

FirstChoice Wholesale Investments

2014 Annual Financial Report

Part 1 – D

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 2014 for Colonial First State FirstChoice Wholesale Investments.

These statements are the final component of the reporting information for the 2013–2014 financial year.

Part 1 – A, 1 – B and 1 – C contain the first sections of this booklet.

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

Yours sincerely,

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

Linda Elkins
Executive General Manager

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

FINANCIAL REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

Represented by:

ARSN

Colonial First State Wholesale Cash Fund	087 558 674
Commonwealth Fixed Interest Fund 3	099 940 226
Colonial First State Wholesale Australian Bond Fund	087 570 885
Colonial First State Wholesale Diversified Fixed Interest Fund	087 570 634
Colonial First State Wholesale Global Corporate Debt Fund	093 045 713
Commonwealth Specialist Fund 33	168 563 719
Commonwealth International Fixed Interest Fund 9	134 829 011
Commonwealth Fixed Interest Fund 21	149 309 179
Commonwealth International Fixed Interest Fund 10	162 718 612
Commonwealth Specialist Fund 5	108 230 486
Commonwealth International Fixed Interest Fund 3	099 912 562
Commonwealth Specialist Fund 19	118 583 976
Colonial First State Wholesale Enhanced Yield Fund	112 736 491
Commonwealth Fixed Interest Fund 14	113 916 537
Commonwealth Fixed Interest Fund 11	110 773 254
Colonial First State - FirstChoice Wholesale Investments - Specialist Fund 23	141 696 728
Commonwealth Specialist Fund 13	123 809 334
Commonwealth Specialist Fund 14	123 801 178
Colonial First State Wholesale Geared Australian Share Fund - Core	108 689 050
Colonial First State Wholesale Geared Share Fund	087 563 924
Colonial First State Wholesale Geared Global Share Fund	096 392 031

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

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COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 is from 1 July 2013 (or date of registration of the Fund) to 30 June 2014.

The comparative reporting period is from 1 July 2012 (or date of registration of the Fund) to 30 June 2013.

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	Also referred to in this report as	Date of Constitution	Date of Registration
Colonial First State Wholesale Cash Fund	Colonial First State Wholesale Cash	11/05/1999	9/06/1999
Commonwealth Fixed Interest Fund 3	Aberdeen Wholesale Australian Fixed Income	27/03/2002	27/03/2002
Colonial First State Wholesale Australian Bond Fund	Colonial First State Wholesale Australian Bond	11/05/1999	9/06/1999
Colonial First State Wholesale Diversified Fixed Interest Fund	Colonial First State Wholesale Diversified Fixed Interest	11/05/1999	9/06/1999
Colonial First State Wholesale Global Corporate Debt Fund	Colonial First State Wholesale Global Credit Income	24/05/2000	21/06/2000
Commonwealth Specialist Fund 33 (Commenced operation on 12 May 2014)	Kapstream Wholesale Absolute Return	28/02/2014	28/03/2014
Commonwealth International Fixed Interest Fund 9	Macquarie Wholesale Income Opportunities	19/12/2008	16/01/2009
Commonwealth Fixed Interest Fund 21	Perpetual Wholesale Diversified Income	10/02/2011	24/02/2011
Commonwealth International Fixed Interest Fund 10	PIMCO Wholesale Global Bond	4/03/2013	20/03/2013
Commonwealth Specialist Fund 5	Schroder Wholesale Credit Securities	25/02/2004	11/03/2004

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

Date of Constitutions and Date of Registration of the Funds

Name of Fund	Also referred to in this report as	Date of Constitution	Date of Registration
Commonwealth International Fixed Interest Fund 3	UBS Wholesale Diversified Fixed Income	27/03/2002	27/03/2002
Commonwealth Specialist Fund 19	Acadian Wholesale Defensive Income (formerly Acadian Wholesale Quant Yield)	22/02/2006	13/03/2006
Colonial First State Wholesale Enhanced Yield Fund	Colonial First State Wholesale Target Return Income (formerly Colonial First State Wholesale Enhanced Yield)	4/04/2005	15/02/2005
Commonwealth Fixed Interest Fund 14	Goldman Sachs Wholesale Income Plus	19/04/2005	4/05/2005
Commonwealth Fixed Interest Fund 11	PM Capital Wholesale Enhanced Yield	30/08/2004	9/09/2004
Colonial First State - FirstChoice Wholesale Investments - Specialist Fund 23	Aspect Wholesale Diversified Futures	27/01/2010	10/02/2010
Commonwealth Specialist Fund 13	Acadian Wholesale Geared Global Equity	2/02/2007	16/02/2007
Commonwealth Specialist Fund 14	Colonial First State Wholesale Geared Global Property Securities	2/02/2007	16/02/2007
Colonial First State Wholesale Geared Australian Share Fund - Core	Colonial First State Wholesale Geared Australian Share - Core	7/04/2004	22/04/2004
Colonial First State Wholesale Geared Share Fund	Colonial First State Wholesale Geared Share	11/05/1999	9/06/1999
Colonial First State Wholesale Geared Global Share Fund	FirstChoice Wholesale Geared Global Share	27/03/2001	6/04/2001

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

Principal Activities

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

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

Rounding of amounts to the nearest thousand dollars

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

Comparatives

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures and presentation in the current reporting period. There will be no comparative figures where a Fund is preparing the first financial report.

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 30/06/2014 \$'000	Period ended 30/06/2013 \$'000
Colonial First State Wholesale Cash	111,240	160,105
Aberdeen Wholesale Australian Fixed Income	37,189	12,729
Colonial First State Wholesale Australian Bond	41,955	29,600
Colonial First State Wholesale Diversified Fixed Interest	109,619	77,395
Colonial First State Wholesale Global Credit Income	268,421	349,923
Kapstream Wholesale Absolute Return	163	
Macquarie Wholesale Income Opportunities	31,145	23,653
Perpetual Wholesale Diversified Income	12,264	4,564
PIMCO Wholesale Global Bond	6,952	(1,183)
Schroder Wholesale Credit Securities	15,786	17,057
UBS Wholesale Diversified Fixed Income	16,596	3,825
Acadian Wholesale Defensive Income	5,314	4,724
Colonial First State Wholesale Target Return Income	20,856	22,551
Goldman Sachs Wholesale Income Plus	25,491	25,414
PM Capital Wholesale Enhanced Yield	14,646	9,749
Aspect Wholesale Diversified Futures	(37)	(995)
Acadian Wholesale Geared Global Equity	21,609	19,582
Colonial First State Wholesale Geared Global Property Securities	7,033	4,469
Colonial First State Wholesale Geared Australian Share - Core	41,638	55,893
Colonial First State Wholesale Geared Share	614,370	826,091
FirstChoice Wholesale Geared Global Share	25,050	34,261

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 30/06/2014 \$'000	Period ended 30/06/2013 \$'000
Colonial First State Wholesale Cash	110,138	155,405
Aberdeen Wholesale Australian Fixed Income	21,226	29,352
Colonial First State Wholesale Australian Bond	26,774	61,369
Colonial First State Wholesale Diversified Fixed Interest	64,256	147,561
Colonial First State Wholesale Global Credit Income	176,625	193,185
Kapstream Wholesale Absolute Return	93	
Macquarie Wholesale Income Opportunities	18,482	19,348
Perpetual Wholesale Diversified Income	11,622	5,101
PIMCO Wholesale Global Bond	2,015	-
Schroder Wholesale Credit Securities	8,454	8,060
UBS Wholesale Diversified Fixed Income	7,126	4,712
Acadian Wholesale Defensive Income	6,099	4,032
Colonial First State Wholesale Target Return Income	19,853	20,909
Goldman Sachs Wholesale Income Plus	15,660	12,373
PM Capital Wholesale Enhanced Yield	9,589	8,731
Aspect Wholesale Diversified Futures	-	-
Acadian Wholesale Geared Global Equity	3,415	-
Colonial First State Wholesale Geared Global Property Securities	-	-
Colonial First State Wholesale Geared Australian Share - Core	8,962	7,040
Colonial First State Wholesale Geared Share	97,459	67,645
FirstChoice Wholesale Geared Global Share	1,774	850

Details of the income distributions for the reporting periods ended 30 June 2014 and 30 June 2013 are disclosed in the "Distributions to Unitholders" note to the financial statements.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 a 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 2014, together with comparative unit prices as at 30 June 2013:

Name of Fund	30/06/2014 \$	30/06/2013 \$
Colonial First State Wholesale Cash	1.0095	1.0092
Aberdeen Wholesale Australian Fixed Income	1.0778	1.0512
Colonial First State Wholesale Australian Bond	1.1018	1.0795
Colonial First State Wholesale Diversified Fixed Interest	1.0355	1.0103
Colonial First State Wholesale Global Credit Income	1.0087	0.9831
Kapstream Wholesale Absolute Return	1.0038	
Macquarie Wholesale Income Opportunities	1.1438	1.1210
Perpetual Wholesale Diversified Income	1.0272	1.0189
PIMCO Wholesale Global Bond	1.0067	0.9554
Schroder Wholesale Credit Securities	1.0499	1.0175
UBS Wholesale Diversified Fixed Income	1.0682	1.0258
Acadian Wholesale Defensive Income	0.9846	0.9882
Colonial First State Wholesale Target Return Income	0.9767	0.9761
Goldman Sachs Wholesale Income Plus	1.0848	1.0562
PM Capital Wholesale Enhanced Yield	1.0145	0.9941
Aspect Wholesale Diversified Futures	1.0488	1.0562
Acadian Wholesale Geared Global Equity	0.8017	0.5373
Colonial First State Wholesale Geared Global Property Securities	0.3042	0.2337
Colonial First State Wholesale Geared Australian Share - Core	0.8646	0.7226
Colonial First State Wholesale Geared Share	3.8078	3.0036
FirstChoice Wholesale Geared Global Share	0.8600	0.6812

**DIRECTORS' REPORT
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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
Michael Venter	Appointed on 4 July 2011.
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.
Annabel Spring	Resigned on 11 April 2014.
Peter Taylor *	Resigned on 11 April 2014.

* Alternate director for Annabel Spring.

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.

**DIRECTORS' REPORT
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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

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

Likely Developments and Expected Results of Operations

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

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

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

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

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

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

Interests in the Funds

The units issued and redeemed in the Funds during the period and the number of units on issue at the end of the financial period are set out in "Changes in Net Assets Attributable to Unitholders" note to the financial statements. The value of the Funds' assets at the end of the financial period are set out in the Balance Sheets.

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

**DIRECTORS' REPORT
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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 Class Order 06/0441 dated 29 June 2006 issued by ASIC and in accordance with that Class Order, 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.

A handwritten signature in black ink, appearing to be 'L Elkins', written in a cursive style.

Linda Elkins
Director
Sydney
27 August 2014



Auditor's Independence Declaration

As lead auditor for the audit of Colonial First State - FirstChoice Wholesale Investment Funds for the year or period ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Colonial First State - FirstChoice Wholesale Investment Funds during the year or period.

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

CJ Cummins
Partner
PricewaterhouseCoopers

Sydney
27 August 2014

PricewaterhouseCoopers, ABN 52 780 433 757
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COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

		Colonial First State Wholesale Cash		Aberdeen Wholesale Australian Fixed Income		Colonial First State Wholesale Australian Bond	
	Note	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment Income							
Interest income	3	123,962	166,698	30,169	32,168	37,209	41,467
Distribution income		2,208	2,669	-	-	-	-
Changes in fair value of financial instruments held for trading		2,076	9,069	11,849	(14,876)	8,211	(8,135)
Other income		35	10	3	1	9	-
Net foreign exchange gain/(loss)		-	-	48	111	-	-
Total investment income/(loss)		128,281	178,446	42,069	17,404	45,429	33,332
Expenses							
Responsible Entity's management fees	8(c)	16,890	18,137	4,773	4,580	3,409	3,667
Custody fees	8(d)	150	202	93	87	34	36
Brokerage costs		-	1	14	6	31	27
Other expenses		1	1	-	2	-	2
Total operating expenses		17,041	18,341	4,880	4,675	3,474	3,732
Operating profit/(loss) attributable to unitholders		111,240	160,105	37,189	12,729	41,955	29,600
Distributions to unitholders	4	(110,138)	(155,405)	(21,226)	(29,352)	(26,774)	(61,369)
Change in net assets attributable to unitholders from operations	6(a)	(1,102)	(4,700)	(15,963)	16,623	(15,181)	31,769
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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

		Colonial First State Wholesale Diversified Fixed Interest		Colonial First State Wholesale Global Credit Income		Kapstream Wholesale Absolute Return
	Note	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	28/03/2014 - 30/06/2014 \$'000
Investment Income						
Interest income	3	12,736	14,845	97,610	168,522	130
Distribution income		58,541	120,536	26,902	34,102	-
Changes in fair value of financial instruments held for trading		42,990	(55,495)	163,154	163,268	80
Other income		3	33	1,222	2,251	-
Net foreign exchange gain/(loss)		(316)	(78)	(1,406)	4,347	(15)
Total investment income/(loss)		113,954	79,841	287,482	372,490	195
Expenses						
Responsible Entity's management fees	8(c)	4,115	2,236	18,381	21,828	31
Custody fees	8(d)	65	30	612	697	-
Brokerage costs		139	147	36	37	-
Other expenses		16	33	32	5	1
Total operating expenses		4,335	2,446	19,061	22,567	32
Operating profit/(loss) attributable to unitholders		109,619	77,395	268,421	349,923	163
Distributions to unitholders	4	(64,256)	(147,561)	(176,625)	(193,185)	(93)
Change in net assets attributable to unitholders from operations	6(a)	(45,363)	70,166	(91,796)	(156,738)	(70)
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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

		Macquarie Wholesale Income Opportunities		Perpetual Wholesale Diversified Income		PIMCO Wholesale Global Bond	
	Note	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013	1/07/2013 - 30/06/2014	20/03/2013 - 30/06/2013
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment Income							
Interest income	3	29,051	19,237	12,644	5,222	1,412	461
Dividend income		61	16	82	30	2	-
Changes in fair value of financial instruments held for trading		7,829	6,984	2,203	333	6,116	(1,245)
Other income		86	11	17	-	6	-
Net foreign exchange gain/(loss)		(517)	376	33	(64)	217	(377)
Total investment income/(loss)		36,510	26,624	14,979	5,521	7,753	(1,161)
Expenses							
Responsible Entity's management fees	8(c)	5,212	2,896	2,573	925	772	20
Custody fees	8(d)	91	56	84	30	24	-
Brokerage costs		46	14	40	1	1	-
Other expenses		16	5	18	1	4	2
Total operating expenses		5,365	2,971	2,715	957	801	22
Operating profit/(loss) attributable to unitholders		31,145	23,653	12,264	4,564	6,952	(1,183)
Distributions to unitholders	4	(18,482)	(19,348)	(11,622)	(5,101)	(2,015)	-
Change in net assets attributable to unitholders from operations	6(a)	(12,663)	(4,305)	(642)	537	(4,937)	1,183
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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

		Schroder Wholesale Credit Securities		UBS Wholesale Diversified Fixed Income		Acadian Wholesale Defensive Income	
	Note	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013
Investment Income		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	3	11,663	8,890	9,678	6,611	10	11
Dividend income		794	1,603	-	-	-	-
Distribution income		-	-	-	-	7,642	5,400
Changes in fair value of financial instruments held for trading		6,107	8,431	8,808	(1,430)	(750)	670
Other income		1	35	6	27	-	1
Net foreign exchange gain/(loss)		(44)	21	132	129	-	-
Total investment income/(loss)		18,521	18,980	18,624	5,337	6,902	6,082
Expenses							
Responsible Entity's management fees	8(c)	2,688	1,882	1,907	1,415	1,088	771
Responsible Entity's performance fees	8(c)	-	-	-	-	499	586
Custody fees	8(d)	37	27	81	53	-	1
Brokerage costs		10	14	39	16	-	-
Other expenses		-	-	1	28	1	-
Total operating expenses		2,735	1,923	2,028	1,512	1,588	1,358
Operating profit/(loss) attributable to unitholders		15,786	17,057	16,596	3,825	5,314	4,724
Distributions to unitholders	4	(8,454)	(8,060)	(7,126)	(4,712)	(6,099)	(4,032)
Change in net assets attributable to unitholders from operations	6(a)	(7,332)	(8,997)	(9,470)	887	785	(692)
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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

