6,656,280	0.32	779,880	818,596	895,784
- 2015	2,009,954	7,992,580	0.35	566,082	702,973	605,324

^ Amounts and units are rounded to nearest dollar and unit.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(i) Related Managed Investment Schemes (continued)

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

Colonial First State Property Securities Fund - Nil Entry Fee Option^

Units held in:

Colonial First State Wholesale Property Securities Fund

- 2016	3,797,638	3,785,106	0.65	296,600	405,956	216,237
- 2015	3,906,994	3,350,638	0.42	298,424	404,539	87,470

^ Amounts and units are rounded to nearest dollar and unit.

(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	Value of Investment At Period End	Interest held in Investment at Period End	Shares Acquired During Period	Shares Disposed During Period	Distribution Received
	No.'000	\$'000	%	No.'000	No.'000	\$'000

Colonial First State Australian Share Fund

Commonwealth Bank of Australia

- 2016	154	11,483	0.01	11	20	694
- 2015	163	13,893	0.01	70	1	608

Colonial First State Imputation Fund

Commonwealth Bank of Australia

- 2016	2,211	164,423	0.14	216	24	8,667
- 2015	2,019	171,903	0.12	102	22	8,226

(iii) Other related Financial Instruments

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

Colonial First State Premier CMT

CBA

Fixed Interest and Discount securities - market value

2016	2015
\$'000	\$'000
13,046	15,045

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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.

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

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 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 MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Colonial First State Future Leaders Fund					
	New Zealand Dollar				Others
30/06/2016	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Receivables	162	-	-	-	-
Financial assets held for trading	73,495	-	-	-	2
Payables	(1,949)	-	-	-	-
Financial liabilities held for trading - Derivatives	(5)	-	-	-	-
	71,703	-	-	-	2
	New Zealand Dollar				Others
30/06/2015	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	-	-	-	-	-
Receivables	136	-	-	-	-
Financial assets held for trading	53,282	-	-	-	-
	53,418	-	-	-	-

Colonial First State Developing Companies Fund					
	New Zealand Dollar				Others
30/06/2016	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Financial assets held for trading	7,474	-	-	-	-
	7,474	-	-	-	-
	New Zealand Dollar				Others
30/06/2015	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Financial assets held for trading	3,722	-	-	-	-
	3,722	-	-	-	-

The table in part (b) under "Summarised Sensitivity Analysis" of the "Financial Risk Management" note to the financial statements summarises the sensitivities of the Funds' monetary assets and liabilities to foreign exchange risk. The analysis is based on the assumption that the Australian dollar strengthened/weakened by a pre-determined percentage as disclosed in the table for the reporting periods against each of the other currencies to which the Funds are exposed.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk

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

Certain funds may also enter into derivative financial instruments to mitigate the risk of future interest rate changes in accordance with the risk policies and guidelines of the Investment Managers. These transactions are regularly monitored by the Investment Review Services Department of the Responsible Entity. The table below summarises those funds with exposure to interest rate risks other than in cash only. It includes the Funds' assets and liabilities at fair values.

Colonial First State Premier CMT				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2016				
Financial assets				
Cash and cash equivalents	11,373	-	-	11,373
Receivables	-	-	35	35
Financial assets held for trading	-	38,225	-	38,225
Financial liabilities				
Payables	-	-	(38)	(38)
Net exposure	11,373	38,225	(3)	49,595
30/06/2015				
Financial assets				
Cash and cash equivalents	11,566	-	-	11,566
Receivables	-	-	20	20
Financial assets held for trading	-	43,220	-	43,220
Financial liabilities				
Payables	-	-	(45)	(45)
Net exposure	11,566	43,220	(25)	54,761

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

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(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.

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

Colonial First State Conservative 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	-7.00% \$'000	7.00% \$'000
30/06/2016	(1)	1	-	-	(5,166)	5,166
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-7.00% \$'000	7.00% \$'000
	(3)	3	-	-	(5,524)	5,524
30/06/2015						

Colonial First State Balanced 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	-4.00% \$'000	4.00% \$'000
30/06/2016	(2)	2	-	-	(4,124)	4,124
30/06/2015	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-4.00% \$'000	4.00% \$'000
	(3)	3	-	-	(4,335)	4,335

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Diversified 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	-13.00% \$'000	13.00% \$'000
30/06/2016	(5)	5	-	-	(31,782)	31,782
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-13.00% \$'000	13.00% \$'000
	(5)	5	-	-	(33,423)	33,423

Colonial First State High 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
30/06/2016	(1)	1	-	-	(10,980)	10,980
30/06/2015	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(1)	1	-	-	(11,269)	11,269

Colonial First State 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
30/06/2016	(17)	17	-	-	(21,823)	21,823
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(10)	10	-	-	(24,580)	24,580

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Imputation 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
30/06/2016	(120)	120	-	-	(275,895)	275,762
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(380)	380	-	-	(303,741)	303,577

Colonial First State Future Leaders 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
30/06/2016	(171)	171	179	(179)	(99,352)	99,352
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(73)	73	(14)	14	(101,086)	101,086

Colonial First State Developing Companies 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
30/06/2016	(44)	44	-	-	(66,867)	66,867
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(43)	43	-	-	(52,607)	52,607

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Geared 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
30/06/2016	(16)	16	-	-	(48,053)	48,053
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(14)	14	-	-	(53,669)	53,669

Colonial First State Global 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
30/06/2016	(1)	1	-	-	(11,870)	11,870
30/06/2015	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(1)	1	-	-	(11,422)	11,422

Colonial First State Global Resources 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
30/06/2016	(1)	1	-	-	(7,435)	7,435
30/06/2015	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(1)	1	-	-	(8,927)	8,927

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State 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
30/06/2016	-	-	-	-	(5,090)	5,090
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	-	-	-	-	(5,679)	5,679

Colonial First State 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
30/06/2016	-	-	-	-	(4,473)	4,473
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	-	-	-	-	(4,484)	4,484

Colonial First State Geared Global 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
30/06/2016	(1)	1	-	-	(9,279)	9,279
30/06/2015	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-20.00% \$'000	20.00% \$'000
	(1)	1	-	-	(10,846)	10,846

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Property Securities 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	-15.00% \$'000	15.00% \$'000
30/06/2016	(4)	4	-	-	(10,251)	10,251
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-15.00% \$'000	15.00% \$'000
	(2)	2	-	-	(9,141)	9,141

Colonial First State Cash 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	-3.60% \$'000	3.60% \$'000
30/06/2016	-	-	-	-	(815)	815
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-3.60% \$'000	3.60% \$'000
	-	-	-	-	(898)	898
30/06/2015	-	-	-	-	(898)	898

Colonial First State Premier CMT						
	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	-3.60% \$'000	3.60% \$'000
30/06/2016	(248)	248	-	-	-	-
30/06/2015	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-3.60% \$'000	3.60% \$'000
	(274)	274	-	-	-	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Conservative Fund - Nil Entry Fee Option						
	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	-7.00% \$'000	7.00% \$'000
30/06/2016	(1)	1	-	-	(1,185)	1,185
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-7.00% \$'000	7.00% \$'000
	-	-	-	-	(1,337)	1,337
30/06/2015						

Colonial First State Balanced Fund - Nil Entry Fee Option						
	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/(loss) and net assets attributable to unitholders					
	-50 basis points	50 basis points	-10.00%	10.00%	-4.00%	4.00%
	\$	\$	\$	\$	\$	\$
30/06/2016	(149)	149	-	-	(365,100)	365,100
	-50 basis points	50 basis points	-10.00%	10.00%	-4.00%	4.00%
	\$	\$	\$	\$	\$	\$
30/06/2015	(234)	234	-	-	(417,613)	417,613

Colonial First State Diversified Fund - Nil Entry Fee Option						
	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/(loss) and net assets attributable to unitholders					
	-50 basis points \$	50 basis points \$	-10.00% \$	10.00% \$	-13.00% \$	13.00% \$
30/06/2016	(155)	155	-	-	(1,269,469)	1,269,469
	-50 basis points \$	50 basis points \$	-10.00% \$	10.00% \$	-13.00% \$	13.00% \$
	(197)	197	-	-	(1,296,846)	1,296,846
30/06/2015						

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Imputation Fund - Nil Entry Fee Option						
	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/(loss) and net assets attributable to unitholders					
	-50 basis points	50 basis points	-10.00%	10.00%	-20.00%	20.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30/06/2016	-	-	-	-	(3,639)	3,639
	-50 basis points	50 basis points	-10.00%	10.00%	-20.00%	20.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30/06/2015	-	-	-	-	(4,035)	4,035

Colonial First State Geared Share Fund - Nil Entry Fee Option						
	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/(loss) and net assets attributable to unitholders					
	-50 basis points	50 basis points	-10.00%	10.00%	-20.00%	20.00%
	\$	\$	\$	\$	\$	\$
	30/06/2016	(407)	407	-	-	(1,331,256)
	-50 basis points	50 basis points	-10.00%	10.00%	-20.00%	20.00%
	\$	\$	\$	\$	\$	\$
30/06/2015	(816)	816	-	-	(1,598,516)	1,598,516

Colonial First State Property Securities Fund - Nil Entry Fee Option						
	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/(loss) and net assets attributable to unitholders					
	-50 basis points	50 basis points	-10.00%	10.00%	-15.00%	15.00%
	\$	\$	\$	\$	\$	\$
30/06/2016	(152)	152	-	-	(567,766)	567,766
	-50 basis points	50 basis points	-10.00%	10.00%	-15.00%	15.00%
	\$	\$	\$	\$	\$	\$
30/06/2015	(60)	60	-	-	(502,596)	502,596

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

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

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

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

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

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

Colonial First State Premier CMT		
	30/06/2016 \$'000	30/06/2015 \$'000
Rating		
AAA	38,225	43,220
Total	38,225	43,220

The amount of financial assets or cash held as collateral are listed below:

Colonial First State Imputation Fund		
Asset Class	Pledged Value 30/06/2016	Pledged Value 30/06/2015
	\$	\$
Listed Securities	1,614,784	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(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 MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 normally 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.

- **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.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

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

Colonial First State Australian Share Fund						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
		30/06/2016			30/06/2015	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
- Warrants	-	801	-	-	2,742	-
	-	801	-	-	2,742	-

Colonial First State Imputation Fund						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
		30/06/2016			30/06/2015	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
- Share price index futures	-	-	-	53,295	-	(820)
- Exchange traded options	(662)	-	(662)	-	-	-
- Warrants	-	11,824	-	-	19,822	-
	(662)	11,824	(662)	53,295	19,822	(820)

Colonial First State Future Leaders Fund						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
		30/06/2016			30/06/2015	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
- Others	1,949	-	(5)	-	-	-
	1,949	-	(5)	-	-	-

Colonial First State Premier CMT						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
		30/06/2016			30/06/2015	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
- Share price index futures	-	-	-	-	-	-
- Interest rate futures	(7,850)	-	-	(5,873)	-	-
	(7,850)	-	-	(5,873)	-	-

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 2016 or on the results and cash flows of the Funds for the reporting period ended on that date.

COLONIAL FIRST STATE MANAGED INVESTMENT FUNDS

**DIRECTORS' DECLARATION
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

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 2016 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
2 September 2016



Independent auditor's report to the members of Colonial First State Managed Investment Funds

Report on the financial report

We have audited the accompanying financial report of Colonial First State Managed Investment Funds (the Funds), which comprises the balance sheets as at 30 June 2016, the statements of comprehensive income, statements of changes in equity and cash flow statements for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration. The Colonial First State Managed Investment Funds comprises the following funds:

Colonial First State Conservative Fund
Colonial First State Balanced Fund
Colonial First State Diversified Fund
Colonial First State High Growth Fund
Colonial First State Australian Share Fund
Colonial First State Imputation Fund
Colonial First State Future Leaders Fund
Colonial First State Developing Companies Fund
Colonial First State Geared Share Fund
Colonial First State Global Share Fund
Colonial First State Global Resources Fund
Colonial First State Global Health & Biotechnology Fund
Colonial First State Global Technology & Communications Fund
Colonial First State Geared Global Share Fund
Colonial First State Property Securities Fund
Colonial First State Cash Fund
Colonial First State Premier CMT
Colonial First State Conservative Fund - Nil Entry Fee Option
Colonial First State Balanced Fund - Nil Entry Fee Option
Colonial First State Diversified Fund - Nil Entry Fee Option
Colonial First State Imputation Fund - Nil Entry Fee Option
Colonial First State Geared Share Fund - Nil Entry Fee Option
Colonial First State Property Securities Fund - Nil Entry Fee Option

Directors' responsibility for the financial report

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

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply

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with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

Independence

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

Auditor's opinion

In our opinion:

- (a) the financial report of Colonial First State Managed Investment Funds is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Funds' financial positions as at 30 June 2016 and of their performances for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- (b) the Funds' financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', written over a light blue horizontal line.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'C J Cummins', written over a light blue horizontal line.

C J Cummins
Partner

Sydney
2 September 2016

**COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE
OPTION**

ARSN : 088 902 783

**FINANCIAL REPORT
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

Responsible Entity of the Fund

COLONIAL FIRST STATE INVESTMENTS LIMITED

ABN: 98 002 348 352

Ground Floor Tower 1, 201 Sussex Street
SYDNEY NSW 2000

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

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COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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

Reporting Period

The current reporting period for the financial report is from 1 July 2015 to 30 June 2016. The comparative reporting period is from 1 July 2014 to 30 June 2015.

Date of Constitution and Date of Registration of the Fund

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

Date of Constitution	10/08/1998
Date of Registration	13/08/1999

Termination of the Fund

The board of Directors of the Responsible Entity approved the termination of the Fund on 1 March 2010 in accordance with the provisions of the Constitution.

The Responsible Entity is in the process of:

- (i) realising all the assets of the Fund and
- (ii) processing any interim repayment of capital and income distribution if required.

As at 30 June 2016 the process of realising all the assets of the Fund and determination of the final capital repayment to unitholders is still in process. Any distribution of income or repayment of capital during this process will be paid to the unitholders in proportion of their units held prior to termination of the Fund.

Principal Activities

The principal activities of the Fund were to invest in accordance with the investment objectives and guidelines as set out in the withdrawn Product Disclosure Statement and in accordance with the provisions of the Fund's Constitution. Following the Fund's approval for termination, the Responsible Entity is in the process of realising the assets in the Fund and returning to unitholders the net proceeds to reduce the remaining capital.