		Colonial First State Wholesale Target Return Income		Goldman Sachs Wholesale Income Plus		PM Capital Wholesale Enhanced Yield	
	Note	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013
Investment Income		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	3	1,296	1,196	13	(3)	11,721	9,507
Dividend income		3,655	2,333	-	-	1,337	769
Distribution income		9,474	15,775	17,079	13,467	-	-
Changes in fair value of financial instruments held for trading		8,308	5,397	8,555	12,110	6,241	2,514
Other income		-	1	-	1	19	33
Net foreign exchange gain/(loss)		-	-	-	-	(247)	(23)
Total investment income/(loss)		22,733	24,702	25,647	25,575	19,071	12,800
Expenses							
Responsible Entity's management fees	8(c)	1,824	2,064	156	158	2,002	1,353
Responsible Entity's performance fees	8(c)	-	-	-	-	2,379	1,668
Custody fees	8(d)	6	4	-	1	37	22
Brokerage costs		39	30	-	-	6	8
Other expenses		8	53	-	2	1	-
Total operating expenses		1,877	2,151	156	161	4,425	3,051
Operating profit/(loss) attributable to unitholders		20,856	22,551	25,491	25,414	14,646	9,749
Distributions to unitholders	4	(19,853)	(20,909)	(15,660)	(12,373)	(9,589)	(8,731)
Change in net assets attributable to unitholders from operations	6(a)	(1,003)	(1,642)	(9,831)	(13,041)	(5,057)	(1,018)
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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

		Aspect Wholesale Diversified Futures		Acadian Wholesale Geared Global Equity		Colonial First State Wholesale Geared Global Property Securities	
	Note	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment Income							
Interest income	3	2	2	27	5	33	51
Dividend income		-	-	2,679	1,874	1,927	2,239
Changes in fair value of financial instruments held for trading		(15)	(978)	24,075	19,986	7,184	4,451
Other income		-	-	1	7	1	1
Net foreign exchange gain/(loss)		-	-	(2,319)	(985)	(32)	226
Total investment income/(loss)		(13)	(976)	24,463	20,887	9,113	6,968
Expenses							
Responsible Entity's management fees	8(c)	23	19	1,687	846	627	716
Custody fees	8(d)	-	-	45	24	11	13
Interest expenses		-	-	1,023	398	1,371	1,666
Brokerage costs		-	-	52	32	63	101
Other expenses		1	-	47	5	8	3
Total operating expenses		24	19	2,854	1,305	2,080	2,499
Operating profit/(loss) attributable to unitholders		(37)	(995)	21,609	19,582	7,033	4,469
Distributions to unitholders	4	-	-	(3,415)	-	-	-
Change in net assets attributable to unitholders from operations	6(a)	37	995	(18,194)	(19,582)	(7,033)	(4,469)
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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

STATEMENTS OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

		Colonial First State Wholesale Geared Australian Share - Core		Colonial First State Wholesale Geared Share		FirstChoice Wholesale Geared Global Share	
	Note	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Investment Income							
Interest income	3	328	351	2,566	2,874	127	27
Dividend income		16,859	14,072	193,348	164,861	3,518	2,336
Distribution income		-	-	1,538	828	-	-
Changes in fair value of financial instruments held for trading		38,466	53,893	568,541	798,150	26,567	35,569
Other income		2	-	25	1	-	53
Net foreign exchange gain/(loss)		-	-	-	-	(2,270)	(1,490)
Total investment income/(loss)		55,655	68,316	766,018	966,714	27,942	36,495
Expenses							
Responsible Entity's management fees	8(c)	5,030	4,009	51,122	40,871	1,969	1,377
Custody fees	8(d)	18	14	218	172	49	24
Interest expenses		8,490	7,763	96,122	90,242	760	596
Brokerage costs		345	307	3,150	3,334	84	124
Other expenses		134	330	1,036	6,004	30	113
Total operating expenses		14,017	12,423	151,648	140,623	2,892	2,234
Operating profit/(loss) attributable to unitholders		41,638	55,893	614,370	826,091	25,050	34,261
Distributions to unitholders	4	(8,962)	(7,040)	(97,459)	(67,645)	(1,774)	(850)
Change in net assets attributable to unitholders from operations	6(a)	(32,676)	(48,853)	(516,911)	(758,446)	(23,276)	(33,411)
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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2014

		Colonial First State Wholesale Cash		Aberdeen Wholesale Australian Fixed Income		Colonial First State Wholesale Australian Bond	
	Note	30/06/2014	30/06/2013	30/06/2014	30/06/2013	30/06/2014	30/06/2013
Assets		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents		155,724	28,633	1,052	5,953	8,830	7,196
Trade and other receivables:							
- outstanding sales settlement		-	-	-	-	-	9,254
- application monies		52,496	-	1,037	-	135	-
- interests		408	41	117	116	122	150
- others		463	452	128	133	91	99
Financial assets held for trading	5	4,241,321	4,301,869	693,820	705,156	741,029	786,473
Total assets		4,450,412	4,330,995	696,154	711,358	750,207	803,172
Liabilities							
Trade and other payables:							
- outstanding purchase settlements		-	-	9,011	3,038	4,246	4,732
- redemptions		81,569	-	28	-	293	-
- others		-	-	-	2	-	11
Distribution payable		2,257	2,567	382	366	2,350	1,741
Responsible Entity - fee	8(c)	1,571	1,566	439	450	304	327
Financial liabilities held for trading	5	-	-	313	22	3,428	55
Total liabilities (excluding net assets attributable to unitholders)		85,397	4,133	10,173	3,878	10,621	6,866
Net assets attributable to unitholders - liability		4,365,015	4,326,862	685,981	707,480	739,586	796,306
Represented by:							
Fair value of outstanding units based on redemption value		4,366,315	4,327,620	686,079	707,460	739,474	796,395
Adjustments arising from different unit pricing and AIFRS valuation principles		(1,280)	(734)	(786)	(723)	(653)	(872)
Buy and sell spread		-	-	687	708	740	797
Adjustment to period end accruals		(20)	(24)	1	35	25	(14)
Net assets attributable to unitholders		4,365,015	4,326,862	685,981	707,480	739,586	796,306

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

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2014

		Colonial First State Wholesale Diversified Fixed Interest		Colonial First State Wholesale Global Credit Income		Kapstream Wholesale Absolute Return
	Note	30/06/2014 \$'000	30/06/2013 \$'000	30/06/2014 \$'000	30/06/2013 \$'000	30/06/2014 \$'000
Assets						
Cash and cash equivalents		77,467	24,059	78,682	124,880	2,295
Trade and other receivables:						
- outstanding sales settlement		-	-	5,025	26,640	-
- application monies		1,749	4	25,507	-	118
- interests		34	47	309	236	1
- others		130	73	624	689	1
Financial assets held for trading	5	1,921,644	1,842,191	3,237,683	3,942,547	22,971
Others		-	-	-	28	-
Total assets		2,001,024	1,866,374	3,347,830	4,095,020	25,386
Liabilities						
Bank overdraft		-	-	2,166	728	1
Trade and other payables:						
- outstanding purchase settlements		20,415	-	2,422	6,819	-
- redemptions		159	-	227	-	50
- others		-	1	7	11	1
Distribution payable		153	2,303	15,942	9,536	-
Responsible Entity - fee	8(c)	470	269	1,550	1,837	19
Financial liabilities held for trading	5	40,177	19,059	222,732	367,077	71
Total liabilities (excluding net assets attributable to unitholders)		61,374	21,632	245,046	386,008	142
Net assets attributable to unitholders - liability		1,939,650	1,844,742	3,102,784	3,709,012	25,244
Represented by:						
Fair value of outstanding units based on redemption value		1,939,071	1,844,625	3,102,129	3,709,111	25,266
Adjustments arising from different unit pricing and AIFRS valuation principles		(1,346)	(770)	(6,650)	(9,526)	(48)
Buy and sell spread		1,919	1,000	6,680	8,145	-
Adjustment to period end accruals		6	(113)	625	1,282	26
Net assets attributable to unitholders		1,939,650	1,844,742	3,102,784	3,709,012	25,244

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

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2014

		Macquarie Wholesale Income Opportunities		Perpetual Wholesale Diversified Income		PIMCO Wholesale Global Bond	
	Note	30/06/2014 \$'000	30/06/2013 \$'000	30/06/2014 \$'000	30/06/2013 \$'000	30/06/2014 \$'000	30/06/2013 \$'000
Assets							
Cash and cash equivalents		33,537	144,005	21,552	16,393	10,967	1,537
Trade and other receivables:							
- outstanding sales settlement		122	791	700	498	3,786	-
- application monies		2,675	-	706	-	1,679	-
- interests		268	446	300	6	5	1
- others		196	120	82	33	20	2
Financial assets held for trading	5	866,488	374,758	312,158	124,225	212,018	33,761
Total assets		903,286	520,120	335,498	141,155	228,475	35,301
Liabilities							
Bank overdraft		4,207	1,162	-	2	3,487	-
Trade and other payables:							
- outstanding purchase settlements		3,581	997	1,399	1,999	9,491	6,054
- redemptions		15	-	-	-	-	-
- others		-	-	3	-	-	-
Distribution payable		45	177	22	7	344	-
Responsible Entity - fee	8(c)	592	348	280	120	139	22
Financial liabilities held for trading	5	11,041	7,433	6,020	2,033	4,170	1,797
Total liabilities (excluding net assets attributable to unitholders)		19,481	10,117	7,724	4,161	17,631	7,873
Net assets attributable to unitholders - liability		883,805	510,003	327,774	136,994	210,844	27,428
Represented by:							
Fair value of outstanding units based on redemption value		884,392	510,405	328,182	137,170	210,831	27,413
Adjustments arising from different unit pricing and AIFRS valuation principles		(1,936)	(1,118)	(748)	(313)	(222)	(27)
Buy and sell spread		1,329	767	329	137	211	27
Adjustment to period end accruals		20	(51)	11	-	24	15
Net assets attributable to unitholders		883,805	510,003	327,774	136,994	210,844	27,428

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

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2014

		Schroder Wholesale Credit Securities		UBS Wholesale Diversified Fixed Income		Acadian Wholesale Defensive Income	
	Note	30/06/2014 \$'000	30/06/2013 \$'000	30/06/2014 \$'000	30/06/2013 \$'000	30/06/2014 \$'000	30/06/2013 \$'000
Assets							
Cash and cash equivalents		14,707	8,246	52,146	53,916	40	451
Trade and other receivables:							
- outstanding sales settlement		-	-	5,919	8,294	-	-
- application monies		270	-	575	-	283	-
- dividends		-	237	-	-	-	-
- interests		164	133	135	156	1	-
- others		79	51	64	64	45	28
Financial assets held for trading	5	311,498	199,127	210,393	220,579	184,280	164,109
Total assets		326,718	207,794	269,232	283,009	184,649	164,588
Liabilities							
Bank overdraft		26	-	260	-	-	-
Trade and other payables:							
- outstanding purchase settlements		-	500	16,423	22,615	-	-
- redemptions		44	-	-	-	7	-
- others		1	-	1	6	1	1
Distribution payable		163	58	878	122	28	17
Responsible Entity - fee	8(c)	279	177	180	190	100	89
Financial liabilities held for trading	5	702	1,986	1,102	3,127	-	-
Total liabilities (excluding net assets attributable to unitholders)		1,215	2,721	18,844	26,060	136	107
Net assets attributable to unitholders - liability		325,503	205,073	250,388	256,949	184,513	164,481
Represented by:							
Fair value of outstanding units based on redemption value		325,311	205,090	250,228	256,883	184,507	164,495
Adjustments arising from different unit pricing and AIFRS valuation principles		(477)	(435)	(215)	(229)	-	-
Buy and sell spread		652	411	376	386	-	-
Adjustment to period end accruals		17	7	(1)	(91)	6	(14)
Net assets attributable to unitholders		325,503	205,073	250,388	256,949	184,513	164,481

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

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2014

		Colonial First State Wholesale Target Return Income		Goldman Sachs Wholesale Income Plus		PM Capital Wholesale Enhanced Yield	
	Note	30/06/2014 \$'000	30/06/2013 \$'000	30/06/2014 \$'000	30/06/2013 \$'000	30/06/2014 \$'000	30/06/2013 \$'000
Assets							
Cash and cash equivalents		22,731	6,253	266	1,189	29,636	4,151
Trade and other receivables:							
- outstanding sales settlement		6,239	6,049	-	-	22	-
- application monies		200	-	225	-	29	-
- dividends		194	270	-	-	54	38
- interests		59	14	1	3	192	66
- others		53	59	4	4	104	77
Financial assets held for trading	5	322,747	371,142	405,896	365,760	304,475	199,197
Total assets		352,223	383,787	406,392	366,956	334,512	203,529
Liabilities							
Bank overdraft		-	-	-	-	-	362
Trade and other payables:							
- outstanding purchase settlements		1,748	-	-	-	-	-
- redemptions		158	-	247	-	61	-
- others		1	-	-	-	1	1
Distribution payable		538	1,137	284	187	92	87
Responsible Entity - fee	8(c)	160	174	14	13	440	125
Financial liabilities held for trading	5	473	855	-	-	4,643	5,778
Total liabilities (excluding net assets attributable to unitholders)		3,078	2,166	545	200	5,237	6,353
Net assets attributable to unitholders - liability		349,145	381,621	405,847	366,756	329,275	197,176
Represented by:							
Fair value of outstanding units based on redemption value		349,035	381,772	405,613	366,581	329,629	197,741
Adjustments arising from different unit pricing and AIFRS valuation principles		(60)	(236)	-	-	(676)	(709)
Buy and sell spread		212	183	-	168	363	198
Adjustment to period end accruals		(42)	(98)	234	7	(41)	(54)
Net assets attributable to unitholders		349,145	381,621	405,847	366,756	329,275	197,176

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

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2014

		Aspect Wholesale Diversified Futures		Acadian Wholesale Geared Global Equity		Colonial First State Wholesale Geared Global Property Securities	
	Note	30/06/2014 \$'000	30/06/2013 \$'000	30/06/2014 \$'000	30/06/2013 \$'000	30/06/2014 \$'000	30/06/2013 \$'000
Assets							
Cash and cash equivalents		138	97	3,568	893	3,315	9,273
Trade and other receivables:							
- outstanding sales settlement		-	-	3,094	-	670	3,689
- application monies		54	-	105	-	85	-
- dividends		-	-	109	186	299	259
- interests		-	-	4	1	7	2
- others		1	1	51	24	16	23
Financial assets held for trading	5	22,335	19,966	190,088	94,296	64,518	71,435
Total assets		22,528	20,064	197,019	95,400	68,910	84,681
Liabilities							
Bank overdraft		-	-	-	86	-	-
Trade and other payables:							
- outstanding purchase settlements		-	-	6,442	-	662	-
- redemptions		104	-	9	-	8	-
- interest on loans		-	-	168	95	228	225
- others		-	-	1	1	2	-
Loans		-	-	98,885	48,178	34,500	46,500
Distribution payable		-	-	592	-	-	-
Responsible Entity - fee	8(c)	2	2	188	92	56	64
Financial liabilities held for trading	5	-	-	-	-	454	5,207
Total liabilities (excluding net assets attributable to unitholders)		106	2	106,285	48,452	35,910	51,996
Net assets attributable to unitholders - liability		22,422	20,062	90,734	46,948	33,000	32,685
Represented by:							
Fair value of outstanding units based on redemption value		22,423	20,063	91,705	43,288	32,966	32,560
Adjustments arising from different unit pricing and AIFRS valuation principles		-	-	(1,354)	3,493	(122)	(59)
Buy and sell spread		-	-	387	182	172	200
Adjustment to period end accruals		(1)	(1)	(4)	(15)	(16)	(16)
Net assets attributable to unitholders		22,422	20,062	90,734	46,948	33,000	32,685

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

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

BALANCE SHEETS AS AT 30 JUNE 2014

		Colonial First State Wholesale Geared Australian Share - Core		Colonial First State Wholesale Geared Share		FirstChoice Wholesale Geared Global Share	
	Note	30/06/2014	30/06/2013	30/06/2014	30/06/2013	30/06/2014	30/06/2013
Assets		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents		20,114	12,365	106,744	107,770	7,818	3,314
Trade and other receivables:							
- outstanding sales settlement		2,377	1,228	33,407	41,683	-	345
- application monies		143	-	5,382	-	36	-
- dividends		2,921	2,609	44,531	45,558	248	57
- interests		30	21	150	73	13	3
- others		109	100	1,111	1,134	51	38
Financial assets held for trading	5	393,203	348,545	4,942,982	4,225,702	175,771	151,267
Total assets		418,897	364,868	5,134,307	4,421,920	183,937	155,024
Liabilities							
Bank overdraft		-	-	-	-	1,944	-
Trade and other payables:							
- outstanding purchase settlements		3,896	3,105	13,063	30,859	65	775
- redemptions		10	-	882	-	72	-
- interest on loans		1,032	1,382	10,576	9,865	71	51
- others		-	-	-	1,694	-	1
Loans		225,000	195,000	2,750,000	2,402,239	56,877	48,974
Distribution payable		367	336	26,893	17,755	226	107
Responsible Entity - fee	8(c)	414	352	4,435	3,629	172	143
Financial liabilities held for trading	5	-	-	-	-	22	2
Total liabilities (excluding net assets attributable to unitholders)		230,719	200,175	2,805,849	2,466,041	59,449	50,053
Net assets attributable to unitholders - liability		188,178	164,693	2,328,458	1,955,879	124,488	104,971
Represented by:							
Fair value of outstanding units based on redemption value		187,496	164,163	2,321,036	1,948,531	124,546	102,363
Adjustments arising from different unit pricing and AIFRS valuation principles		(150)	(213)	(3,881)	(2,273)	(419)	2,327
Buy and sell spread		829	726	11,139	9,198	362	308
Adjustment to period end accruals		3	17	164	423	(1)	(27)
Net assets attributable to unitholders		188,178	164,693	2,328,458	1,955,879	124,488	104,971

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

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

STATEMENTS OF CHANGES IN EQUITY FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 accompany notes.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

	Colonial First State Wholesale Cash		Aberdeen Wholesale Australian Fixed Income		Colonial First State Wholesale Australian Bond	
Note	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	22,105,031	25,739,188	928,976	924,034	886,180	871,859
Payments for purchase of financial instruments held for trading	(22,040,537)	(23,017,742)	(900,198)	(1,131,463)	(821,526)	(901,608)
Interest received	123,931	183,138	30,886	30,867	38,379	41,783
Responsible Entity fee received/ (paid)	(16,895)	(18,498)	(4,779)	(4,408)	(3,424)	(3,590)
Payment for brokerage costs	-	(1)	(14)	(6)	(31)	(27)
Others	(115)	(550)	(91)	(176)	(36)	(97)
Net cash (used in)/from operating activities 7(a)	171,415	2,885,535	54,780	(181,152)	99,542	8,320
Cash flows from financing activities						
Receipts from issue of units	5,895,324	5,037,723	103,793	244,832	45,573	189,406
Payment for redemption of units	(5,921,154)	(7,914,402)	(162,015)	(62,961)	(140,208)	(200,905)
Distributions paid	(18,494)	(28,422)	(1,459)	(827)	(3,273)	(3,197)
Net cash (used in)/from financing activities	(44,324)	(2,905,101)	(59,681)	181,044	(97,908)	(14,696)
Net movement in cash and cash equivalents	127,091	(19,566)	(4,901)	(108)	1,634	(6,376)
Add opening cash and cash equivalents brought forward	28,633	48,199	5,953	6,061	7,196	13,572
Closing cash and cash equivalents carried forward	155,724	28,633	1,052	5,953	8,830	7,196

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 Equivalent" note to the financial statements.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**CASH FLOW STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

	Colonial First State Wholesale Diversified Fixed Interest		Colonial First State Wholesale Global Credit Income		Kapstream Wholesale Absolute Return
Note	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	28/03/2014 - 30/06/2014 \$'000
Cash flows from operating activities					
Proceeds from sale of financial instruments held for trading	1,410,228	1,376,313	2,825,377	2,193,828	93
Payments for purchase of financial instruments held for trading	(1,344,540)	(831,533)	(2,068,407)	(1,527,801)	(22,733)
Interest received	10,500	9,062	107,238	180,906	(66)
Responsible Entity fee received/ (paid)	(3,972)	(2,099)	(18,583)	(21,484)	(13)
Payment for brokerage costs	(139)	(147)	(36)	(37)	-
Others	(78)	(72)	573	1,113	-
Net cash (used in)/from operating activities 7(a)	71,999	551,524	846,162	826,525	(22,719)
Cash flows from financing activities					
Receipts from issue of units	210,508	287,725	610,324	1,379,389	26,280
Payment for redemption of units	(224,369)	(866,426)	(1,447,805)	(2,146,198)	(1,267)
Distributions paid	(4,585)	(4,472)	(56,032)	(41,016)	-
Net cash (used in)/from financing activities	(18,446)	(583,173)	(893,513)	(807,825)	25,013
Net movement in cash and cash equivalents	53,553	(31,649)	(47,351)	18,700	2,294
Effects of exchange rate changes	(145)	59	(285)	654	-
Add opening cash and cash equivalents brought forward	24,059	55,649	124,152	104,798	-
Closing cash and cash equivalents carried forward	77,467	24,059	76,516	124,152	2,294

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 Equivalent" note to the financial statements.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

	Macquarie Wholesale Income Opportunities		Perpetual Wholesale Diversified Income		PIMCO Wholesale Global Bond	
Note	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	20/03/2013 - 30/06/2013 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	301,448	208,425	256,532	79,614	201,118	12,446
Payments for purchase of financial instruments held for trading	(775,946)	(322,898)	(438,553)	(151,638)	(371,159)	(39,378)
Interest received	26,113	19,068	11,858	5,165	1,571	(163)
Dividends received	61	16	82	30	2	-
Responsible Entity fee received/ (paid)	(5,046)	(2,754)	(2,461)	(860)	(673)	-
Payment for brokerage costs	(46)	(14)	(40)	(1)	(1)	-
Others	(19)	(108)	(83)	(48)	(21)	(1)
Net cash (used in)/from operating activities 7(a)	(453,435)	(98,265)	(172,665)	(67,738)	(169,163)	(27,096)
Cash flows from financing activities						
Receipts from issue of units	380,440	218,994	201,197	75,089	178,084	28,611
Payment for redemption of units	(40,030)	(31,719)	(23,330)	(2,096)	(2,956)	-
Distributions paid	(545)	(238)	(41)	(8)	-	-
Net cash (used in)/from financing activities	339,865	187,037	177,826	72,985	175,128	28,611
Net movement in cash and cash equivalents	(113,570)	88,772	5,161	5,247	5,965	1,515
Effects of exchange rate changes	57	79	-	-	(22)	22
Add opening cash and cash equivalents brought forward	142,843	53,992	16,391	11,144	1,537	-
Closing cash and cash equivalents carried forward	29,330	142,843	21,552	16,391	7,480	1,537

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 Equivalent" note to the financial statements.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

	Schroder Wholesale Credit Securities		UBS Wholesale Diversified Fixed Income		Acadian Wholesale Defensive Income	
Note	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	203,920	117,548	458,504	226,380	12,520	780
Payments for purchase of financial instruments held for trading	(311,004)	(115,106)	(444,953)	(333,323)	(25,800)	(72,210)
Interest received	10,645	8,845	10,082	5,149	10	11
Dividends received	1,031	1,641	-	-	-	-
Responsible Entity fee received/ (paid)	(2,614)	(1,836)	(1,918)	(1,315)	(1,593)	(1,330)
Payment for brokerage costs	(10)	(14)	(39)	(16)	-	-
Others	(36)	(29)	(76)	(84)	-	(15)
Net cash (used in)/from operating activities 7(a)	(98,068)	11,049	21,600	(103,209)	(14,863)	(72,764)
Cash flows from financing activities						
Receipts from issue of units	125,063	36,205	74,444	147,906	37,291	80,046
Payment for redemption of units	(20,371)	(41,972)	(97,060)	(11,389)	(22,763)	(7,072)
Distributions paid	(168)	(390)	(364)	(114)	(76)	(63)
Net cash (used in)/from financing activities	104,524	(6,157)	(22,980)	136,403	14,452	72,911
Net movement in cash and cash equivalents	6,456	4,892	(1,380)	33,194	(411)	147
Effects of exchange rate changes	(21)	19	(650)	739	-	-
Add opening cash and cash equivalents brought forward	8,246	3,335	53,916	19,983	451	304
Closing cash and cash equivalents carried forward	14,681	8,246	51,886	53,916	40	451

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 Equivalent" note to the financial statements.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

	Colonial First State Wholesale Target Return Income		Goldman Sachs Wholesale Income Plus		PM Capital Wholesale Enhanced Yield	
Note	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	220,387	224,738	44,016	126,641	317,119	249,241
Payments for purchase of financial instruments held for trading	(153,008)	(149,989)	(58,518)	(102,297)	(417,516)	(269,405)
Interest received	1,250	1,254	14	(5)	11,553	10,154
Dividends received	3,705	2,136	-	-	1,322	753
Responsible Entity fee received/ (paid)	(1,832)	(2,045)	(155)	(154)	(4,093)	(3,034)
Payment for brokerage costs	(39)	(30)	-	-	(6)	(8)
Others	(12)	(96)	1	(10)	(21)	(17)
Net cash (used in)/from operating activities 7(a)	70,451	75,968	(14,642)	24,175	(91,642)	(12,316)
Cash flows from financing activities						
Receipts from issue of units	32,358	24,916	51,406	27,712	141,639	24,571
Payment for redemption of units	(83,654)	(97,087)	(37,201)	(50,254)	(23,882)	(26,502)
Distributions paid	(2,677)	(1,186)	(486)	(363)	(268)	(250)
Net cash (used in)/from financing activities	(53,973)	(73,357)	13,719	(22,905)	117,489	(2,181)
Net movement in cash and cash equivalents	16,478	2,611	(923)	1,270	25,847	(14,497)
Add opening cash and cash equivalents brought forward	6,253	3,642	1,189	(81)	3,789	18,286
Closing cash and cash equivalents carried forward	22,731	6,253	266	1,189	29,636	3,789

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 Equivalent" note to the financial statements.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

	Aspect Wholesale Diversified Futures		Acadian Wholesale Geared Global Equity		Colonial First State Wholesale Geared Global Property Securities	
Note	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	3,144	2,096	130,615	70,489	52,805	67,075
Payments for purchase of financial instruments held for trading	(5,529)	(8,229)	(201,279)	(86,437)	(39,738)	(80,560)
Interest received	2	2	24	5	29	52
Dividends received	-	-	2,747	1,743	1,826	2,017
Responsible Entity fee received/ (paid)	(23)	(19)	(1,617)	(804)	(629)	(691)
Interest paid	-	-	(950)	(407)	(1,369)	(1,769)
Payment for brokerage costs	-	-	(52)	(32)	(63)	(101)
Others	-	-	(91)	(40)	(18)	(29)
Net cash (used in)/from operating activities 7(a)	(2,406)	(6,150)	(70,603)	(15,483)	12,843	(14,006)
Cash flows from financing activities						
Receipts from issue of units	8,510	10,530	48,328	8,239	15,246	23,311
Payment for redemption of units	(6,063)	(4,306)	(25,655)	(8,348)	(22,041)	(20,315)
Distributions paid	-	(433)	-	-	-	-
Loan repayment	-	-	-	(163,538)	-	(188,000)
Additional loan	-	-	50,707	179,236	(12,000)	206,000
Net cash (used in)/from financing activities	2,447	5,791	73,380	15,589	(18,795)	20,996
Net movement in cash and cash equivalents	41	(359)	2,777	106	(5,952)	6,990
Effects of exchange rate changes	-	-	(16)	16	(6)	12
Add opening cash and cash equivalents brought forward	97	456	807	685	9,273	2,271
Closing cash and cash equivalents carried forward	138	97	3,568	807	3,315	9,273

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 Equivalent" note to the financial statements.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

	Colonial First State Wholesale Geared Australian Share - Core		Colonial First State Wholesale Geared Share		FirstChoice Wholesale Geared Global Share	
Note	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments held for trading	223,075	155,951	3,614,815	2,958,823	249,874	63,613
Payments for purchase of financial instruments held for trading	(224,088)	(183,639)	(3,759,197)	(3,239,270)	(250,414)	(73,846)
Interest received	319	351	2,488	3,104	116	26
Dividends received	11,011	13,679	182,037	120,816	3,325	2,423
Responsible Entity fee received/ (paid)	(4,979)	(3,872)	(50,292)	(39,636)	(1,953)	(1,315)
Interest paid	(8,840)	(7,844)	(95,411)	(90,896)	(740)	(569)
Payment for brokerage costs	(345)	(307)	(3,150)	(3,334)	(84)	(124)
Others	(153)	(422)	(2,924)	(5,275)	(78)	(108)
Net cash (used in)/from operating activities 7(a)	(4,000)	(26,103)	(111,634)	(295,668)	46	(9,900)
Cash flows from financing activities						
Receipts from issue of units	29,014	22,926	291,528	207,436	27,228	14,907
Payment for redemption of units	(46,929)	(33,742)	(510,926)	(390,614)	(32,510)	(13,316)
Distributions paid	(336)	(135)	(17,755)	(13,903)	(107)	-
Loan repayment	-	(745,000)	-	(13,715,429)	-	(169,105)
Additional loan	30,000	785,000	347,761	14,206,585	7,903	178,571
Net cash (used in)/from financing activities	11,749	29,049	110,608	294,075	2,514	11,057
Net movement in cash and cash equivalents	7,749	2,946	(1,026)	(1,593)	2,560	1,157
Add opening cash and cash equivalents brought forward	12,365	9,419	107,770	109,363	3,314	2,157
Closing cash and cash equivalents carried forward	20,114	12,365	106,744	107,770	5,874	3,314

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 Equivalent" note to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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 25 August 2014. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

The current reporting period is from 1 July 2013 (or date of registration of the Fund) to 30 June 2014. The comparative reporting period is from 1 July 2012 (or date of registration of the Fund) to 30 June 2013.

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. There will be no comparative figures where a Fund is preparing the first financial report.

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

(i) Compliance with International Financial Reporting Standards

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of Preparation (continued)

(ii) New and Amended Standards adopted by the Funds

The Funds had to change some of their accounting policies as the result of new and revised accounting standards which became effective for the annual reporting period commencing on 1 July 2013. The affected policies are:

- Principles of consolidation – AASB 10 "Consolidated Financial Statements"
- Determining fair value – AASB 13 "Fair Value Measurement"
- Offsetting arrangements - AASB 2012-2 Amendments to Australian Accounting Standards Disclosures
Offsetting Financial Assets and Financial Liabilities
- Structured entities - AASB 12 "Disclosure of Interests in Other Entities"

The Funds have also early adopted amendments made to AASB 10 and AASB 127 (revised 2011) "Separate Financial Statements" by AASB 2013-5 "Amendments to Australian Accounting Standards – Investment Entities".

Changes in Accounting policy: Investments in controlled entities

The objective of AASB 10 is to establish principles for the preparation and presentation of consolidated financial statements. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. The Funds have reviewed their investments in other entities to assess whether the conclusion as to whether the Fund controls an investee or not is different under AASB 10. No differences were identified.

The amendments made by AASB 2013-5 introduce an exception from consolidation requirements for investment entities. The amendments to AASB 10 require controlled investments, excluding entities which provide services to the investment entity, to be accounted for at fair value through profit or loss, rather than being consolidated.

On adoption of the amendments, the Funds have determined that they meet the definition of an investment entity (see "Investment Entity" note below). The Funds do not control any entities providing services to the investment entity. They have therefore changed their accounting policy with respect to its controlled investments. The investees, which were previously consolidated, are now accounted for at fair value through profit or loss.

This change in accounting policy has been applied retrospectively in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors as required by the transitional provisions of AASB 10 and the amendments to AASB 10.

The amendments to AASB 127 outline that consolidated financial statements are no longer required to be prepared, where the Funds measure all of their controlled entities at fair value through profit or loss, as is the case with the Funds. Going forward only separate financial statements are required.

The Funds continue to measure their investments in controlled entities at fair value through profit or loss in accordance with AASB 139, in its separate financial statements. As the separate financial statements have been previously disclosed, no further information is presented on the impact of the above change, as the separate financial statements show the financial position of the Fund as required by the investment entities exception.

As at the end of the reporting period the Funds did not have any investments in controlled entities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of Preparation (continued)

(ii) New and Amended Standards adopted by the Funds (continued)

Changes in Accounting Policy - Fair value measurement

AASB 13 Fair Value Measurement aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards. The standard does not extend the use of fair value accounting but provides guidance on how it should be applied where its use is already required or permitted by other Australian Accounting Standards.

Previously the fair value of financial liabilities (including derivatives) was measured on the basis that the financial liability would be settled or extinguished with the counterparty. The adoption of AASB 13 has clarified that fair value is an exit price notion, and as such, the fair value of financial liabilities should be determined based on a transfer value to a third party market participant. As a result of this change, the fair value of derivative liabilities has changed on transition to AASB 13, largely due to incorporating credit risk into the valuation.

As at the end of the reporting period there were no adjustments required to be made as a result of this new Accounting Standard.

Changes in Accounting Policy - Offsetting arrangements

AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities requires additional disclosures to enable users of financial statements to evaluate the effect or the potential effects of arrangements, including rights of set-off associated with an entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The amendments did not have any impact on the Funds' financial position or performance, however, has resulted in additional disclosure in the notes to the financial statements.

Changes in Accounting Policy - Structured entities

AASB 12 sets out disclosures for interest in entities that are subsidiaries, associates, joint arrangement and structured entities. Adoption of AASB 12 has resulted in additional disclosures of structured entities as provided in "Structured Entities" notes to the financial statements.

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 2013 that would be expected to have a material impact on the Funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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

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

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

Share price index (SPI) futures contracts are marked to market according to the bid price on the relevant futures exchange.

Convertible notes have been recognised as fixed interest securities in the Balance Sheets. Upon expiry of the note, if it is converted to shares, the fair value is recognised as listed equity.