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 MORTGAGE INCOME FUND - ENTRY FEE OPTION

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

Review of Operations

Income

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

	Period ended 30/06/2016 \$	Period ended 30/06/2015 \$
Operating profit/(loss) attributable to unitholders	1,118,739	1,541,622

Distribution to unitholders

The Fund did not distribute any income during the reporting periods.

Exit Prices

There is no exit price as the units of the Fund were cancelled upon approval of termination of the Fund.

Responsible Entity and Directors

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

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

Name of Director	Date of Appointment or resignation
Andrew Morgan	Appointed on 4 February 2015.
Anne Ward	Appointed on 1 January 2013.
Linda Elkins	Appointed on 1 January 2013.
Penelope James	Appointed on 1 January 2013.
Peter Hodgett	Appointed on 1 January 2013.
Elizabeth Lewin	Appointed on 27 October 2015.
Michael Venter	Resigned on 4 February 2015.

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

Scheme Information

The Fund is a registered managed investment scheme domiciled in Australia and has its principal place of business at Ground Floor Tower 1, 201 Sussex Street, Sydney, New South Wales, 2000.

Significant Changes in the State of Affairs

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

Matters Subsequent to the End of the Reporting Period

Subsequent to the balance date, the Fund has made a final redemption of \$2,660,362 on 28 August 2016. All unitholders were returned their capital in full.

No matters or circumstances have arisen since 30 June 2016 that have significantly affected, or may significantly affect the termination process of the Fund.

Indemnification and Insurance Premiums for Officers and Auditor

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

The Commonwealth Bank of Australia (CBA) has paid insurance premiums for the benefit of the Directors and Officers of the Responsible Entity, a wholly owned subsidiary of CBA. Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the insurance contracts.

Likely Developments and Expected Results of Operations

The Fund has been approved for termination and is in the process of winding up its operations and returning capital to unitholders.

Fees Paid to and Received by the Responsible Entity or its Associates

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

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

Interests in the Fund

Prior to the termination of the Fund, the units issued and redeemed in the Fund during the period and the number of units on issue at the end of the financial period are set out in "Changes in Net Assets Attributable to Unitholders" note to the financial statements. The value of the Fund's assets at the end of the financial period is set out in the Balance Sheet. Upon approval for termination, the units of the Fund were cancelled. Each unitholder will continue to be entitled to their share of distribution or capital repayment in the same proportion as at the date of approval of termination.

There are no interests in the Fund held by the Responsible Entity or its associates at the end of the reporting period.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

Environmental Regulation

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

Deed of Undertaking by Responsible Entity

Pursuant to a Deed Poll executed on 20 December 2012, the Responsible Entity has:

- a) waived its entitlement to receive, from 1 September 2012, further management fees from the Fund;
- b) refunded to the Fund management fees received from 1 July 2012 amounting to \$175,562.
- c) undertaken to pay to the Fund, within 14 days of the expected final termination payment to be made by the Responsible Entity of the Fund, that portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose" described in the next paragraph.

The "commitment purpose" of the Deed Poll is to refund the portion of management fees since the termination of the Fund that will permit unitholders in the Fund to receive, on winding up, a total distribution no more than the capital value of their investment at the termination date of the Fund (1 March 2010).

On 11 December 2014, the Responsible Entity paid to the Fund the portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose".

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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.

A handwritten signature in black ink, appearing to read 'L Elkins', with a stylized flourish at the end.

Linda Elkins
Director
Sydney
2 September 2016



Auditor's Independence Declaration

As lead auditor for the audit of Colonial First State Mortgage Income Fund - Entry Fee Option for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'C J Cummins'.

C J Cummins
Partner
PricewaterhouseCoopers

Sydney
2 September 2016

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COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

	Note	1/07/2015 - 30/06/2016	1/07/2014 - 30/06/2015
Investment Income		\$	\$
Interest income	3	-	2,953
Distribution income		268,053	34,262
Changes in fair value of financial instruments held for trading		850,686	1,649,737
Other income		-	-
Responsible Entity fees rebate		-	(145,284)
Total investment Income/(loss)		1,118,739	1,541,668
Expenses			
Other expenses		-	46
Total operating expenses		-	46
Operating profit/(loss) attributable to unitholders		1,118,739	1,541,622
Distributions to unitholders	4	-	-
Change in net assets attributable to unitholders from operations	6(a)	(1,118,739)	(1,541,622)
Profit/(Loss) for the period		-	-
Other comprehensive income for the period		-	-
Total comprehensive income for the period		-	-

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

BALANCE SHEET AS AT 30 JUNE 2016

	Note	30/06/2016 \$	30/06/2015 \$
Assets			
Cash and cash equivalents		-	-
Trade and other receivables:			
- others		268,053	-
Financial assets held for trading	5	2,392,309	1,541,623
Total assets		2,660,362	1,541,623
Liabilities			
Distribution payable		-	-
Financial liabilities held for trading	5	-	-
Total liabilities (excluding net assets attributable to unitholders)		-	-
Net assets attributable to unitholders - liability		2,660,362	1,541,623

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

STATEMENT OF CHANGES IN EQUITY FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

CASH FLOW STATEMENT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

	Note	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Cash flows from operating activities			
Proceeds from sale of financial instruments held for trading		-	4,019,923
Payments for purchase of financial instruments held for trading		-	(26,000)
Interest received		-	3,114
Dividends received		-	34,262
Responsible Entity fee received/ (paid)		-	1,184,771
Others		-	(46)
Net cash (used in)/from operating activities	7(a)	-	5,216,024
Cash flows from financing activities			
Receipts from issue of units		-	6,758
Payment for redemption of units		-	(5,313,302)
Distributions paid		-	-
Net cash (used in)/from financing activities		-	(5,306,544)
Net movement in cash and cash equivalents		-	(90,520)
Add opening cash and cash equivalents brought forward		-	90,520
Closing cash and cash equivalents carried forward		-	-

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

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Non-going Concern Basis of Preparation

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

The board of Directors of the Responsible Entity approved the termination of the Fund on 22 October 2008 in accordance with the provisions of the Constitution. Consequently the Directors have determined that the going concern basis of preparation is no longer appropriate.

The Responsible Entity is in the process of:

- (i) realising all the assets of the Fund and
- (ii) processing any interim repayment of capital and income distribution if required.
- (iii) distributing to the unitholders the net income of the Fund; and
- (iv) redeeming the units held by the unitholders in accordance with the provisions of the Constitution.

As at 30 June 2016 the termination process is in progress.

The financial information presented in this financial report for the year ended 30 June 2016 has been prepared on the basis that the Fund is not a going concern for financial reporting purposes.

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

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

The financial report has not been prepared on a going concern basis and assets have been measured at fair value which approximates net realisable value. Net realisable value is the estimated selling price the entity expects to obtain under the circumstances less the estimated costs necessary to make the sale. This fund has no obligations in respect of wind-up costs and as a result no provision has been made for wind-up costs. Non-current assets and non-current liabilities have been reclassified to current where they are expected to be realised or settled within the next twelve months from the reporting date. Liabilities have been presented in order of their priority in liquidation.

The accounting policies set out below have been applied within this context.

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 2015 to 30 June 2016. The comparative reporting period is from 1 July 2014 to 30 June 2015.