For financial liabilities from the short sales of financial instruments that are actively traded in organised financial markets, fair value is determined by reference to exchange quoted market ask prices at the close of business on the Balance Sheet date.

For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantively the same or is calculated based on the expected cash flows of the underlying net asset base of the investment.

The fair value of units in unlisted Managed Investment Schemes is determined by reference to published bid prices at the close of business on the Balance Sheet date being the redemption price as established by the underlying Funds' Responsible Entity.

Gains or losses on investments held for trading are recognised in the Statements of Comprehensive Income.

Investments of the Funds which are considered to be held for trading are equity securities, fixed interest and money market securities, derivatives and investments in Managed Investment Schemes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Investment Income

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

(i) Distribution or Dividend Income

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

(ii) Interest Income

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

(iii) Changes in Fair Value of Financial 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 are recognised. This includes both realised and unrealised gains and losses.

(d) Cash and Cash Equivalents

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

(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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(j) Terms and Conditions on Units

Each unit issued confers upon the unitholder an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund. Unitholders have various rights under the Constitution and the Corporations Act 2001, including the right to:

- have their units redeemed;
- 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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Expense Recognition

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

(n) Use of Estimates

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

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

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.

(p) Investment Entity

The Funds have determined that they 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 an investment entity.

Certain Funds have multiple investments which are controlled by it. As a consequence, the Funds do not consolidate these investments, but accounts for them at fair value through profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Investment Entity (continued)

Below are the list of Funds which have investments which they controlled:

Goldman Sachs Wholesale Income Plus
Acadian Wholesale Defensive Income
Colonial First State Wholesale Cash
Colonial First State Wholesale Target Return Income

Details of their controlled entities and their percentages holding are summarised in Note 8 (h).

(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 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 2014 reporting periods and have not been early adopted by the Funds. The directors' 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 (2009 or 2010 version), AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010), AASB 2012-6 Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures and AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments (effective from 1 January 2017).

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting. The standard is not applicable until 1 January 2017 but is available for early adoption.

The directors do 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Derivatives and Hedging Activities

Derivatives are initially recognised at fair value on the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument. The Responsible Entity designated those derivatives as the only hedging instruments to hedge the foreign exchange fluctuation of the fair value of the recognised assets, the hedged items. For this purpose, the derivatives are forward currency contracts.

The Responsible Entity documents at the inception of the Fair Value Hedge, the relationship between hedging instruments and hedged items, as well as their financial risk management objective and strategy for undertaking Fair Value Hedge Accounting. On an ongoing basis the Responsible Entity documents their assessments, of whether the hedging instruments that are used in Fair Value Hedge have been and will continue to be highly effective in offsetting changes in the foreign exchange portion that is attributable to the fair value of the hedged items.

(t) Loans

Loans are as initially recognised at fair value being the amount of the consideration received.

After initial recognition, loans are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Interest expenses are recognised in the Income Statements on an accruals basis.

2. AUDITOR'S REMUNERATION

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 not paid by the Funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

3. INTEREST INCOME

The interest income of the Funds are summarised as follows:

Colonial First State Wholesale Cash		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	4,602	974
Debt securities	119,360	165,724
Total Interest Income	123,962	166,698

Aberdeen Wholesale Australian Fixed Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	128	176
Debt securities	31,157	30,613
Interest rate swaps	(1,116)	1,379
Total Interest Income	30,169	32,168

Colonial First State Wholesale Australian Bond		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	286	332
Debt securities	37,000	41,135
Interest rate swaps	(77)	-
Total Interest Income	37,209	41,467

Colonial First State Wholesale Diversified Fixed Interest		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	747	686
Debt securities	32,628	15,702
Interest rate swaps	(20,639)	(1,543)
Total Interest Income	12,736	14,845

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

3. INTEREST INCOME (continued)

Colonial First State Wholesale Global Credit Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	956	1,095
Debt securities	155,940	183,425
Interest rate swaps	(59,286)	(15,998)
Total Interest Income	97,610	168,522

Kapstream Wholesale Absolute Return	
	28/03/2014 - 30/06/2014 \$'000
Cash and cash equivalents	9
Debt securities	121
Total Interest Income	130

Macquarie Wholesale Income Opportunities		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	1,710	2,479
Debt securities	29,427	16,863
Interest rate swaps	(2,086)	(105)
Total Interest Income	29,051	19,237

Perpetual Wholesale Diversified Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	503	250
Debt securities	11,531	4,062
Interest rate swaps	610	910
Total Interest Income	12,644	5,222

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

3. INTEREST INCOME (continued)

PIMCO Wholesale Global Bond		
	1/07/2013 - 30/06/2014 \$'000	20/03/2013 - 30/06/2013 \$'000
Cash and cash equivalents	38	9
Debt securities	681	529
Interest rate swaps	693	(77)
Total Interest Income	1,412	461

Schroder Wholesale Credit Securities		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	234	160
Debt securities	11,272	8,730
Interest rate swaps	157	-
Total Interest Income	11,663	8,890

UBS Wholesale Diversified Fixed Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	543	523
Debt securities	9,683	7,167
Interest rate swaps	(548)	(1,079)
Total Interest Income	9,678	6,611

Acadian Wholesale Defensive Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	10	11
Total Interest Income	10	11

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

3. INTEREST INCOME (continued)

Colonial First State Wholesale Target Return Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	147	100
Debt securities	1,149	1,096
Total Interest Income	1,296	1,196

Goldman Sachs Wholesale Income Plus		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	13	(3)
Total Interest Income	13	(3)

PM Capital Wholesale Enhanced Yield		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	498	269
Debt securities	10,446	8,994
Interest rate swaps	777	244
Total Interest Income	11,721	9,507

Aspect Wholesale Diversified Futures		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	2	2
Total Interest Income	2	2

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

3. INTEREST INCOME (continued)

Acadian Wholesale Geared Global Equity		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	27	5
Total Interest Income	27	5

Colonial First State Wholesale Geared Global Property Securities		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	33	51
Total Interest Income	33	51

Colonial First State Wholesale Geared Australian Share - Core		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	328	351
Total Interest Income	328	351

Colonial First State Wholesale Geared Share		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	2,566	2,874
Total Interest Income	2,566	2,874

FirstChoice Wholesale Geared Global Share		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Cash and cash equivalents	127	27
Total Interest Income	127	27

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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:

Aberdeen Wholesale Australian Fixed Income				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	0.90	6,077	1.40	7,695
- 31 December	0.80	4,878	1.20	7,111
- 31 March	0.80	4,961	1.40	8,604
- 30 June	0.84	5,310	0.89	5,942
Distributions to unitholders		21,226		29,352

Colonial First State Wholesale Australian Bond				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	1.10	8,021	1.00	7,049
- 31 December	0.90	6,012	2.00	14,105
- 31 March	1.30	8,656	2.00	14,249
- 30 June	0.61	4,085	3.63	25,966
Distributions to unitholders		26,774		61,369

Colonial First State Wholesale Diversified Fixed Interest				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	1.30	24,007	0.90	20,420
- 31 December	0.70	12,584	1.40	32,498
- 31 March	1.30	23,740	2.00	33,994
- 30 June	0.21	3,925	3.43	60,649
Distributions to unitholders		64,256		147,561

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

Kapstream Wholesale Absolute Return		
Period ended:	28/03/2014 - 30/06/2014	
	cpu	\$'000
- 30 September	-	-
- 31 December	-	-
- 31 March	-	-
- 30 June	0.37	93
Distributions to unitholders		93

Perpetual Wholesale Diversified Income				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	1.10	2,034	0.90	633
- 31 December	0.90	2,462	0.90	753
- 31 March	1.40	4,276	1.30	1,385
- 30 June	0.90	2,850	1.76	2,330
Distributions to unitholders		11,622		5,101

PIMCO Wholesale Global Bond			
Period ended:	1/07/2013 - 30/06/2014		20/03/2013 - 30/06/2013
	cpu	\$'000	cpu \$'000
- 30 September	-	-	
- 31 December	-	-	
- 31 March	-	-	- -
- 30 June	0.97	2,015	- -
Distributions to unitholders		2,015	-

Schroder Wholesale Credit Securities			
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013
	cpu	\$'000	cpu \$'000
- 30 September	-	-	0.60 1,175
- 31 December	1.10	3,062	1.60 3,133
- 31 March	0.10	296	1.30 2,430
- 30 June	1.67	5,096	0.66 1,322
Distributions to unitholders		8,454	8,060

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

UBS Wholesale Diversified Fixed Income				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	-	-	0.70	902
- 31 December	0.40	834	1.50	2,212
- 31 March	0.30	661	0.30	574
- 30 June	2.45	5,631	0.41	1,024
Distributions to unitholders		7,126		4,712

Acadian Wholesale Defensive Income				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	0.80	1,410	1.00	1,036
- 31 December	0.70	1,279	0.90	1,023
- 31 March	0.80	1,499	0.50	750
- 30 June	1.03	1,911	0.74	1,223
Distributions to unitholders		6,099		4,032

Colonial First State Wholesale Target Return Income				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	0.90	3,292	0.60	2,565
- 31 December	1.80	6,500	0.90	3,724
- 31 March	1.40	4,981	1.00	4,014
- 30 June	1.44	5,080	2.78	10,606
Distributions to unitholders		19,853		20,909

Goldman Sachs Wholesale Income Plus				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	0.60	2,077	1.00	3,437
- 31 December	0.90	3,149	0.70	2,379
- 31 March	0.80	2,869	0.40	1,353
- 30 June	2.06	7,565	1.52	5,204
Distributions to unitholders		15,660		12,373

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

PM Capital Wholesale Enhanced Yield				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	1.00	2,025	1.00	1,880
- 31 December	0.60	1,807	1.10	2,077
- 31 March	0.70	2,189	1.30	2,511
- 30 June	1.11	3,568	1.15	2,263
Distributions to unitholders		9,589		8,731

Aspect Wholesale Diversified Futures				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	-	-	-	-
- 31 December	-	-	-	-
- 31 March	-	-	-	-
- 30 June	-	-	-	-
Distributions to unitholders		-		-

Acadian Wholesale Geared Global Equity				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	-	-	-	-
- 31 December	-	-	-	-
- 31 March	-	-	-	-
- 30 June	3.08	3,415	-	-
Distributions to unitholders		3,415		-

Colonial First State Wholesale Geared Global Property Securities				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	-	-	-	-
- 31 December	-	-	-	-
- 31 March	-	-	-	-
- 30 June	-	-	-	-
Distributions to unitholders		-		-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

Colonial First State Wholesale Geared Australian Share - Core				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	-	-	-	-
- 31 December	-	-	-	-
- 31 March	-	-	-	-
- 30 June	4.33	8,962	3.23	7,040
Distributions to unitholders		8,962		7,040

Colonial First State Wholesale Geared Share				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	-	-	-	-
- 31 December	-	-	-	-
- 31 March	-	-	-	-
- 30 June	16.49	97,459	10.70	67,645
Distributions to unitholders		97,459		67,645

FirstChoice Wholesale Geared Global Share				
Period ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 30 September	-	-	-	-
- 31 December	-	-	-	-
- 31 March	-	-	-	-
- 30 June	1.24	1,774	0.57	850
Distributions to unitholders		1,774		850

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

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 Wholesale Cash				
Distribution Periods ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 31 July	0.20	8,188	0.35	22,393
- 31 August	0.20	8,205	0.30	16,305
- 30 September	0.25	10,109	0.30	13,344
- 31 October	0.25	10,011	0.30	12,703
- 30 November	0.25	9,998	0.30	12,713
- 31 December	0.20	7,958	0.30	12,857
- 31 January	0.20	7,894	0.30	12,761
- 28 February	0.20	9,130	0.25	10,478
- 31 March	0.20	8,804	0.20	8,464
- 30 April	0.20	8,763	0.20	8,562
- 31 May	0.20	8,564	0.25	10,288
- 30 June	0.29	12,514	0.34	14,537
Distributions to unitholders		110,138		155,405

Colonial First State Wholesale Global Credit Income				
Distribution Periods ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 31 July	0.31	11,448	0.40	17,570
- 31 August	0.29	10,434	0.40	17,507
- 30 September	0.29	10,234	0.38	16,365
- 31 October	0.29	10,024	0.35	14,808
- 30 November	0.29	9,928	0.35	14,663
- 31 December	0.33	11,233	0.32	13,443
- 31 January	0.38	12,669	0.30	12,164
- 28 February	0.40	13,435	0.29	11,723
- 31 March	0.42	14,139	0.27	10,468
- 30 April	0.60	19,429	0.40	15,272
- 31 May	0.60	18,806	0.40	15,098
- 30 June	1.14	34,846	0.91	34,104
Distributions to unitholders		176,625		193,185

NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

4. DISTRIBUTIONS TO UNITHOLDERS (continued)

Macquarie Wholesale Income Opportunities				
Distribution Periods ended:	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	cpu	\$'000	cpu	\$'000
- 31 July	0.20	948	0.35	964
- 31 August	0.30	1,496	0.35	982
- 30 September	0.40	2,103	0.35	1,012
- 31 October	0.40	2,198	0.40	1,186
- 30 November	0.40	2,307	0.40	1,232
- 31 December	0.20	1,195	0.40	1,260
- 31 January	0.20	1,250	0.50	1,746
- 28 February	0.20	1,302	0.20	731
- 31 March	0.10	694	0.20	771
- 30 April	0.20	1,426	0.10	406
- 31 May	0.20	1,479	0.20	856
- 30 June	0.27	2,084	1.83	8,202
Distributions to unitholders		18,482		19,348

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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 regularly 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 2014**

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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements

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

Colonial First State Wholesale Cash				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	4,189,527	(1)	4,189,528	-
Managed Investment Schemes	51,794	-	51,794	-
Total Assets Held for Trading	4,241,321	(1)	4,241,322	-
	\$'000	\$'000	\$'000	\$'000
Financial Assets Held for Trading:				
Debt Securities	4,236,831	-	4,236,831	-
Managed Investment Schemes	65,038	65,038	-	-
Total Assets Held for Trading	4,301,869	65,038	4,236,831	-

Aberdeen Wholesale Australian Fixed Income				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	693,820	2,074	691,746	-
Total Assets Held for Trading	693,820	2,074	691,746	-
Financial Liabilities Held for Trading:				
Derivatives	(313)	-	(313)	-
Total Liabilities Held for Trading	(313)	-	(313)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	705,105	2,037	703,068	-
Derivatives	51	-	51	-
Total Assets Held for Trading	705,156	2,037	703,119	-
Financial Liabilities Held for Trading:				
Derivatives	(22)	-	(22)	-
Total Liabilities Held for Trading	(22)	-	(22)	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Wholesale Australian Bond				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	741,029	-	741,029	-
Total Assets Held for Trading	741,029	-	741,029	-
Financial Liabilities Held for Trading:				
Derivatives	(3,428)	(2,445)	(983)	-
Total Liabilities Held for Trading	(3,428)	(2,445)	(983)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	785,666	-	785,666	-
Derivatives	807	807	-	-
Total Assets Held for Trading	786,473	807	785,666	-
Financial Liabilities Held for Trading:				
Derivatives	(55)	(55)	-	-
Total Liabilities Held for Trading	(55)	(55)	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Wholesale Diversified Fixed Interest				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	926,691	1	926,690	-
Managed Investment Schemes	981,687	-	981,687	-
Derivatives	13,266	757	12,509	-
Total Assets Held for Trading	1,921,644	758	1,920,886	-
Financial Liabilities Held for Trading:				
Derivatives	(40,177)	(11,270)	(28,907)	-
Total Liabilities Held for Trading	(40,177)	(11,270)	(28,907)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	512,244	-	512,244	-
Managed Investment Schemes	1,316,936	1,316,936	-	-
Derivatives	13,011	6,644	6,367	-
Total Assets Held for Trading	1,842,191	1,323,580	518,611	-
Financial Liabilities Held for Trading:				
Derivatives	(19,059)	(2,006)	(17,053)	-
Total Liabilities Held for Trading	(19,059)	(2,006)	(17,053)	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Wholesale Global Credit Income				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	2,703,869	-	2,703,869	-
Managed Investment Schemes	436,885	-	436,885	-
Derivatives	96,929	-	96,929	-
Total Assets Held for Trading	3,237,683	-	3,237,683	-
Financial Liabilities Held for Trading:				
Derivatives	(222,732)	(1,062)	(221,670)	-
Total Liabilities Held for Trading	(222,732)	(1,062)	(221,670)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	3,373,592	-	3,373,592	-
Managed Investment Schemes	459,408	459,408	-	-
Derivatives	109,547	1,820	107,727	-
Total Assets Held for Trading	3,942,547	461,228	3,481,319	-
Financial Liabilities Held for Trading:				
Derivatives	(367,077)	(378)	(366,699)	-
Total Liabilities Held for Trading	(367,077)	(378)	(366,699)	-