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

The financial report was authorised for issue by the Directors of the Responsible Entity on 2 September 2016. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 Fund

There are no new or amended Accounting Standards adopted by the Fund.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2015 that would be expected to have a material impact on the Fund.

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

(i) Classification

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

(ii) Recognition/Derecognition

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

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

(iii) Measurement

At initial recognition, the Fund measures its financial assets at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Comprehensive Income.

Subsequent to initial recognition, all financial assets and financial liabilities 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 Statement of Comprehensive Income within change 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.

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Investment Income

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

(i) Distribution or Dividend Income

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 Assets Held for Trading

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

(d) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank, deposits at call with futures clearing house and short-term bank deposits with an original maturity of three months or less.

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

Margin accounts comprise 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 Fund.

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

(g) Taxation

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Distributions to Unitholders

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

(i) Net Assets Attributable to Unitholders

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

(j) Terms and Conditions on Units

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

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

(k) Applications and Redemptions

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

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

(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 Fund from the Australian Taxation Office are recognised as receivables in the Balance Sheet.

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Expense Recognition

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

(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.

The Fund invests in managed investment schemes which are also managed by the Responsible Entity. For the majority of the financial instruments of these managed investment schemes, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them. Models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

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

(o) Unit Prices

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

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

(p) Investment Entity

The Responsible Entity has determined that the Fund is an investment entity under the definition in AASB 10 as it meets the following criteria:

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

The Fund also meets all of the typical characteristics of investment entities.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 retranslated at the rate of exchange ruling at the Balance Sheet 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 Fund's 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 Fund competes for funds and is regulated. The Australian dollar is also the Fund's presentation currency.

The Fund does 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.

(r) New Application of Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the Fund. The Responsible Entity's assessment of the impact of these new standards (to the extent relevant to the Fund) and interpretations is set out below:

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

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

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

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

(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 Fund's power over the activities of the entity and its exposure to and ability to influence its own returns, it may control the entity. However, the Fund applies the Investment Entity Exemption available under AASB10 and therefore does not consolidate its controlled entities (Note 1(p)). In other cases it may have exposure to such an entity but not control it.

An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Fund. Such interests include holdings of units in unlisted trusts. The nature and extent of the Fund's 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 Fund has 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 MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

2. AUDITOR'S REMUNERATION

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

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

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

3. INTEREST INCOME

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

4. DISTRIBUTIONS TO UNITHOLDERS

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

The Fund did not distribute for the current and previous reporting periods.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING

(a) Fair Value Measurements

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

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

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

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

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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 Fund would receive or pay to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date. The fair value of an option contract is determined by applying the Black Scholes option valuation model.

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

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

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements

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

30/06/2016	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading:				
Managed Investment Schemes	2,392,309	-	-	2,392,309
Total Assets Held for Trading	2,392,309	-	-	2,392,309
30/06/2015	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading:				
Managed Investment Schemes	1,541,623	-	-	1,541,623
Total Assets Held for Trading	1,541,623	-	-	1,541,623

(d) Transfers between Levels

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(e) Fair Value Measurements using Significant Unobservable Inputs (Level 3)

The following table presents the movement in Level 3 instruments for the following reporting periods:

	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Opening balance	1,541,622	617,752
Gains and losses recognised in profit or loss	850,687	1,647,161
Purchases	-	-
Sales	-	(723,291)
Closing balance	2,392,309	1,541,622

(i) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements. See Note 5 (b)(i) and Note 5 (b)(ii) above for the valuation techniques adopted.

Description	Fair Value at end of reporting period \$	Unobservable inputs	Impact on Net Assets if the Level of Mortgage Default Changed by 10%
30/06/2016			
Managed Investment Scheme (Colonial First State Wholesale Pooled Mortgage Fund)	2,392,309	Cash Flow from Underlying Mortgages	0.00%

(ii) Valuation process

The units in Colonial First State Wholesale Pooled Mortgage Fund (WPMF) held by the Fund are classified as Level 3 investments. The financial assets of WPMF have been valued using highly judgmental assumptions relating to the credit risks and expected cash flows from these assets. Due to the subjectivity involved in these valuations, any changes to these assumptions could significantly impact the net asset value of the Fund. As a result there is significant uncertainty regarding the fair value of those financial assets and the associated changes in fair values recognised in the statement of comprehensive income. The final amounts realised could be different to the amounts recognised in the financial report.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

6. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

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

The units of the Fund were cancelled on approval for termination of the Fund. On the date of approval of termination on 1 March 2010, the number of units cancelled were 732,040,649. The Responsible Entity is in the process of realising all the investment assets and returning the net cash to unitholders as return of capital. Capital repayment and distributions will be paid to the unitholders in proportion of the units held immediately prior to termination.

(a) Movements in Net Assets Attributable to Unitholders:

	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Opening balance	1,541,623	5,306,545
Applications	-	-
Repayment of capital	-	(5,306,543)
Units issued upon reinvestment of distributions	-	-
Units cancelled on termination	-	-
Change in net assets attributable to unitholders from operations	1,118,739	1,541,622
Closing Balance	2,660,362	1,541,624

(b) Capital Risk Management

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

As at 30 June 2016, the termination process of the Fund is in the progress. Upon realisation of all the remaining assets in the Fund, a final repayment of capital will be paid to the unitholders.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

7. CASH AND CASH EQUIVALENTS

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

	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Net profit/(loss) attributable to unitholders	1,118,739	1,541,622
Proceeds from sale of financial instruments held for trading	-	4,019,923
Payments for purchase of financial instruments held for trading	-	(26,000)
Changes in fair value of financial instruments held for trading	(850,686)	(1,649,737)
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	(268,053)	1,330,371
Change in payables and other liabilities	-	(155)
Net Cash From/(Used In) Operating Activities	-	5,216,024

(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 in collateral and deposits at call with a futures clearing house, earn interest at floating rate as determined by the financial institutions.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES

(a) Responsible Entity

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

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

(b) Details of Key Management Personnel

(i) Key Management Personnel

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

Name of Director	Date of Appointment or Resignation
Andrew Morgan	Appointed on 4 February 2015.
Anne Ward	Appointed on 1 January 2013.
Linda Elkins	Appointed on 1 January 2013.
Penelope James	Appointed on 1 January 2013.
Peter Hodgett	Appointed on 1 January 2013.
Elizabeth Lewin	Appointed on 27 October 2015.
Michael Venter	Resigned on 4 February 2015.

(ii) Compensation of Key Management Personnel

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

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(c) Responsible Entity's Management Fees

The Fund does not pay management fees.

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

Prior to 20 December 2012 the management fee rate charged to the Fund was 1.15% per annum.

Pursuant to a Deed Poll executed on 20 December 2012, the Responsible Entity has:

- a) waived its entitlement to receive, from 1 September 2012, further management fees from the Fund;
- b) refunded to the Fund management fees received from 1 July 2012 amounting to \$175,562.
- c) undertaken to pay to the Fund, within 14 days of the expected final termination payment to be made by the Responsible Entity of the Fund, that portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose" described in the next paragraph.

The "commitment purpose" of the Deed Poll is to refund the portion of management fees since the termination of the Fund that will permit unitholders in the Fund to receive, on winding up, a total distribution no more than the capital value of their investment at the termination date of the Fund (1 March 2010).

On 11 December 2014, the Responsible Entity paid to the Fund the portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose".