Kapstream Wholesale Absolute Return				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	22,922	-	22,922	-
Derivatives	49	-	49	-
Total Assets Held for Trading	22,971	-	22,971	-
Financial Liabilities Held for Trading:				
Derivatives	(71)	(61)	(10)	-
Total Liabilities Held for Trading	(71)	(61)	(10)	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Macquarie Wholesale Income Opportunities				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	4,150	4,150	-	-
Debt Securities	852,093	1,906	850,187	-
Derivatives	10,245	772	9,473	-
Total Assets Held for Trading	866,488	6,828	859,660	-
Financial Liabilities Held for Trading:				
Derivatives	(11,041)	(954)	(10,087)	-
Total Liabilities Held for Trading	(11,041)	(954)	(10,087)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	1,492	1,492	-	-
Debt Securities	371,793	1,545	370,248	-
Derivatives	1,473	239	1,234	-
Total Assets Held for Trading	374,758	3,276	371,482	-
Financial Liabilities Held for Trading:				
Derivatives	(7,433)	(654)	(6,779)	-
Total Liabilities Held for Trading	(7,433)	(654)	(6,779)	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Perpetual Wholesale Diversified Income				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	312,085	30,335	281,750	-
Derivatives	73	4	69	-
Total Assets Held for Trading	312,158	30,339	281,819	-
Financial Liabilities Held for Trading:				
Derivatives	(6,020)	-	(6,020)	-
Total Liabilities Held for Trading	(6,020)	-	(6,020)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	1,837	1,837	-	-
Debt Securities	122,219	17,732	104,487	-
Derivatives	169	18	151	-
Total Assets Held for Trading	124,225	19,587	104,638	-
Financial Liabilities Held for Trading:				
Derivatives	(2,033)	-	(2,033)	-
Total Liabilities Held for Trading	(2,033)	-	(2,033)	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

PIMCO Wholesale Global Bond				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	107	107	-	-
Debt Securities	204,107	-	204,107	-
Derivatives	7,804	131	7,673	-
Total Assets Held for Trading	212,018	238	211,780	-
Financial Liabilities Held for Trading:				
Derivatives	(4,170)	-	(4,170)	-
Total Liabilities Held for Trading	(4,170)	-	(4,170)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	33,231	-	33,231	-
Derivatives	530	-	530	-
Total Assets Held for Trading	33,761	-	33,761	-
Financial Liabilities Held for Trading:				
Derivatives	(1,797)	(61)	(1,736)	-
Total Liabilities Held for Trading	(1,797)	(61)	(1,736)	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Schroder Wholesale Credit Securities				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	15,729	15,729	-	-
Debt Securities	295,385	25,287	270,098	-
Derivatives	384	17	367	-
Total Assets Held for Trading	311,498	41,033	270,465	-
Financial Liabilities Held for Trading:				
Derivatives	(702)	(616)	(86)	-
Total Liabilities Held for Trading	(702)	(616)	(86)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	23,706	19,405	4,301	-
Debt Securities	175,359	27,986	147,373	-
Derivatives	62	62	-	-
Total Assets Held for Trading	199,127	47,453	151,674	-
Financial Liabilities Held for Trading:				
Derivatives	(1,986)	-	(1,986)	-
Total Liabilities Held for Trading	(1,986)	-	(1,986)	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

UBS Wholesale Diversified Fixed Income				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	204,702	-	204,702	-
Derivatives	5,691	358	5,333	-
Total Assets Held for Trading	210,393	358	210,035	-
Financial Liabilities Held for Trading:				
Derivatives	(1,102)	(611)	(491)	-
Total Liabilities Held for Trading	(1,102)	(611)	(491)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Debt Securities	219,640	-	219,640	-
Derivatives	939	186	753	-
Total Assets Held for Trading	220,579	186	220,393	-
Financial Liabilities Held for Trading:				
Derivatives	(3,127)	(468)	(2,659)	-
Total Liabilities Held for Trading	(3,127)	(468)	(2,659)	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Acadian Wholesale Defensive Income				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	184,280	-	184,280	-
Total Assets Held for Trading	184,280	-	184,280	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	164,109	164,109	-	-
Total Assets Held for Trading	164,109	164,109	-	-

Colonial First State Wholesale Target Return Income				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	100,549	97,864	2,685	-
Listed Property Trusts	269	269	-	-
Debt Securities	13,685	13,685	-	-
Managed Investment Schemes	208,178	-	208,178	-
Derivatives	66	-	66	-
Total Assets Held for Trading	322,747	111,818	210,929	-
Financial Liabilities Held for Trading:				
Derivatives	(473)	-	(473)	-
Total Liabilities Held for Trading	(473)	-	(473)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	91,805	91,805	-	-
Listed Property Trusts	2,406	2,406	-	-
Debt Securities	16,912	16,912	-	-
Managed Investment Schemes	260,019	260,019	-	-
Total Assets Held for Trading	371,142	371,142	-	-
Financial Liabilities Held for Trading:				
Derivatives	(855)	(491)	(364)	-
Total Liabilities Held for Trading	(855)	(491)	(364)	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Goldman Sachs Wholesale Income Plus				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	405,896	-	405,896	-
Total Assets Held for Trading	405,896	-	405,896	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	365,760	365,760	-	-
Total Assets Held for Trading	365,760	365,760	-	-

PM Capital Wholesale Enhanced Yield				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	39,248	31,286	7,962	-
Listed Property Trusts	8,218	8,218	-	-
Debt Securities	256,814	41,138	215,676	-
Derivatives	195	-	195	-
Total Assets Held for Trading	304,475	80,642	223,833	-
Financial Liabilities Held for Trading:				
Derivatives	(4,643)	-	(4,643)	-
Total Liabilities Held for Trading	(4,643)	-	(4,643)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	20,160	20,158	-	-
Listed Property Trusts	1,750	1,750	-	-
Debt Securities	176,849	30,029	146,822	-
Derivatives	438	5	433	-
Total Assets Held for Trading	199,197	51,942	147,255	-
Financial Liabilities Held for Trading:				
Derivatives	(5,778)	-	(5,778)	-
Total Liabilities Held for Trading	(5,778)	-	(5,778)	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Aspect Wholesale Diversified Futures				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	22,335	-	22,335	-
Total Assets Held for Trading	22,335	-	22,335	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading: Managed Investment Schemes	19,966	19,966	-	-
Total Assets Held for Trading	19,966	19,966	-	-

Acadian Wholesale Geared Global Equity				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	189,112	189,083	29	-
Listed Property Trusts	975	975	-	-
Derivatives	1	-	1	-
Total Assets Held for Trading	190,088	190,058	30	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	92,856	92,732	124	-
Listed Property Trusts	1,440	1,440	-	-
Total Assets Held for Trading	94,296	94,172	124	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Wholesale Geared Global Property Securities				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	13,162	13,162	-	-
Listed Property Trusts	49,847	49,847	-	-
Derivatives	1,509	18	1,491	-
Total Assets Held for Trading	64,518	63,027	1,491	-
Financial Liabilities Held for Trading:				
Derivatives	(454)	-	(454)	-
Total Liabilities Held for Trading	(454)	-	(454)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	8,142	8,142	-	-
Listed Property Trusts	62,116	62,116	-	-
Derivatives	1,177	-	1,177	-
Total Assets Held for Trading	71,435	70,258	1,177	-
Financial Liabilities Held for Trading:				
Derivatives	(5,207)	-	(5,207)	-
Total Liabilities Held for Trading	(5,207)	-	(5,207)	-

Colonial First State Wholesale Geared Australian Share - Core				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	386,136	386,136	-	-
Listed Property Trusts	7,065	7,065	-	-
Derivatives	2	2	-	-
Total Assets Held for Trading	393,203	393,203	-	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	336,331	336,331	-	-
Listed Property Trusts	12,204	12,204	-	-
Derivatives	10	10	-	-
Total Assets Held for Trading	348,545	348,545	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(c) Recognised Fair Value Measurements (continued)

Colonial First State Wholesale Geared Share				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	4,907,030	4,907,030	-	-
Listed Property Trusts	24,360	24,360	-	-
Managed Investment Schemes	11,592	-	11,592	-
Total Assets Held for Trading	4,942,982	4,931,390	11,592	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	4,139,291	4,139,291	-	-
Listed Property Trusts	85,694	85,694	-	-
Managed Investment Schemes	717	717	-	-
Total Assets Held for Trading	4,225,702	4,225,702	-	-

FirstChoice Wholesale Geared Global Share				
30/06/2014	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	175,264	175,089	175	-
Listed Property Trusts	481	481	-	-
Derivatives	26	19	7	-
Total Assets Held for Trading	175,771	175,589	182	-
Financial Liabilities Held for Trading:				
Derivatives	(22)	-	(22)	-
Total Liabilities Held for Trading	(22)	-	(22)	-
30/06/2013	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets Held for Trading:				
Listed Equities	151,264	151,264	-	-
Derivatives	3	-	3	-
Total Assets Held for Trading	151,267	151,264	3	-
Financial Liabilities Held for Trading:				
Derivatives	(2)	-	(2)	-
Total Liabilities Held for Trading	(2)	-	(2)	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(d) Transfers between Levels

Investments within managed investment schemes were previously classified as Level 1 in 2013 and were re-assessed and moved to Level 2 in 2014. These managed investment schemes are priced based on the quoted prices of the underlying investments that they hold, however, the overall price of the management investment scheme itself are not quoted in the market. There has been no material change to the underlying nature of these funds.

There were no material transfers between Levels for other investments by the Funds during the current and previous reporting periods.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

6. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

As stipulated within the Funds' Constitution, 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 Funds.

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

Colonial First State Wholesale Cash				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	4,288,170	4,326,862	7,008,806	7,068,308
Applications	5,886,331	5,947,819	4,987,244	5,037,724
Redemptions	(5,940,259)	(6,002,722)	(7,837,318)	(7,914,402)
Units issued upon reinvestment of distributions	91,113	91,954	129,438	130,532
Change in net assets attributable to unitholders from operations		1,102		4,700
Closing Balance	4,325,355	4,365,015	4,288,170	4,326,862

Aberdeen Wholesale Australian Fixed Income				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	673,004	707,480	478,179	513,816
Applications	99,022	104,831	226,926	244,833
Redemptions	(154,129)	(162,044)	(58,766)	(62,961)
Units issued upon reinvestment of distributions	18,658	19,751	26,665	28,415
Change in net assets attributable to unitholders from operations		15,963		(16,623)
Closing Balance	636,555	685,981	673,004	707,480

Colonial First State Wholesale Australian Bond				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	737,744	796,306	696,372	782,431
Applications	41,928	45,708	167,950	189,406
Redemptions	(129,620)	(140,501)	(178,296)	(200,905)
Units issued upon reinvestment of distributions	21,100	22,892	51,718	57,143
Change in net assets attributable to unitholders from operations		15,181		(31,769)
Closing Balance	671,152	739,586	737,744	796,306

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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

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

Colonial First State Wholesale Diversified Fixed Interest				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	1,825,820	1,844,742	2,239,212	2,351,269
Applications	206,349	212,253	271,109	287,730
Redemptions	(220,095)	(224,529)	(822,098)	(866,427)
Units issued upon reinvestment of distributions	60,521	61,821	137,597	142,336
Change in net assets attributable to unitholders from operations		45,363		(70,166)
Closing Balance	1,872,595	1,939,650	1,825,820	1,844,742

Colonial First State Wholesale Global Credit Income				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	3,772,684	3,709,012	4,401,967	4,171,786
Applications	333,780	635,831	1,393,154	1,379,389
Redemptions	(1,144,480)	(1,448,032)	(2,172,524)	(2,146,198)
Units issued upon reinvestment of distributions	113,390	114,177	150,087	147,297
Change in net assets attributable to unitholders from operations		91,796		156,738
Closing Balance	3,075,374	3,102,784	3,772,684	3,709,012

Kapstream Wholesale Absolute Return		
	28/03/2014 - 30/06/2014	
	No.'000	\$'000
Opening balance	-	-
Applications	26,389	26,398
Redemptions	(1,310)	(1,317)
Units issued upon reinvestment of distributions	92	93
Change in net assets attributable to unitholders from operations		70
Closing Balance	25,171	25,244

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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

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

Macquarie Wholesale Income Opportunities				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	455,312	510,003	273,228	299,479
Applications	337,197	383,115	193,317	218,994
Redemptions	(35,257)	(40,044)	(28,117)	(31,719)
Units issued upon reinvestment of distributions	15,951	18,068	16,884	18,944
Change in net assets attributable to unitholders from operations		12,663		4,305
Closing Balance	773,203	883,805	455,312	510,003

Perpetual Wholesale Diversified Income				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	134,632	136,994	58,961	59,451
Applications	196,330	201,904	72,734	75,090
Redemptions	(22,771)	(23,332)	(2,036)	(2,096)
Units issued upon reinvestment of distributions	11,300	11,566	4,973	5,086
Change in net assets attributable to unitholders from operations		642		(537)
Closing Balance	319,491	327,774	134,632	136,994

PIMCO Wholesale Global Bond				
	1/07/2013 - 30/06/2014		20/03/2013 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	28,690	27,428	-	-
Applications	182,083	179,763	28,690	28,611
Redemptions	(3,004)	(2,955)	-	-
Units issued upon reinvestment of distributions	1,658	1,671	-	-
Change in net assets attributable to unitholders from operations		4,937		(1,183)
Closing Balance	209,427	210,844	28,690	27,428

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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

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

Schroder Wholesale Credit Securities				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	201,562	205,073	199,973	194,094
Applications	120,040	125,333	35,480	36,204
Redemptions	(19,573)	(20,416)	(41,550)	(41,971)
Units issued upon reinvestment of distributions	7,820	8,181	7,659	7,749
Change in net assets attributable to unitholders from operations		7,332		8,997
Closing Balance	309,849	325,503	201,562	205,073

UBS Wholesale Diversified Fixed Income				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	250,423	256,949	115,020	116,786
Applications	71,562	75,025	142,040	147,900
Redemptions	(93,355)	(97,061)	(11,026)	(11,389)
Units issued upon reinvestment of distributions	5,635	6,005	4,389	4,539
Change in net assets attributable to unitholders from operations		9,470		(887)
Closing Balance	234,265	250,388	250,423	256,949

Acadian Wholesale Defensive Income				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	166,459	164,481	88,698	86,844
Applications	37,772	37,575	80,883	80,046
Redemptions	(22,916)	(22,770)	(7,148)	(7,072)
Units issued upon reinvestment of distributions	6,076	6,012	4,026	3,971
Change in net assets attributable to unitholders from operations		(785)		692
Closing Balance	187,391	184,513	166,459	164,481

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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

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

Colonial First State Wholesale Target Return Income				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	391,160	381,621	444,828	433,410
Applications	32,730	32,559	24,940	24,916
Redemptions	(84,582)	(83,813)	(97,653)	(97,086)
Units issued upon reinvestment of distributions	18,053	17,775	19,045	18,739
Change in net assets attributable to unitholders from operations		1,003		1,642
Closing Balance	357,361	349,145	391,160	381,621

Goldman Sachs Wholesale Income Plus				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	347,077	366,756	357,660	364,311
Applications	47,729	51,631	26,035	27,712
Redemptions	(34,844)	(37,448)	(48,002)	(50,255)
Units issued upon reinvestment of distributions	13,945	15,077	11,384	11,947
Change in net assets attributable to unitholders from operations		9,831		13,041
Closing Balance	373,907	405,847	347,077	366,756

PM Capital Wholesale Enhanced Yield				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	198,914	197,176	192,496	189,681
Applications	140,471	141,669	24,500	24,571
Redemptions	(23,692)	(23,943)	(26,539)	(26,503)
Units issued upon reinvestment of distributions	9,224	9,316	8,457	8,409
Change in net assets attributable to unitholders from operations		5,057		1,018
Closing Balance	324,917	329,275	198,914	197,176

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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

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

Aspect Wholesale Diversified Futures				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	18,996	20,062	13,292	14,833
Applications	8,484	8,565	9,672	10,530
Redemptions	(6,100)	(6,168)	(3,968)	(4,306)
Units issued upon reinvestment of distributions	-	-	-	-
Change in net assets attributable to unitholders from operations		(37)		(995)
Closing Balance	21,380	22,422	18,996	20,062

Acadian Wholesale Geared Global Equity				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	80,565	46,948	81,522	27,476
Applications	66,335	48,433	18,699	8,238
Redemptions	(36,018)	(25,664)	(19,656)	(8,348)
Units issued upon reinvestment of distributions	3,507	2,823	-	-
Change in net assets attributable to unitholders from operations		18,194		19,582
Closing Balance	114,389	90,734	80,565	46,948

Colonial First State Wholesale Geared Global Property Securities				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	139,324	32,685	127,794	25,220
Applications	62,321	15,331	96,338	23,311
Redemptions	(93,277)	(22,049)	(84,808)	(20,315)
Units issued upon reinvestment of distributions	-	-	-	-
Change in net assets attributable to unitholders from operations		7,033		4,469
Closing Balance	108,368	33,000	139,324	32,685

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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

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

Colonial First State Wholesale Geared Australian Share - Core				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	227,184	164,693	234,426	119,955
Applications	32,400	29,156	32,702	22,926
Redemptions	(52,619)	(46,939)	(49,178)	(33,743)
Units issued upon reinvestment of distributions	9,894	8,592	9,234	6,702
Change in net assets attributable to unitholders from operations		32,676		48,853
Closing Balance	216,859	188,178	227,184	164,693

Colonial First State Wholesale Geared Share				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	648,732	1,955,879	698,504	1,330,721
Applications	78,330	296,911	74,870	207,436
Redemptions	(136,046)	(511,809)	(141,179)	(390,614)
Units issued upon reinvestment of distributions	18,451	70,566	16,537	49,890
Change in net assets attributable to unitholders from operations		516,911		758,446
Closing Balance	609,467	2,328,458	648,732	1,955,879

FirstChoice Wholesale Geared Global Share				
	1/07/2013 - 30/06/2014		1/07/2012 - 30/06/2013	
	No.'000	\$'000	No.'000	\$'000
Opening balance	150,270	104,971	148,948	69,225
Applications	33,948	27,277	24,209	14,908
Redemptions	(41,190)	(32,583)	(23,976)	(13,317)
Units issued upon reinvestment of distributions	1,794	1,547	1,089	744
Change in net assets attributable to unitholders from operations		23,276		33,411
Closing Balance	144,822	124,488	150,270	104,971

(b) Capital Risk Management

The Funds manage their 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 Funds monitor 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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS

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

Colonial First State Wholesale Cash		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	111,240	160,105
Proceeds from sale of financial instruments held for trading	22,105,031	25,739,188
Payments for purchase of financial instruments held for trading	(22,040,537)	(23,017,742)
Changes in fair value of financial instruments held for trading	(2,076)	(9,069)
Distribution or Dividend income reinvested	(2,208)	(2,669)
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	(41)	16,707
Change in payables and other liabilities	6	(985)
Net Cash From/(Used In) Operating Activities	171,415	2,885,535

Aberdeen Wholesale Australian Fixed Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	37,189	12,729
Proceeds from sale of financial instruments held for trading	928,976	924,034
Payments for purchase of financial instruments held for trading	(900,198)	(1,131,463)
Changes in fair value of financial instruments held for trading	(11,849)	14,876
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	(48)	(111)
Change in receivables and other assets	721	(1,339)
Change in payables and other liabilities	(11)	122
Net Cash From/(Used In) Operating Activities	54,780	(181,152)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

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

Colonial First State Wholesale Australian Bond		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	41,955	29,600
Proceeds from sale of financial instruments held for trading	886,180	871,859
Payments for purchase of financial instruments held for trading	(821,526)	(901,608)
Changes in fair value of financial instruments held for trading	(8,211)	8,135
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	1,178	314
Change in payables and other liabilities	(34)	20
Net Cash From/(Used In) Operating Activities	99,542	8,320

Colonial First State Wholesale Diversified Fixed Interest		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	109,619	77,395
Proceeds from sale of financial instruments held for trading	1,410,228	1,376,313
Payments for purchase of financial instruments held for trading	(1,344,540)	(831,533)
Changes in fair value of financial instruments held for trading	(42,990)	55,495
Distribution or Dividend income reinvested	(58,541)	(120,536)
Net foreign exchange gain/(loss)	316	78
Change in receivables and other assets	(2,294)	(5,808)
Change in payables and other liabilities	201	120
Net Cash From/(Used In) Operating Activities	71,999	551,524

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

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

Colonial First State Wholesale Global Credit Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	268,421	349,923
Proceeds from sale of financial instruments held for trading	2,825,377	2,193,828
Payments for purchase of financial instruments held for trading	(2,068,407)	(1,527,801)
Changes in fair value of financial instruments held for trading	(163,154)	(163,268)
Distribution or Dividend income reinvested	(26,902)	(34,102)
Net foreign exchange gain/(loss)	1,406	(4,347)
Change in receivables and other assets	9,713	12,516
Change in payables and other liabilities	(292)	(224)
Net Cash From/(Used In) Operating Activities	846,162	826,525

Kapstream Wholesale Absolute Return	
	28/03/2014 - 30/06/2014 \$'000
Net profit/(loss) attributable to unitholders	163
Proceeds from sale of financial instruments held for trading	93
Payments for purchase of financial instruments held for trading	(22,733)
Changes in fair value of financial instruments held for trading	(80)
Distribution or Dividend income reinvested	-
Net foreign exchange gain/(loss)	15
Change in receivables and other assets	(196)
Change in payables and other liabilities	19
Net Cash From/(Used In) Operating Activities	(22,719)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

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

Macquarie Wholesale Income Opportunities		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	31,145	23,653
Proceeds from sale of financial instruments held for trading	301,448	208,425
Payments for purchase of financial instruments held for trading	(775,946)	(322,898)
Changes in fair value of financial instruments held for trading	(7,829)	(6,984)
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	517	(376)
Change in receivables and other assets	(3,015)	(230)
Change in payables and other liabilities	245	145
Net Cash From/(Used In) Operating Activities	(453,435)	(98,265)

Perpetual Wholesale Diversified Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	12,264	4,564
Proceeds from sale of financial instruments held for trading	256,532	79,614
Payments for purchase of financial instruments held for trading	(438,553)	(151,638)
Changes in fair value of financial instruments held for trading	(2,203)	(333)
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	(33)	64
Change in receivables and other assets	(833)	(78)
Change in payables and other liabilities	161	69
Net Cash From/(Used In) Operating Activities	(172,665)	(67,738)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

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

PIMCO Wholesale Global Bond		
	1/07/2013 - 30/06/2014 \$'000	20/03/2013 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	6,952	(1,183)
Proceeds from sale of financial instruments held for trading	201,118	12,446
Payments for purchase of financial instruments held for trading	(371,159)	(39,378)
Changes in fair value of financial instruments held for trading	(6,116)	1,245
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	(217)	377
Change in receivables and other assets	143	(625)
Change in payables and other liabilities	116	22
Net Cash From/(Used In) Operating Activities	(169,163)	(27,096)

Schroder Wholesale Credit Securities		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	15,786	17,057
Proceeds from sale of financial instruments held for trading	203,920	117,548
Payments for purchase of financial instruments held for trading	(311,004)	(115,106)
Changes in fair value of financial instruments held for trading	(6,107)	(8,431)
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	44	(21)
Change in receivables and other assets	(808)	(8)
Change in payables and other liabilities	101	10
Net Cash From/(Used In) Operating Activities	(98,068)	11,049

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

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

UBS Wholesale Diversified Fixed Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	16,596	3,825
Proceeds from sale of financial instruments held for trading	458,504	226,380
Payments for purchase of financial instruments held for trading	(444,953)	(333,323)
Changes in fair value of financial instruments held for trading	(8,808)	1,430
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	(132)	(129)
Change in receivables and other assets	402	(1,492)
Change in payables and other liabilities	(9)	100
Net Cash From/(Used In) Operating Activities	21,600	(103,209)

Acadian Wholesale Defensive Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	5,314	4,724
Proceeds from sale of financial instruments held for trading	12,520	780
Payments for purchase of financial instruments held for trading	(25,800)	(72,210)
Changes in fair value of financial instruments held for trading	750	(670)
Distribution or Dividend income reinvested	(7,642)	(5,400)
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	(16)	(7)
Change in payables and other liabilities	11	19
Net Cash From/(Used In) Operating Activities	(14,863)	(72,764)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

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

Colonial First State Wholesale Target Return Income		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	20,856	22,551
Proceeds from sale of financial instruments held for trading	220,387	224,738
Payments for purchase of financial instruments held for trading	(153,008)	(149,989)
Changes in fair value of financial instruments held for trading	(8,308)	(5,397)
Distribution or Dividend income reinvested	(9,501)	(15,775)
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	38	(138)
Change in payables and other liabilities	(13)	(22)
Net Cash From/(Used In) Operating Activities	70,451	75,968

Goldman Sachs Wholesale Income Plus		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	25,491	25,414
Proceeds from sale of financial instruments held for trading	44,016	126,641
Payments for purchase of financial instruments held for trading	(58,518)	(102,297)
Changes in fair value of financial instruments held for trading	(8,555)	(12,110)
Distribution or Dividend income reinvested	(17,079)	(13,467)
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	1	(4)
Change in payables and other liabilities	2	(2)
Net Cash From/(Used In) Operating Activities	(14,642)	24,175

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

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

PM Capital Wholesale Enhanced Yield		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	14,646	9,749
Proceeds from sale of financial instruments held for trading	317,119	249,241
Payments for purchase of financial instruments held for trading	(417,516)	(269,405)
Changes in fair value of financial instruments held for trading	(6,241)	(2,514)
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	247	23
Change in receivables and other assets	(212)	591
Change in payables and other liabilities	315	(1)
Net Cash From/(Used In) Operating Activities	(91,642)	(12,316)

Aspect Wholesale Diversified Futures		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	(37)	(995)
Proceeds from sale of financial instruments held for trading	3,144	2,096
Payments for purchase of financial instruments held for trading	(5,529)	(8,229)
Changes in fair value of financial instruments held for trading	15	978
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	1	-
Change in payables and other liabilities	-	-
Net Cash From/(Used In) Operating Activities	(2,406)	(6,150)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

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

Acadian Wholesale Geared Global Equity		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	21,609	19,582
Proceeds from sale of financial instruments held for trading	130,615	70,489
Payments for purchase of financial instruments held for trading	(201,279)	(86,437)
Changes in fair value of financial instruments held for trading	(24,075)	(19,986)
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	2,319	985
Change in receivables and other assets	39	(132)
Change in payables and other liabilities	169	16
Net Cash From/(Used In) Operating Activities	(70,603)	(15,483)

Colonial First State Wholesale Geared Global Property Securities		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	7,033	4,469
Proceeds from sale of financial instruments held for trading	52,805	67,075
Payments for purchase of financial instruments held for trading	(39,738)	(80,560)
Changes in fair value of financial instruments held for trading	(7,184)	(4,451)
Distribution or Dividend income reinvested	(57)	(174)
Net foreign exchange gain/(loss)	32	(226)
Change in receivables and other assets	(42)	(49)
Change in payables and other liabilities	(6)	(90)
Net Cash From/(Used In) Operating Activities	12,843	(14,006)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

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

Colonial First State Wholesale Geared Australian Share - Core		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	41,638	55,893
Proceeds from sale of financial instruments held for trading	223,075	155,951
Payments for purchase of financial instruments held for trading	(224,088)	(179,022)
Changes in fair value of financial instruments held for trading	(38,466)	(53,893)
Distribution or Dividend income reinvested	(5,537)	(4,657)
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	(334)	(345)
Change in payables and other liabilities	(288)	(30)
Net Cash From/(Used In) Operating Activities	(4,000)	(26,103)

Colonial First State Wholesale Geared Share		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	614,370	826,091
Proceeds from sale of financial instruments held for trading	3,614,815	2,958,823
Payments for purchase of financial instruments held for trading	(3,759,197)	(3,239,270)
Changes in fair value of financial instruments held for trading	(568,541)	(798,150)
Distribution or Dividend income reinvested	(13,877)	(29,971)
Net foreign exchange gain/(loss)	-	-
Change in receivables and other assets	972	(14,779)
Change in payables and other liabilities	(176)	1,588
Net Cash From/(Used In) Operating Activities	(111,634)	(295,668)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

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

FirstChoice Wholesale Geared Global Share		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Net profit/(loss) attributable to unitholders	25,050	34,261
Proceeds from sale of financial instruments held for trading	249,874	63,613
Payments for purchase of financial instruments held for trading	(250,414)	(73,846)
Changes in fair value of financial instruments held for trading	(26,567)	(35,569)
Distribution or Dividend income reinvested	(2)	-
Net foreign exchange gain/(loss)	2,270	1,490
Change in receivables and other assets	(214)	93
Change in payables and other liabilities	49	58
Net Cash From/(Used In) Operating Activities	46	(9,900)

(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 Asset 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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS (continued)

(d) Derivative Cash Accounts

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

The balance of the derivative cash accounts at the end of the reporting periods were are as follows:

Name of Fund:	30/06/2014 \$'000	30/06/2013 \$'000
Colonial First State Wholesale Cash	-	-
Aberdeen Wholesale Australian Fixed Income	-	-
Colonial First State Wholesale Australian Bond	4,987	885
Colonial First State Wholesale Diversified Fixed Interest	20,191	757
Colonial First State Wholesale Global Credit Income	2,621	70
Kapstream Wholesale Absolute Return	137	
Macquarie Wholesale Income Opportunities	3,895	903
Perpetual Wholesale Diversified Income	-	(2)
PIMCO Wholesale Global Bond	(138)	66
Schroder Wholesale Credit Securities	1,499	13
UBS Wholesale Diversified Fixed Income	3,090	3,453
Acadian Wholesale Defensive Income	-	-
Colonial First State Wholesale Target Return Income	2,694	-
Goldman Sachs Wholesale Income Plus	-	-
PM Capital Wholesale Enhanced Yield	-	59
Aspect Wholesale Diversified Futures	-	-
Acadian Wholesale Geared Global Equity	-	-
Colonial First State Wholesale Geared Global Property Securities	-	-
Colonial First State Wholesale Geared Australian Share - Core	357	249
Colonial First State Wholesale Geared Share	-	-
FirstChoice Wholesale Geared Global Share	(15)	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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
Michael Venter	Appointed on 4 July 2011.
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.
Annabel Spring	Resigned on 11 April 2014.
Peter Taylor *	Resigned on 11 April 2014.

* Alternate director for Annabel Spring.

(ii) Compensation of Key Management Personnel

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

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

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(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.

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

Name of Fund:	1/07/2013 - 30/06/2014 Management Fees %	1/07/2012 - 30/06/2013 Management Fees %
Colonial First State Wholesale Cash	0.40	0.40
Aberdeen Wholesale Australian Fixed Income	0.70	0.70
Colonial First State Wholesale Australian Bond	0.45	0.45
Colonial First State Wholesale Diversified Fixed Interest	0.55	0.55
Colonial First State Wholesale Global Credit Income	0.60	0.60
Kapstream Wholesale Absolute Return	0.90	
Macquarie Wholesale Income Opportunities	0.75	0.75
Perpetual Wholesale Diversified Income	0.95	0.95
PIMCO Wholesale Global Bond	0.75	0.75
Schroder Wholesale Credit Securities	0.95	0.95
UBS Wholesale Diversified Fixed Income	0.75	0.75
Acadian Wholesale Defensive Income	0.60	0.60
Colonial First State Wholesale Target Return Income	0.50	0.50
Goldman Sachs Wholesale Income Plus	0.95	0.95
PM Capital Wholesale Enhanced Yield	0.70	0.70
Aspect Wholesale Diversified Futures	1.70	1.70
Acadian Wholesale Geared Global Equity	1.20	1.20
Colonial First State Wholesale Geared Global Property Securities	1.00	1.00
Colonial First State Wholesale Geared Australian Share - Core	1.20	1.20
Colonial First State Wholesale Geared Share	1.03	1.03
FirstChoice Wholesale Geared Global Share	1.15	1.15

* The Responsible Entity is not remunerated by way of cash fee. Instead, each month the Responsible Entity receive units in the Fund at no cost in consideration for managing the Fund.

In addition to the management fee stated above a performance fee may also be payable for certain Funds. Performance fees are payable if the Funds' performance outperform a specified benchmark. The performance fee is normally in the region of 10-25% as a percentage of the total assets of each Fund. Performance fees charged for the reporting periods are disclosed below. Refer to the Product Disclosure Statement/Information Memorandum for more details.