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

	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Management fees charged/(refunded) for the reporting periods	-	145,284

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

	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Fees due to/(refund from) the Responsible Entity as at the end of the reporting periods	-	-

(d) Management Expenses Recharged

There is no management expenses recharged by the Responsible Entity for the current and previous reporting periods.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(e) Bank and Deposit Accounts

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

(f) Units Held by Related Parties

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

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

(g) Related Party Transactions

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

(i) Terms and Conditions of Transactions with Related Parties

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

(ii) Guarantees

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities

(i) Related Managed Investment Schemes

The Fund 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 The End of the Period No.	Value of Investment At Period End \$	Interest held in Investment at Period End %	Units Acquired During the Period No.	Units Disposed During the Period No.	Distribution Received \$
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Colonial First State Mortgage Income Fund - Entry Fee Option

Units held in:

Colonial First State Wholesale Pooled Mortgage Fund

- 2016	3,321	2,392,309	40.07	-	-	268,053
- 2015	3,321	986,846	40.07	-	454,887	-

Colonial First State Wholesale Cash Fund

- 2016	-	-	-	-	-	-
- 2015	-	-	-	25,720	3,263,023	34,262

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT

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

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

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

(a) Market Risk

(i) Price Risk

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

The 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 Fund's net assets attributable to unitholders at the end of the reporting periods. The analysis is based on the assumptions that the relevant indexes increased or decreased as tabled with all other variables held constant and that fair values of the Fund move according to the historical correlation with the indexes.

(ii) Foreign Exchange Risk

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

(iii) Interest Rate Risk

The exposure to interest rate risk of the Fund is limited to its cash and cash equivalents or bank overdraft, which earns/ (charges) a floating rate of interest.

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis

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

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

	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/(loss) and net assets attributable to unitholders					
30/06/2016	-50 basis points \$	50 basis points \$	-10.00% \$	10.00% \$	-0.50% \$	0.50% \$
	-	-	-	-	(11,962)	11,962
30/06/2015	-50 basis points \$	50 basis points \$	-10.00% \$	10.00% \$	-0.50% \$	0.50% \$
	-	-	-	-	(7,708)	7,708

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers. The Fund's investment in managed investment schemes are also subject to credit risk at the point in time it renders its investment. However, as the Responsible Entity of the Fund are the same as the underlying investment, the credit risk is deemed to be insignificant, with the exception of its investment in the Colonial First State Wholesale Pooled Mortgage Fund.

The underlying investments of the Colonial First State Wholesale Pooled Mortgage Fund are predominately mortgages which are subject to counterparty default risk.

Upon origination of each mortgage the credit risk of the mortgagee is analysed using the following measures:

- interest cover ratio,
- mortgage loan to value ratio,
- credit checks on mortgagee,
- suitability of security property,
- asset position of mortgagee and
- overall interest cover position of the mortgagee.

The Colonial First State Wholesale Pooled Mortgage Fund is exposed to the underlying credit quality of the mortgagee and the assets that are held as securities. The Investment Manager manages these credit risks by performing;

- mortgages are reviewed periodically to reassess the above factors,
- mortgages in arrears are reported to risk and credit committee on a monthly basis, and
- review of mortgage portfolio undertaken as necessary in light of changed market conditions.

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

(d) Liquidity risk

Prior to the Fund's termination, the Fund was exposed to daily cash redemptions of redeemable units. The Fund is in the process of realising all its assets and returning to unitholders the net proceeds.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

10. DERIVATIVE FINANCIAL INSTRUMENTS

The Fund did not enter into transactions in any derivative financial instruments during the current and previous reporting periods.

11. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

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

12. STRUCTURED ENTITIES

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

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

13. CONTINGENT LIABILITIES AND COMMITMENTS

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

14. DEED OF UNDERTAKING BY RESPONSIBLE ENTITY

Pursuant to a Deed Poll executed on 20 December 2012, the Responsible Entity has:

- a) waived its entitlement to receive, from 1 September 2012, further management fees from the Fund;
- b) refunded to the Fund management fees received from 1 July 2012 amounting to \$175,562.
- c) undertaken to pay to the Fund, within 14 days of the expected final termination payment to be made by the Responsible Entity of the Fund, that portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose" described in the next paragraph.

The "commitment purpose" of the Deed Poll is to refund the portion of management fees since the termination of the Fund that will permit unitholders in the Fund to receive, on winding up, a total distribution no more than the capital value of their investment at the termination date of the Fund (1 March 2010).

On 11 December 2014, the Responsible Entity paid to the Fund the portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose".

15. EVENTS AFTER BALANCE SHEET DATE

Subsequent to the balance date, the Fund has made a final redemption of \$2,660,362 on 28 August 2016. All unitholders were returned their capital in full.

No other significant events have occurred since balance sheet date which would impact on the financial position of the Fund disclosed in the Balance Sheet as at 30 June 2016 or on the results and cash flows of the Fund for the reporting period ended on that date.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - ENTRY FEE OPTION

**DIRECTORS' DECLARATION
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

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

- a) the financial statements and notes to the financial statements of the above mentioned Fund are in accordance with the Corporations Act 2001, including:
 - i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii) giving a true and fair view of the Fund's financial position as at 30 June 2016 and of its performance for the reporting period ended on that date, and
- b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable, and
- c) the financial statements comply with International Financial Reporting Standards issued by the International Accounting Standards Board as stated in Note 1.

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



Linda Elkins
Director
Sydney
2 September 2016



Independent auditor's report to the members of Colonial First State Mortgage Income Fund - Entry Fee Option

Report on the financial report

We have audited the accompanying financial report of Colonial First State Mortgage Income Fund - Entry Fee Option (the Fund), which comprises the balance sheet as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

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

Auditor's responsibility

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

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

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

Independence

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

PricewaterhouseCoopers, ABN 52 780 433 757
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Auditor's opinion

In our opinion:

- (a) the financial report of Colonial First State Mortgage Income Fund - Entry Fee Option is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Fund's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- (b) the Fund's financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matter - going concern no longer appropriate

Without qualifying our opinion, we draw attention to the following matter. As indicated in Note 1 to the financial report, management have wound up the Fund. As a result, the financial report has been prepared on a liquidation basis and not on a going concern basis.

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

PricewaterhouseCoopers

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

C J Cummins
Partner

Sydney
2 September 2016

**COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE
OPTION**

ARSN : 096 011 988

**FINANCIAL REPORT
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

Responsible Entity of the Fund

COLONIAL FIRST STATE INVESTMENTS LIMITED

ABN: 98 002 348 352

Ground Floor Tower 1, 201 Sussex Street
SYDNEY NSW 2000

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

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COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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

Reporting Period

The current reporting period for the financial report is from 1 July 2015 to 30 June 2016. The comparative reporting period is from 1 July 2014 to 30 June 2015.

Date of Constitution and Date of Registration of the Fund

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

Date of Constitution	16/02/2001
Date of Registration	27/02/2001

Termination of the Fund

The board of Directors of the Responsible Entity approved the termination of the Fund on 1 March 2010 in accordance with the provisions of the Constitution.

The Responsible Entity is in the process of:

- (i) realising all the assets of the Fund and
- (ii) processing any interim repayment of capital and income distribution if required.

Upon approval of termination of the Fund, the Responsible Entity has cancelled the units held by the unitholders in accordance with the provisions of the Constitution of the Fund.

As at 30 June 2016 the process of realising all the assets of the Fund and determination of the final capital repayment to unitholders is still in process. Any distribution of income or repayment of capital during this process will be paid to the unitholders in proportion of their units held prior to termination of the Fund.

Principal Activities

The principal activities of the Fund were to invest in accordance with the investment objectives and guidelines as set out in the withdrawn Product Disclosure Statement and in accordance with the provisions of the Fund's Constitution. Following the Fund's approval for termination, the Responsible Entity is in the process of realising the assets in the Fund and returning to unitholders the net proceeds to reduce the remaining capital.

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 MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

Review of Operations

Income

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

	Period ended 30/06/2016 \$	Period ended 30/06/2015 \$
Operating profit/(loss) attributable to unitholders	272,314	176,706

Distribution to unitholders

The Fund did not distribute any income during the reporting periods.

Exit Prices

There is no exit price as the units of the Fund were cancelled upon approval of termination of the Fund.

Responsible Entity and Directors

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

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

Name of Director	Date of Appointment or resignation
Andrew Morgan	Appointed on 4 February 2015.
Anne Ward	Appointed on 1 January 2013.
Linda Elkins	Appointed on 1 January 2013.
Penelope James	Appointed on 1 January 2013.
Peter Hodgett	Appointed on 1 January 2013.
Elizabeth Lewin	Appointed on 27 October 2015.
Michael Venter	Resigned on 4 February 2015.

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

Scheme Information

The Fund is a registered managed investment scheme domiciled in Australia and has its principal place of business at Ground Floor Tower 1, 201 Sussex Street, Sydney, New South Wales, 2000.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

Significant Changes in the State of Affairs

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

Matters Subsequent to the End of the Reporting Period

Subsequent to the balance date, the Fund has made a final redemption of \$449,020 on 28 August 2016. All unitholders were returned their capital in full.

No other matters or circumstances have arisen since 30 June 2016 that have significantly affected, or may significantly affect the termination process of the Fund.

Indemnification and Insurance Premiums for Officers and Auditor

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

The Commonwealth Bank of Australia (CBA) has paid insurance premiums for the benefit of the Directors and Officers of the Responsible Entity, a wholly owned subsidiary of CBA. Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the insurance contracts.

Likely Developments and Expected Results of Operations

The Fund has been approved for termination and is in the process of winding up its operations and returning capital to unitholders.

Fees Paid to and Received by the Responsible Entity or its Associates

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

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

Interests in the Fund

Prior to the termination of the Fund, the units issued and redeemed in the Fund during the period and the number of units on issue at the end of the financial period are set out in "Changes in Net Assets Attributable to Unitholders" note to the financial statements. The value of the Fund's assets at the end of the financial period is set out in the Balance Sheet. Upon approval for termination, the units of the Fund were cancelled. Each unitholder will continue to be entitled to their share of distribution or capital repayment in the same proportion as at the date of approval of termination.

There are no interests in the Fund held by the Responsible Entity or its associates at the end of the reporting period.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

Environmental Regulation

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

Deed of Undertaking by Responsible Entity

Pursuant to a Deed Poll executed on 20 December 2012, the Responsible Entity has:

- a) waived its entitlement to receive, from 1 September 2012, further management fees from the Fund;
- b) refunded to the Fund management fees received from 1 July 2012 amounting to \$43,066.
- c) undertaken to pay to the Fund, within 14 days of the expected final termination payment to be made by the Responsible Entity of the Fund, that portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose" described in the next paragraph.

The "commitment purpose" of the Deed Poll is to refund the portion of management fees since the termination of the Fund that will permit unitholders in the Fund to receive, on winding up, a total distribution no more than the capital value of their investment at the termination date of the Fund (1 March 2010).

On 11 December 2014, the Responsible Entity paid to the Fund the portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose".

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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.

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

Linda Elkins
Director
Sydney
2 September 2016



Auditor's Independence Declaration

As lead auditor for the audit of Colonial First State Mortgage Income Fund - Nil Entry Fee Option for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'C J Cummins'.

C J Cummins
Partner
PricewaterhouseCoopers

Sydney
2 September 2016

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Liability limited by a scheme approved under Professional Standards Legislation.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

	Note	1/07/2015 - 30/06/2016	1/07/2014 - 30/06/2015
Investment Income		\$	\$
Interest income	3	-	562
Distribution income		45,243	6,316
Changes in fair value of financial instruments held for trading		227,071	194,994
Other income		-	11
Responsible Entity fees rebate		-	(25,131)
Total investment Income/(loss)		272,314	176,752
Expenses			
Other expenses		-	46
Total operating expenses		-	46
Operating profit/(loss) attributable to unitholders		272,314	176,706
Distributions to unitholders	4	-	-
Change in net assets attributable to unitholders from operations	6(a)	(272,314)	(176,706)
Profit/(Loss) for the period		-	-
Other comprehensive income for the period		-	-
Total comprehensive income for the period		-	-

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

**BALANCE SHEET
AS AT 30 JUNE 2016**

	Note	30/06/2016 \$	30/06/2015 \$
Assets			
Cash and cash equivalents		-	-
Trade and other receivables:			
- others		45,243	-
Financial assets held for trading	5	403,777	176,706
Total assets		449,020	176,706
Liabilities			
Distribution payable		-	-
Financial liabilities held for trading	5	-	-
Total liabilities (excluding net assets attributable to unitholders)		-	-
Net assets attributable to unitholders - liability		449,020	176,706

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

STATEMENT OF CHANGES IN EQUITY FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

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

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

**CASH FLOW STATEMENT
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

	Note	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Cash flows from operating activities			
Proceeds from sale of financial instruments held for trading		-	729,781
Payments for purchase of financial instruments held for trading		-	(4,600)
Interest received		-	596
Dividends received		-	6,316
Responsible Entity fee received/ (paid)		-	970,069
Others		-	(35)
Net cash (used in)/from operating activities	7(a)	-	1,702,127
Cash flows from financing activities			
Receipts from issue of units		-	-
Payment for redemption of units		-	(1,720,811)
Distributions paid		-	-
Net cash (used in)/from financing activities		-	(1,720,811)
Net movement in cash and cash equivalents		-	(18,684)
Effects of exchange rate changes		-	-
Add opening cash and cash equivalents brought forward		-	18,684
Closing cash and cash equivalents carried forward		-	-

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

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Non-going Concern Basis of Preparation

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

The board of Directors of the Responsible Entity approved the termination of the Fund on 1 March 2010 in accordance with the provisions of the Constitution. Consequently the Directors have determined that the going concern basis of preparation is no longer appropriate.

The Responsible Entity is in the process of:

- (i) realising all the assets of the Fund and
- (ii) processing any interim repayment of capital and income distribution if required.
- (iii) distributing to the unitholders the net income of the Fund; and
- (iv) redeeming the units held by the unitholders in accordance with the provisions of the Constitution.

As at 30 June 2016 the termination process is in progress.

The financial information presented in this financial report for the year ended 30 June 2016 has been prepared on the basis that the Fund is not a going concern for financial reporting purposes.