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

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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:	1/07/2013 - 30/06/2014 \$	1/07/2012 - 30/06/2013 \$
Colonial First State Wholesale Cash	16,890,106	18,137,569
Aberdeen Wholesale Australian Fixed Income	4,772,552	4,580,547
Colonial First State Wholesale Australian Bond	3,409,390	3,667,363
Colonial First State Wholesale Diversified Fixed Interest	4,114,587	2,235,447
Colonial First State Wholesale Global Credit Income	18,380,503	21,828,284
Kapstream Wholesale Absolute Return	31,107	
Macquarie Wholesale Income Opportunities	5,212,138	2,895,167
Perpetual Wholesale Diversified Income	2,572,882	925,599
PIMCO Wholesale Global Bond	772,407	20,405
Schroder Wholesale Credit Securities	2,687,593	1,882,200
UBS Wholesale Diversified Fixed Income	1,907,205	1,415,201
Acadian Wholesale Defensive Income	1,087,983	770,509
Colonial First State Wholesale Target Return Income	1,824,406	2,064,263
Goldman Sachs Wholesale Income Plus	156,316	157,850
PM Capital Wholesale Enhanced Yield	2,001,841	1,352,216
Aspect Wholesale Diversified Futures	23,322	19,342
Acadian Wholesale Geared Global Equity	1,687,322	845,667
Colonial First State Wholesale Geared Global Property Securities	626,950	716,217
Colonial First State Wholesale Geared Australian Share - Core	5,029,656	4,009,291
Colonial First State Wholesale Geared Share	51,122,297	40,870,646
FirstChoice Wholesale Geared Global Share	1,969,000	1,377,512

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

Name of Fund:	1/07/2013 - 30/06/2014 \$	1/07/2012 - 30/06/2013 \$
Acadian Wholesale Defensive Income	499,422	586,000
PM Capital Wholesale Enhanced Yield	2,378,959	1,667,888

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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:	1/07/2013 - 30/06/2014 \$	1/07/2012 - 30/06/2013 \$
Colonial First State Wholesale Cash	1,571,025	1,565,525
Aberdeen Wholesale Australian Fixed Income	439,107	450,491
Colonial First State Wholesale Australian Bond	304,248	327,145
Colonial First State Wholesale Diversified Fixed Interest	469,952	269,429
Colonial First State Wholesale Global Credit Income	1,550,311	1,837,114
Kapstream Wholesale Absolute Return	18,723	
Macquarie Wholesale Income Opportunities	592,339	347,590
Perpetual Wholesale Diversified Income	280,377	119,764
PIMCO Wholesale Global Bond	138,661	22,445
Schroder Wholesale Credit Securities	278,678	177,214
UBS Wholesale Diversified Fixed Income	180,262	189,568
Acadian Wholesale Defensive Income	100,461	89,372
Colonial First State Wholesale Target Return Income	160,120	173,504
Goldman Sachs Wholesale Income Plus	14,369	12,756
PM Capital Wholesale Enhanced Yield	440,486	125,365
Aspect Wholesale Diversified Futures	2,115	1,917
Acadian Wholesale Geared Global Equity	188,171	91,737
Colonial First State Wholesale Geared Global Property Securities	56,328	64,395
Colonial First State Wholesale Geared Australian Share - Core	413,519	351,730
Colonial First State Wholesale Geared Share	4,435,276	3,628,634
FirstChoice Wholesale Geared Global Share	171,980	143,097

(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 etc) 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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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:	30/06/2014 Number of Units No.'000	30/06/2013 Number of Units No.'000
Colonial First State Wholesale Cash	3,569,900	3,569,900
Aberdeen Wholesale Australian Fixed Income	538,727	426,818
Colonial First State Wholesale Australian Bond	518,704	573,315
Colonial First State Wholesale Diversified Fixed Interest	1,631,403	513,962
Colonial First State Wholesale Global Credit Income	1,494,556	1,742,768
Kapstream Wholesale Absolute Return	25,091	
Macquarie Wholesale Income Opportunities	698,033	255,115
Perpetual Wholesale Diversified Income	304,306	58,895
PIMCO Wholesale Global Bond	161,403	-
Schroder Wholesale Credit Securities	280,534	179,690
UBS Wholesale Diversified Fixed Income	181,494	110,917
Acadian Wholesale Defensive Income	168,685	2,233
Colonial First State Wholesale Target Return Income	266,313	24,243
Goldman Sachs Wholesale Income Plus	328,807	27,411
PM Capital Wholesale Enhanced Yield	300,686	173,699
Aspect Wholesale Diversified Futures	-	-
Acadian Wholesale Geared Global Equity	81,525	67,108
Colonial First State Wholesale Geared Global Property Securities	93,538	105,643
Colonial First State Wholesale Geared Australian Share - Core	188,823	200,294
Colonial First State Wholesale Geared Share	380,405	424,905
FirstChoice Wholesale Geared Global Share	116,507	122,318

(g) Related Party Transactions

The Funds may transact between the Funds and other registered Funds, which are also managed by the Responsible Entity. These transactions normally consist of the sale of units in the Funds to related Managed Investment Schemes or purchases of units in related Managed Investment Schemes, and receipt and payment of distributions on normal commercial terms and conditions.

The amounts outstanding payable or receivable at period end represent the value of the units (financial liability of the Funds) issued or held and any amount of interest expense payable or receivable.

(i) Terms and Conditions of Transactions with Related Parties

All related party transactions are made in arms 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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities

(i) Related Managed Investment Schemes

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

Investment Name	Units Held At The End of the Period No.'000	Value of Investment At Period End \$'000	Interest held in Investment at Period End %	Units Acquired During the Period No.'000	Units Disposed During the Period No.'000	Distribution Received \$'000
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Colonial First State Wholesale Cash

Units held in:

Colonial First State Wholesale Mortgage Backed Securities Fund

- 2014	50,452	51,794	99.88	2,159	15,601	2,208
- 2013	63,894	65,038	100.00	47,628	12,763	2,669

Colonial First State Wholesale Diversified Fixed Interest

Units held in:

Colonial First State Wholesale Global Bond Fund

- 2014	222	259	0.18	-	-	10
- 2013	222	253	0.18	2	-	2

Colonial First State Global Asset Management Fixed Interest Trust 2

- 2014	102,196	99,437	55.91	102,810	18,494	2,963
- 2013	17,880	16,723	55.00	24,689	6,809	2,477

Colonial First State Wholesale Global Corporate Debt Fund

- 2014	371,209	374,438	12.07	14,402	122,307	23,414
- 2013	479,114	471,017	12.70	29,506	378,717	28,916

Colonial First State Wholesale Global Corporate Debt Enhanced Fund

- 2014	170,798	175,648	43.73	9,563	91,779	16,760
- 2013	253,014	256,278	52.53	17,069	100,579	17,388

Colonial First State Wholesale Australian Bond Fund

- 2014	220,228	242,648	32.81	7,179	60,226	9,121
- 2013	273,275	295,000	37.04	23,162	116,374	25,676

Colonial First State Wholesale International High Yield Fund

- 2014	6,077	5,296	2.50	331	4,500	664
- 2013	10,246	8,892	4.15	13,097	6,993	609

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(i) Related Managed Investment Schemes (continued)

Investment Name	Units Held At The End of the Period No.'000	Value of Investment At Period End \$'000	Interest held in Investment at Period End %	Units Acquired During the Period No.'000	Units Disposed During the Period No.'000	Distribution Received \$'000
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Colonial First State Wholesale Diversified Fixed Interest (continued)

Colonial First State Wholesale Sovereign Australian Bond Fund

- 2014	90,769	83,961	52.69	2,271	66,492	2,910
- 2013	154,990	144,218	49.38	30,850	240,305	30,253

Colonial First State Wholesale Cash Fund

- 2014	-	-	-	-	6	-
- 2013	6	6	-	-	-	-

Colonial First State Wholesale Australian Inflation-Linked Bond Fund

- 2014	-	-	-	2,940	137,879	2,699
- 2013	134,939	124,549	65.99	15,392	74,545	15,215

Colonial First State Wholesale Global Credit Income

Units held in:

Colonial First State Wholesale Asian Bond Fund

- 2014	237,374	219,737	100.00	22,494	47,767	20,858
- 2013	262,647	240,059	100.00	33,487	52,723	32,468

First State Global Credit Fund

- 2014	19,879	217,148	-	-	-	6,044
- 2013	19,879	219,349	-	19,879	-	1,628

Colonial First State Wholesale Cash Fund

- 2014	-	-	-	-	-	-
- 2013	-	-	-	6	267	6

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(i) Related Managed Investment Schemes (continued)

Investment Name	Units Held At The End of the Period No.'000	Value of Investment At Period End \$'000	Interest held in Investment at Period End %	Units Acquired During the Period No.'000	Units Disposed During the Period No.'000	Distribution Received \$'000
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Acadian Wholesale Defensive Income

Units held in:

Commonwealth Specialist Fund 20

- 2014	187,181	184,280	74.64	33,644	12,582	7,642
- 2013	166,119	164,109	75.54	78,366	786	5,400

Colonial First State Wholesale Target Return Income

Units held in:

Colonial First State Wholesale Cash Fund

- 2014	59	60	0.00	1	-	2
- 2013	58	58	0.00	2	-	2

Colonial First State Wholesale Enhanced Yield Fixed Interest Component Fund

- 2014	216,384	208,118	100.00	19,088	74,431	9,473
- 2013	271,727	259,961	100.00	16,460	127,876	15,773

Goldman Sachs Wholesale Income Plus

Units held in:

Commonwealth Property Securities Fund 10

- 2014	25,058	16,368	100.00	1,513	4,557	878
- 2013	28,102	17,620	100.00	13,913	11,633	580

Commonwealth Australian Infrastructure Fund 1

- 2014	47,846	48,860	40.40	6,153	7,376	2,697
- 2013	49,069	44,599	45.14	8,150	16,806	2,629

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(i) Related Managed Investment Schemes (continued)

Investment Name	Units Held At The End of the Period No.'000	Value of Investment At Period End \$'000	Interest held in Investment at Period End %	Units Acquired During the Period No.'000	Units Disposed During the Period No.'000	Distribution Received \$'000
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Goldman Sachs Wholesale Income Plus (continued)

Commonwealth Fixed Interest Fund 15

- 2014	77,345	78,543	100.00	15,802	-	3,531
- 2013	61,543	61,980	100.00	18,012	18,982	3,335

Commonwealth Specialist Fund 8

- 2014	74,449	79,705	100.00	3,213	-	2,795
- 2013	71,236	74,370	100.00	8,344	24,434	2,394

Commonwealth International Fixed Interest Fund 5

- 2014	42,730	40,529	100.00	5,122	-	4,938
- 2013	37,608	36,032	100.00	2,160	7,335	2,055

Commonwealth Cash Fund 3

- 2014	141,439	141,891	100.00	44,278	33,592	2,240
- 2013	130,753	131,159	100.00	70,874	52,564	2,474

Aspect Wholesale Diversified Futures

Units held in:

Commonwealth Specialist Fund 23

- 2014	20,992	22,335	4.15	5,409	3,068	-
- 2013	18,651	19,966	4.39	7,445	1,897	-

Colonial First State Wholesale Geared Share

Units held in:

Colonial First State Wholesale Cash Fund

- 2014	11,483	11,592	0.27	1,838,355	1,827,582	1,538
- 2013	710	717	0.02	1,048,009	1,192,784	828

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(ii) Related Listed Securities

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

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

Commonwealth Bank of Australia

- 2014	-	-	-	50	69	82
- 2013	19	1,837	0.00	19	-	30

Schroder Wholesale Credit Securities

Commonwealth Bank of Australia

- 2014	25	2,520	0.00	-	-	95
- 2013	25	2,480	0.00	-	-	113

Colonial First State Wholesale Target Return Income

Commonwealth Bank of Australia

- 2014	129	22,011	0.01	168	137	807
- 2013	98	9,584	0.01	201	217	706

PM Capital Wholesale Enhanced Yield

Commonwealth Bank of Australia

- 2014	61	6,132	0.00	61	-	82
- 2013	-	-	-	-	7	22

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(ii) Related Listed Securities (continued)

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

Investment Name	Shares Held At The End of the Period No.'000	Value of Investment At Period End \$'000	Interest held in Investment at Period End %	Shares Acquired During the Period No.'000	Shares Disposed During the Period No.'000	Distribution Received \$'000
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Colonial First State Wholesale Geared Australian Share - Core

Commonwealth Bank of Australia

-	2014	580	46,884	0.04	85	93	2,356
-	2013	588	40,638	0.04	121	99	1,985

Colonial First State Wholesale Geared Share

Commonwealth Bank of Australia

-	2014	4,737	383,164	0.29	247	670	18,258
-	2013	5,160	356,944	0.32	929	470	15,742

FirstChoice Wholesale Geared Global Share

Commonwealth Bank of Australia

-	2014	1	111	0.00	3	2	4
-	2013	-	-	-	-	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(iii) Other related Financial Instruments

The following Funds have certain financial instruments issued by the Bank and its associates.

Colonial First State Wholesale Cash

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

2014 \$'000	2013 \$'000
1,250,228	1,153,538

Aberdeen Wholesale Australian Fixed Income

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

Swaps - market value

2014 \$'000	2013 \$'000
11,266	12,022
(165)	-

Colonial First State Wholesale Australian Bond

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

2014 \$'000	2013 \$'000
30,116	3,025

Colonial First State Wholesale Diversified Fixed Interest

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

Swaps - market value

2014 \$'000	2013 \$'000
24,352	-
2,051	2,883

Colonial First State Wholesale Global Credit Income

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

Swaps - market value

2014 \$'000	2013 \$'000
6,742	70,226
(9,091)	7,629

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(iii) Other related Financial Instruments (continued)

Kapstream Wholesale Absolute Return

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

2014
\$'000
1,008

Macquarie Wholesale Income Opportunities

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

Swaps - market value

2014	2013
\$'000	\$'000
10,170	6,383
(127)	(165)

Perpetual Wholesale Diversified Income

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

Swaps - market value

2014	2013
\$'000	\$'000
8,257	2,606
(1,282)	(189)

Schroder Wholesale Credit Securities

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

Currency Contracts:

Notional

Market Value

2014	2013
\$'000	\$'000
18,277	11,172

53,421	-
154	-

UBS Wholesale Diversified Fixed Income

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

2014	2013
\$'000	\$'000
5,155	2,537

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(iii) Other related Financial Instruments (continued)

Colonial First State Wholesale Target Return Income

Commonwealth Bank of Australia

Future and Options - market value

Fixed Interest and Discount securities - market value

2014 \$'000	2013 \$'000
-	(69)
4,638	5,090

PM Capital Wholesale Enhanced Yield

Commonwealth Bank of Australia

Fixed Interest and Discount securities - market value

2014 \$'000	2013 \$'000
18,790	14,508

Colonial First State Wholesale Geared Global Property Securities

Commonwealth Bank of Australia

Currency Contracts:

Notional

Market Value

2014 \$'000	2013 \$'000
-	14,142
-	(92)

(i) Related Borrowing and Lending Activities

Details of related borrowings and lending activities from Commonwealth Bank of Australia for the following Funds for the reporting periods are tabled as follows:

Acadian Wholesale Geared Global Equity		
	30/06/2014 \$'000	30/06/2013 \$'000
Borrowing principal at end of the reporting periods	61,741	51,787
Amount on interest paid or payable during the reporting period	867	547
Amount of interest payable at the end of the reporting periods	66	95

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

(h) Investing Activities (continued)

(i) Related Borrowing and Lending Activities (continued)

Colonial First State Wholesale Geared Global Property Securities		
	30/06/2014 \$'000	30/06/2013 \$'000
Borrowing principal at end of the reporting periods	16,600	46,500
Amount on interest paid or payable during the reporting period	1,139	1,615
Amount of interest payable at the end of the reporting periods	153	225

Colonial First State Wholesale Geared Australian Share - Core		
	30/06/2014 \$'000	30/06/2013 \$'000
Borrowing principal at end of the reporting periods	135,000	195,000
Amount on interest paid or payable during the reporting period	7,595	7,763
Amount of interest payable at the end of the reporting periods	215	1,382

Colonial First State Wholesale Geared Share		
	30/06/2014 \$'000	30/06/2013 \$'000
Borrowing principal at end of the reporting periods	600,000	865,000
Amount on interest paid or payable during the reporting period	30,115	90,242
Amount of interest payable at the end of the reporting periods	1,146	4,135

FirstChoice Wholesale Geared Global Share		
	30/06/2014 \$'000	30/06/2013 \$'000
Borrowing principal at end of the reporting periods	35,995	51,424
Amount on interest paid or payable during the reporting period	516	596
Amount of interest payable at the end of the reporting periods	38	51

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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 the fair value of the Funds which have indirect exposures to equity securities and derivatives moved according to the historical correlation with the indexes. Any Funds which invest in various asset classes, such as a multi-sector Fund, will have a weighted average movement calculated based on the proportion of their investments in those classes.

(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 will fluctuate due to changes in exchange rates. The risk is measured using sensitivity analysis.

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

Where the Funds have invested in derivative instruments, the Investment Review Services Department of the Responsible Entity regularly monitors these hedging activities.