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

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

The financial report has not been prepared on a going concern basis and assets have been measured at fair value which approximates net realisable value. Net realisable value is the estimated selling price the entity expects to obtain under the circumstances less the estimated costs necessary to make the sale. This fund has no obligations in respect of wind-up costs and as a result no provision has been made for wind-up costs. Non-current assets and non-current liabilities have been reclassified to current where they are expected to be realised or settled within the next twelve months from the reporting date. Liabilities have been presented in order of their priority in liquidation.

The accounting policies set out below have been applied within this context.

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 2015 to 30 June 2016. The comparative reporting period is from 1 July 2014 to 30 June 2015.

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

The financial report was authorised for issue by the Directors of the Responsible Entity on 2 September 2016. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

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").

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 Fund

There are no new or amended Accounting Standards adopted by the Fund.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2015 that would be expected to have a material impact on the Fund.

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

(i) Classification

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

(ii) Recognition/Derecognition

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

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

(iii) Measurement

At initial recognition, the Fund measures its financial assets at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Comprehensive Income.

Subsequent to initial recognition, all financial assets and financial liabilities 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 Statement of Comprehensive Income within change 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.

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Investment Income

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

(i) Distribution or Dividend Income

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 Assets Held for Trading

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

(d) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank, deposits at call with futures clearing house and short-term bank deposits with an original maturity of three months or less.

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

Margin accounts comprise 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 Fund.

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

(g) Taxation

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Distributions to Unitholders

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

(i) Net Assets Attributable to Unitholders

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

(j) Terms and Conditions on Units

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

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

(k) Applications and Redemptions

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

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

(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 Fund from the Australian Taxation Office are recognised as receivables in the Balance Sheet.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Expense Recognition

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

(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.

The Fund invests in managed investment schemes which are also managed by the Responsible Entity. For the majority of the financial instruments of these managed investment schemes, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them. Models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

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

(o) Unit Prices

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

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

(p) Investment Entity

The Responsible Entity has determined that the Fund is an investment entity under the definition in AASB 10 as it meets the following criteria:

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

The Fund also meets all of the typical characteristics of investment entities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 retranslated at the rate of exchange ruling at the Balance Sheet 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 Fund's 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 Fund competes for funds and is regulated. The Australian dollar is also the Fund's presentation currency.

The Fund does 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.

(r) New Application of Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the Fund. The Responsible Entity's assessment of the impact of these new standards (to the extent relevant to the Fund) and interpretations is set out below:

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

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

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

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

(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 Fund's power over the activities of the entity and its exposure to and ability to influence its own returns, it may control the entity. However, the Fund applies the Investment Entity Exemption available under AASB10 and therefore does not consolidate its controlled entities (Note 1(p)). In other cases it may have exposure to such an entity but not control it.

An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Fund. Such interests include holdings of units in unlisted trusts. The nature and extent of the Fund's 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 Fund has 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

2. AUDITOR'S REMUNERATION

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

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

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

3. INTEREST INCOME

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

4. DISTRIBUTIONS TO UNITHOLDERS

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

The Fund did not distribute for the current and previous reporting periods.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

5. FINANCIAL ASSETS HELD FOR TRADING

(a) Fair Value Measurements

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

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(b) Fair Value Hierarchy (continued)

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

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

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

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

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

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

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

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements

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

30/06/2016	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading:				
Managed Investment Schemes	403,777	-	-	403,777
Total Assets Held for Trading	403,777	-	-	403,777
30/06/2015	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading:				
Managed Investment Schemes	176,706	-	-	176,706
Total Assets Held for Trading	176,706	-	-	176,706

(d) Transfers between Levels

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(e) Fair Value Measurements using Significant Unobservable Inputs (Level 3)

The following table presents the movement in Level 3 instruments for the following reporting periods:

	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Opening balance	176,706	104,253
Gains and losses recognised in profit or loss	227,071	194,518
Purchases	-	-
Sales	-	(122,065)
Closing balance	403,777	176,706

(i) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements. See Note 5 (b)(i) and Note 5 (b)(ii) above for the valuation techniques adopted.

Description	Fair Value at end of reporting period \$	Unobservable inputs	Impact on Net Assets if the Level of Mortgage Default Changed by 10%
30/06/2016			
Managed Investment Scheme (Colonial First State Wholesale Pooled Mortgage Fund)	403,777	Cash Flow from Underlying Mortgages	0.00%

(ii) Valuation process

The units in Colonial First State Wholesale Pooled Mortgage Fund (WPMF) held by the Fund are classified as Level 3 investments. The financial assets of WPMF have been valued using highly judgmental assumptions relating to the credit risks and expected cash flows from these assets. Due to the subjectivity involved in these valuations, any changes to these assumptions could significantly impact the net asset value of the Fund. As a result there is significant uncertainty regarding the fair value of those financial assets and the associated changes in fair values recognised in the statement of comprehensive income. The final amounts realised could be different to the amounts recognised in the financial report.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

6. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

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

The units of the Fund were cancelled on approval for termination of the Fund. On the date of approval of termination on 1 March 2010, the number of units cancelled were 123,138,723. The Responsible Entity is in the process of realising all the investment assets and returning the net cash to unitholders as return of capital. Capital repayment and distributions will be paid to the unitholders in proportion of the units held immediately prior to termination.

(a) Movements in Net Assets Attributable to Unitholders:

	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Opening balance	176,706	1,720,800
Redemptions	-	(1,720,800)
Change in net assets attributable to unitholders from operations	272,314	176,706
Closing Balance	449,020	176,706

(b) Capital Risk Management

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

As at 30 June 2016, the termination process of the Fund is in the progress. Upon realisation of all the remaining assets in the Fund, a final repayment of capital will be paid to the unitholders.

7. CASH AND CASH EQUIVALENTS

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

	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Net profit/(loss) attributable to unitholders	272,314	176,706
Proceeds from sale of financial instruments held for trading	-	729,781
Payments for purchase of financial instruments held for trading	-	(4,600)
Changes in fair value of financial instruments held for trading	(227,071)	(194,994)
Change in receivables and other assets	(45,243)	995,264
Change in payables and other liabilities	-	(30)
Net Cash From/(Used In) Operating Activities	-	1,702,127

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

7. CASH AND CASH EQUIVALENTS (continued)

(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 in collateral and deposits at call with a futures clearing house, earn interest at floating rate as determined by the financial institutions.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES

(a) Responsible Entity

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

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

(b) Details of Key Management Personnel

(i) Key Management Personnel

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

Name of Director	Date of Appointment or Resignation
Andrew Morgan	Appointed on 4 February 2015.
Anne Ward	Appointed on 1 January 2013.
Linda Elkins	Appointed on 1 January 2013.
Penelope James	Appointed on 1 January 2013.
Peter Hodgett	Appointed on 1 January 2013.
Elizabeth Lewin	Appointed on 27 October 2015.
Michael Venter	Resigned on 4 February 2015.

(ii) Compensation of Key Management Personnel

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

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(c) Responsible Entity's Management Fees

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

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

Prior to 20 December 2012 the management fee rate charged to the Fund was 1.55% per annum.

Pursuant to a Deed Poll executed on 20 December 2012, the Responsible Entity has:

- a) waived its entitlement to receive, from 1 September 2012, further management fees from the Fund;
- b) refunded to the Fund management fees received from 1 July 2012 amounting to \$43,066.
- c) undertaken to pay to the Fund, within 14 days of the expected final termination payment to be made by the Responsible Entity of the Fund, that portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose" described in the next paragraph.

The "commitment purpose" of the Deed Poll is to refund the portion of management fees since the termination of the Fund that will permit unitholders in the Fund to receive, on winding up, a total distribution no more than the capital value of their investment at the termination date of the Fund (1 March 2010).

On 11 December 2014, the Responsible Entity paid to the Fund the portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose".

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

	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Management fees charged/(refunded) for the reporting periods	-	25,131

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

	1/07/2015 - 30/06/2016 \$	1/07/2014 - 30/06/2015 \$
Fees due to/(refund from) the Responsible Entity as at the end of the reporting periods	-	-

(d) Management Expenses Recharged

There is no management expenses recharged by the Responsible Entity for the current and previous reporting periods.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(e) Bank and Deposit Accounts

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

(f) Units Held by Related Parties

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

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

(g) Related Party Transactions

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

(i) Terms and Conditions of Transactions with Related Parties

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

(ii) Guarantees

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities

(i) Related Managed Investment Schemes

The Fund 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 The End of the Period No.	Value of Investment At Period End \$	Interest held in Investment at Period End %	Units Acquired During the Period No.	Units Disposed During the Period No.	Distribution Received \$
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Units held in:

Colonial First State Wholesale Pooled Mortgage Fund

- 2016	561	403,777	6.77	-	-	45,243
- 2015	561	176,706	6.76	-	76,768	-

Colonial First State Wholesale Cash Fund

- 2016	-	-	-	-	-	-
- 2015	-	-	-	4,550	596,969	6,316

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

9. FINANCIAL RISK MANAGEMENT

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

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

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

(a) Market Risk

(i) Price Risk

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

The 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 Fund's net assets attributable to unitholders at the end of the reporting periods. The analysis is based on the assumptions that the relevant indexes increased or decreased as tabled with all other variables held constant and that fair values of the Fund move according to the historical correlation with the indexes.

(ii) Foreign Exchange Risk

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

(iii) Interest Rate Risk

The exposure to interest rate risk of the Fund is limited to its cash and cash equivalents or bank overdraft, which earns/ (charges) a floating rate of interest.

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

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2016

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis

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

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

	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/(loss) and net assets attributable to unitholders					
30/06/2016	-50 basis points \$	50 basis points \$	-10.00% \$	10.00% \$	-0.50% \$	0.50% \$
	-	-	-	-	(2,019)	2,019
30/06/2015	-50 basis points \$	50 basis points \$	-10.00% \$	10.00% \$	-0.50% \$	0.50% \$
	-	-	-	-	(884)	884

(c) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers. The Fund's investment in managed investment schemes are also subject to credit risk at the point in time it renders its investment. However, as the Responsible Entity of the Fund are the same as the underlying investment, the credit risk is deemed to be insignificant, with the exception of its investment in the Colonial First State Wholesale Pooled Mortgage Fund.

The underlying investments of the Colonial First State Wholesale Pooled Mortgage Fund are predominately mortgages which are subject to counterparty default risk.

Upon origination of each mortgage the credit risk of the mortgagee is analysed using the following measures:

- interest cover ratio,
- mortgage loan to value ratio,
- credit checks on mortgagee,
- suitability of security property,
- asset position of mortgagee and
- overall interest cover position of the mortgagee.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

The Colonial First State Wholesale Pooled Mortgage Fund is exposed to the underlying credit quality of the mortgagee and the assets that are held as securities. The Investment Manager manages these credit risks by performing;

- mortgages are reviewed periodically to reassess the above factors,
- mortgages in arrears are reported to risk and credit committee on a monthly basis, and
- review of mortgage portfolio undertaken as necessary in light of changed market conditions.

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

(d) Liquidity risk

Prior to the Fund's termination, the Fund was exposed to daily cash redemptions of redeemable units. The Fund is in the process of realising all its assets and returning to unitholders the net proceeds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

10. DERIVATIVE FINANCIAL INSTRUMENTS

The Fund did not enter into transactions in any derivative financial instruments during the current and previous reporting periods.

11. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

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

12. STRUCTURED ENTITIES

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

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

13. CONTINGENT LIABILITIES AND COMMITMENTS

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

14. DEED OF UNDERTAKING BY THE RESPONSIBLE ENTITY

Pursuant to a Deed Poll executed on 20 December 2012, the Responsible Entity has:

- a) waived its entitlement to receive, from 1 September 2012, further management fees from the Fund;
- b) refunded to the Fund management fees received from 1 July 2012 amounting to \$43,066.
- c) undertaken to pay to the Fund, within 14 days of the expected final termination payment to be made by the Responsible Entity of the Fund, that portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose" described in the next paragraph.

The "commitment purpose" of the Deed Poll is to refund the portion of management fees since the termination of the Fund that will permit unitholders in the Fund to receive, on winding up, a total distribution no more than the capital value of their investment at the termination date of the Fund (1 March 2010).

On 11 December 2014, the Responsible Entity paid to the Fund the portion of management fees received from 1 March 2010 to 30 June 2012 that are sufficient to contribute to the "commitment purpose".

15. EVENTS AFTER BALANCE SHEET DATE

Subsequent to the balance date, the Fund has made a final redemption of \$449,020 on 28 August 2016. All unitholders were returned their capital in full.

No other significant events have occurred since balance sheet date which would impact on the financial position of the Fund disclosed in the Balance Sheet as at 30 June 2016 or on the results and cash flows of the Fund for the reporting period ended on that date.

COLONIAL FIRST STATE MORTGAGE INCOME FUND - NIL ENTRY FEE OPTION

**DIRECTORS' DECLARATION
FOR THE REPORTING PERIOD ENDED 30 JUNE 2016**

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

- a) the financial statements and notes to the financial statements of the above mentioned Fund are in accordance with the Corporations Act 2001, including:
 - i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii) giving a true and fair view of the Fund's financial position as at 30 June 2016 and of its performance for the reporting period ended on that date, and
- b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable, and
- c) the financial statements comply with International Financial Reporting Standards issued by the International Accounting Standards Board as stated in Note 1.

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



Linda Elkins
Director
Sydney
2 September 2016



Independent auditor's report to the members of Colonial First State Mortgage Income Fund - Nil Entry Fee Option

Report on the financial report

We have audited the accompanying financial report of Colonial First State Mortgage Income Fund - Nil Entry Fee Option (the Fund), which comprises the balance sheet as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

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

Auditor's responsibility

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

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

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

Independence

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

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Auditor's opinion

In our opinion:

- (a) the financial report of Colonial First State Mortgage Income Fund - Nil Entry Fee Option is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Fund's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- (b) the Fund's financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matter - going concern no longer appropriate

Without qualifying our opinion, we draw attention to the following matter. As indicated in Note 1 to the financial report, management have wound up the Fund. As a result, the financial report has been prepared on a liquidation basis and not on a going concern basis.

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

PricewaterhouseCoopers

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

C J Cummins
Partner

Sydney
2 September 2016

Enquiries

Investor Services: **13 13 36**

Website: colonialfirststate.com.au

Email: contactus@colonialfirststate.com.au



The Colonial First State Managed Investment Funds Product Disclosure Statement was issued on 12 March 2012. The Colonial First State Premier CMT Product Disclosure Statement was issued on 29 November 2010. Managed Investment Funds & Premier CMT accounts are both closed to new investors.

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