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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk

Aberdeen Wholesale Australian Fixed Income					
	United States Dollar	European Euro			Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	14	7	-	-	-
Financial liabilities held for trading - Derivatives	(313)	-	-	-	-
	(299)	7	-	-	-
Net increase/decrease in exposure from:					
- foreign currency contract	-	-	-	-	-
	(299)	7	-	-	-
	United States Dollar	European Euro			Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	23	286	-	-	-
Financial liabilities held for trading					
	23	286	-	-	-
Net increase/decrease in exposure from:					
- foreign currency contract	657	(427)	-	-	-
	680	(141)	-	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Colonial First State Wholesale Diversified Fixed Interest					
	United States Dollar	European Euro			Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	7,873	38	-	-	-
Derivatives	8,587	-	-	-	-
Financial liabilities held for trading - Derivatives	(19,448)	-	-	-	-
	(2,988)	38	-	-	-
Net increase/decrease in exposure from:					
	(2,988)	38	-	-	-
	United States Dollar	European Euro			Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	469	208	-	-	-
Derivatives	2	-	-	-	-
Financial liabilities held for trading - Derivatives	(861)	-	-	-	-
	(390)	208	-	-	-
Net increase/decrease in exposure from:					
	(390)	208	-	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Colonial First State Wholesale Global Credit Income					
	United States Dollar	European Euro	Japanese Yen	UK Pound Sterling	Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	24,835	1,316	1	3,015	3
Receivables	5,025	-	-	-	-
Financial assets held for trading	2,118,186	129,275	-	174,658	4,999
Derivatives	2,602	12,209	-	3,470	-
Payables	(1,916)	-	-	-	-
Bank overdraft	-	(2,166)	-	-	-
Financial liabilities held for trading - Derivatives	(11,584)	(393)	-	(896)	-
	2,137,148	140,241	1	180,247	5,002
Net increase/decrease in exposure from:					
- foreign currency contract	96,589	189,963	9,507	140,250	(5,063)
- cross currency swap	(2,226,586)	(331,572)	(10,542)	(320,432)	7,024
	7,151	(1,368)	(1,034)	65	6,963
30/06/2013	United States Dollar	European Euro	UK Pound Sterling	Japanese Yen	Others
	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	5,013	2,539	1,421	-	3
Receivables	21,247	1,545	3,860	-	-
Financial assets held for trading	1,739,153	315,228	407,440	10,001	785,829
Derivatives	3,788	9,675	4,695	-	22
Payables	(6,819)	-	-	-	-
Bank overdraft	(8)	-	-	-	-
Financial liabilities held for trading - Derivatives	(9,232)	(4,298)	(228)	-	(19)
	1,753,142	324,689	417,188	10,001	785,835
Net increase/decrease in exposure from:					
- foreign currency contract	54,870	129,842	93,170	1,138	(4,757)
- cross currency swap	(2,577,862)	(469,724)	(516,609)	(11,251)	7,055
	(769,850)	(15,193)	(6,251)	(112)	788,133

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Kapstream Wholesale Absolute Return					
	European Euro	United States Dollar	Swedish Kroner	UK Pound Sterling	Others
30/06/2014	AUD 0	AUD 0	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	3	51	-	-	-
Financial assets held for trading	1,050	3,342	-	-	-
Bank overdraft	-	(1)	-	-	-
Financial liabilities held for trading					
	1,053	3,392	-	-	-
Net increase/decrease in exposure from:					
- foreign currency contract	(1,041)	(3,402)	128	126	-
	12	(10)	128	126	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Macquarie Wholesale Income Opportunities					
	United States Dollar	European Euro			Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	6,022	2,495	-	-	-
Financial assets held for trading	254,023	48,802	-	-	-
Derivatives	934	-	-	-	-
Payables	-	(1,085)	-	-	-
Bank overdraft	(3,437)	(770)	-	-	-
Financial liabilities held for trading - Derivatives	(1,657)	(259)	-	-	-
	255,885	49,183	-	-	-
Net increase/decrease in exposure from:					
- foreign currency contract	(258,324)	(49,669)	-	-	-
	(2,439)	(486)	-	-	-
	United States Dollar	European Euro			Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	3,292	199	-	-	-
Receivables	791	-	-	-	-
Financial assets held for trading	6,399	830	-	-	-
Derivatives	846	6	-	-	-
Bank overdraft	(21)	-	-	-	-
Financial liabilities held for trading - Derivatives	(940)	-	-	-	-
	10,367	1,035	-	-	-
Net increase/decrease in exposure from:					
- foreign currency contract	(11,086)	(1,074)	-	-	-
	(719)	(39)	-	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Perpetual Wholesale Diversified Income					
	European Euro	United States Dollar	UK Pound Sterling		Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	38	116	1	-	-
Receivables	-	-	-	-	700
Financial assets held for trading	13,760	10,435	4,509	-	-
Financial liabilities held for trading					
	13,798	10,551	4,510	-	700
Net increase/decrease in exposure from:					
- cross currency swap	(15,088)	(11,413)	(5,015)	-	-
	(1,290)	(862)	(505)	-	700
	United States Dollar	European Euro	UK Pound Sterling		Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	144	-	-	-	-
Financial assets held for trading	3,101	3,169	3,011	-	-
Financial liabilities held for trading					
- Derivatives	(114)	-	-	-	-
	3,131	3,169	3,011	-	-
Net increase/decrease in exposure from:					
- cross currency swap	(3,480)	(3,454)	(3,106)	-	-
	(349)	(285)	(95)	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

PIMCO Wholesale Global Bond					
	UK Pound Sterling	Indian Rupee	European Euro	Japanese Yen	Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	47	-	377	286	6,165
Receivables	-	-	-	2,405	1,380
Financial assets held for trading	8,205	-	68,433	-	124,674
Derivatives	55	-	210	275	428
Payables	-	-	(1,155)	(2,405)	(5,930)
Bank overdraft	(51)	-	(109)	(136)	(3,192)
Financial liabilities held for trading - Derivatives	(26)	-	(340)	-	(308)
	8,230	-	67,416	425	123,217
Net increase/decrease in exposure from:					
- foreign currency contract	(2,238)	3,405	(70,810)	(3,391)	(126,096)
	5,992	3,405	(3,394)	(2,966)	(2,879)
	United States Dollar	Mexican Peso	Japanese Yen	Uk Pound Sterling	Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	1,044	42	-	37	17
Financial assets held for trading	24,708	1,211	-	1,637	4,659
Derivatives	72	-	-	-	-
Payables	(6,054)	-	-	-	-
Financial liabilities held for trading - Derivatives	(36)	-	-	(24)	(53)
	19,734	1,253	-	1,650	4,623
Net increase/decrease in exposure from:					
- foreign currency contract	(19,885)	(1,065)	(168)	(1,772)	(4,652)
	(151)	188	(168)	(122)	(29)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Schroder Wholesale Credit Securities					
	European Euro	United States Dollar	UK Pound Sterling		Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	177	319	1	-	-
Financial assets held for trading	20,000	30,490	2,348	-	-
Derivatives	-	144	-	-	-
Bank overdraft	-	(26)	-	-	-
Financial liabilities held for trading					
- Derivatives	(36)	(2)	-	-	-
	20,141	30,925	2,349	-	-
Net increase/decrease in exposure from:					
- foreign currency contract	(20,283)	(30,627)	(2,357)	-	-
	(142)	298	(8)	-	-
	United States Dollar	European Euro	UK Pound Sterling		Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	377	57	3	-	-
Financial assets held for trading	25,425	14,812	2,129	-	-
Financial liabilities held for trading					
- Derivatives	(6)	-	-	-	-
	25,796	14,869	2,132	-	-
Net increase/decrease in exposure from:					
- foreign currency contract	(26,174)	(15,119)	(2,170)	-	-
	(378)	(250)	(38)	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

UBS Wholesale Diversified Fixed Income					
	New Zealand Dollar	United States Dollar	European Euro	Japanese Yen	Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	-	13,446	2,282	1,610	1,398
Receivables	-	4,651	-	-	-
Financial assets held for trading	-	32,008	8,129	-	3,300
Derivatives	688	2,381	1,451	100	297
Payables	-	(16,423)	-	-	-
Financial liabilities held for trading - Derivatives	-	(101)	(33)	-	(6)
	688	35,962	11,829	1,710	4,989
Net increase/decrease in exposure from:					
- foreign currency contract	-	(35,577)	(11,530)	(1,461)	(4,916)
	688	385	299	249	73
	United States Dollar	Japanese Yen	European Euro	UK Pound Sterling	Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	14,923	878	2,963	1,149	185
Receivables	8,294	-	-	-	-
Financial assets held for trading	39,819	-	8,530	3,765	794
Derivatives	707	26	10	-	-
Payables	(21,676)	-	(775)	(164)	-
Financial liabilities held for trading - Derivatives	(23)	-	(264)	(128)	-
	42,044	904	10,464	4,622	979
Net increase/decrease in exposure from:					
- foreign currency contract	(42,108)	(843)	(10,404)	(4,635)	(975)
	(64)	61	60	(13)	4

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

PM Capital Wholesale Enhanced Yield					
	UK Pound Sterling	United States Dollar	European Euro	Canadian Dollar	Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	275	1,170	678	-	-
Financial assets held for trading	35,370	37,202	7,900	-	-
Financial liabilities held for trading					
	35,645	38,372	8,578	-	-
Net increase/decrease in exposure from:					
- foreign currency contract	(17,146)	(9,160)	(4,672)	-	-
- cross currency swap	(20,021)	(30,210)	(4,005)	-	-
	(1,522)	(998)	(99)	-	-
	United States Dollar	UK Pound Sterling	European Euro	Canadian Dollar	Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	82	157	1	-	-
Financial assets held for trading	35,020	7,591	2,424	-	-
Financial liabilities held for trading					
	35,102	7,748	2,425	-	-
Net increase/decrease in exposure from:					
- foreign currency contract	(8,343)	(3,189)	-	-	-
- cross currency swap	(28,880)	(5,217)	(2,469)	-	-
	(2,121)	(658)	(44)	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Acadian Wholesale Geared Global Equity					
	United States Dollar	Canadian Dollar	European Euro	Norwegian Kroner	Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	86	10	50	33	241
Receivables	3,163	37	-	-	4
Financial assets held for trading	120,441	17,120	20,585	5,392	26,550
Payables	(6,292)	(150)	-	-	-
Financial liabilities held for trading					
	117,398	17,017	20,635	5,425	26,795
Net increase/decrease in exposure from:					
- foreign currency contract	32	-	23	(4)	(50)
	117,430	17,017	20,658	5,421	26,745
	United States Dollar	Japanese Yen	Hong Kong Dollar	European Euro	Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	18	79	37	25	211
Receivables	26	12	141	2	4
Financial assets held for trading	54,471	11,935	2,974	14,139	10,777
Financial liabilities held for trading					
	54,515	12,026	3,152	14,166	10,992
Net increase/decrease in exposure from:					
- foreign currency contract	-	-	-	-	-
	54,515	12,026	3,152	14,166	10,992

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Colonial First State Wholesale Geared Global Property Securities					
	United States Dollar	Japanese Yen	European Euro	Canadian Dollar	Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	78	49	85	37	126
Receivables	569	173	-	4	23
Financial assets held for trading	36,310	4,033	1,737	1,503	12,070
Derivatives	-	-	-	-	19
Payables	(249)	-	-	-	(413)
Financial liabilities held for trading					
	36,708	4,255	1,822	1,544	11,825
Net increase/decrease in exposure from:					
- foreign currency contract	(36,748)	(4,308)	(1,891)	(1,494)	(12,082)
	(40)	(53)	(69)	50	(257)
	Canadian Dollar	Japanese Yen	UK Pound Sterling	Swedish Kroner	Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	4	7	8	3	118
Receivables	160	279	330	35	2,822
Financial assets held for trading	2,220	4,451	4,588	532	51,369
Financial liabilities held for trading					
- Derivatives	(1)	-	(2)	(1)	(46)
	2,383	4,737	4,924	569	54,263
Net increase/decrease in exposure from:					
- foreign currency contract	(2,562)	(4,211)	(4,749)	(648)	(51,973)
	(179)	526	175	(79)	2,290

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

FirstChoice Wholesale Geared Global Share					
	United States Dollar	European Euro	Japanese Yen	Swiss Franc	Others
30/06/2014	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	251	338	113	35	350
Receivables	62	58	4	-	110
Financial assets held for trading	97,464	21,737	11,424	6,056	37,563
Derivatives	19	-	-	-	-
Payables	-	-	-	-	(65)
Financial liabilities held for trading					
	97,796	22,133	11,541	6,091	37,958
Net increase/decrease in exposure from:					
- foreign currency contract	2,323	-	-	-	64
	100,119	22,133	11,541	6,091	38,022
	United States Dollar	Swiss Franc	UK Pound Sterling	Japanese Yen	Others
30/06/2013	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
Cash and cash equivalents	114	67	221	55	301
Receivables	41	-	347	16	-
Financial assets held for trading	80,936	12,087	17,306	10,129	30,805
Derivatives	-	-	-	3	-
Payables	-	-	-	(775)	-
Financial liabilities held for trading					
- Derivatives	-	-	(2)	-	-
	81,091	12,154	17,872	9,428	31,106
Net increase/decrease in exposure from:					
- foreign currency contract	-	-	-	-	-
	81,091	12,154	17,872	9,428	31,106

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 Fund is exposed.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk

(iii) Interest Rate Risk

Investments in interest bearing financial assets are exposed to the risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Such Funds are exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose these 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 the Funds' exposure to interest rate risks. It includes the Funds' assets and liabilities at fair values.

Colonial First State Wholesale Cash				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	155,724	-	-	155,724
Receivables	-	-	53,367	53,367
Financial assets held for trading	35,385	4,154,143	51,793	4,241,321
Derivatives	-	-	-	-
Mortgages	-	-	-	-
Financial liabilities				
Payables	-	-	(85,397)	(85,397)
Bank overdraft	-	-	-	-
Loans	-	-	-	-
Financial liabilities held for trading				
- Securities - Short Sell	-	-	-	-
- Derivatives	-	-	-	-
Net exposure	191,109	4,154,143	19,763	4,365,015
30/06/2013				
Financial assets				
Cash and cash equivalents	28,633	-	-	28,633
Receivables	-	-	493	493
Financial assets held for trading	62,431	4,174,400	65,038	4,301,869
Derivatives	-	-	-	-
Mortgages	-	-	-	-
Financial liabilities				
Payables	-	-	(4,133)	(4,133)
Bank overdraft	-	-	-	-
Loans	-	-	-	-
Financial liabilities held for trading				
- Securities - Short Sell	-	-	-	-
- Derivatives	-	-	-	-
Net exposure	91,064	4,174,400	61,398	4,326,862

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Aberdeen Wholesale Australian Fixed Income				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	1,052	-	-	1,052
Receivables	-	-	1,282	1,282
Financial assets held for trading	17,728	676,092	-	693,820
Financial liabilities				
Payables	-	-	(9,860)	(9,860)
Financial liabilities held for trading				
- Derivatives	-	-	(313)	(313)
Net exposure	18,780	676,092	(8,891)	685,981
30/06/2013				
Financial assets				
Cash and cash equivalents	5,953	-	-	5,953
Receivables	-	-	249	249
Financial assets held for trading	20,281	684,825	(1)	705,105
Derivatives	-	-	51	51
Financial liabilities				
Payables	-	-	(3,856)	(3,856)
Financial liabilities held for trading				
- Derivatives	-	-	(22)	(22)
Net exposure	26,234	684,825	(3,579)	707,480

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Colonial First State Wholesale Australian Bond				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	8,830	-	-	8,830
Receivables	-	-	348	348
Financial assets held for trading	19,911	721,118	-	741,029
Financial liabilities				
Payables	-	-	(7,193)	(7,193)
Financial liabilities held for trading - Derivatives	-	(3,428)	-	(3,428)
	28,741	717,690	(6,845)	739,586
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	18,300	(18,300)	-	-
Net exposure	47,041	699,390	(6,845)	739,586
30/06/2013				
Financial assets				
Cash and cash equivalents	7,196	-	-	7,196
Receivables	-	-	9,503	9,503
Financial assets held for trading	9,792	775,874	-	785,666
Derivatives	-	807	-	807
Financial liabilities				
Payables	-	-	(6,811)	(6,811)
Financial liabilities held for trading - Derivatives	-	(55)	-	(55)
	16,988	776,626	2,692	796,306
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	-	-	-	-
Net exposure	16,988	776,626	2,692	796,306

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Colonial First State Wholesale Diversified Fixed Interest				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	77,467	-	-	77,467
Receivables	-	-	1,913	1,913
Financial assets held for trading	-	926,690	981,688	1,908,378
Derivatives	-	4,641	8,625	13,266
Financial liabilities				
Payables	-	-	(21,197)	(21,197)
Financial liabilities held for trading - Derivatives	(467)	(20,186)	(19,524)	(40,177)
	77,000	911,145	951,505	1,939,650
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	428,000	(428,000)	-	-
Net exposure	505,000	483,145	951,505	1,939,650
30/06/2013				
Financial assets				
Cash and cash equivalents	24,059	-	-	24,059
Receivables	-	-	124	124
Financial assets held for trading	-	512,244	1,316,936	1,829,180
Derivatives	6,367	6,644	-	13,011
Financial liabilities				
Payables	-	-	(2,573)	(2,573)
Financial liabilities held for trading - Derivatives	(15,696)	(2,502)	(861)	(19,059)
	14,730	516,386	1,313,626	1,844,742
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	604,000	(604,000)	-	-
Net exposure	618,730	(87,614)	1,313,626	1,844,742

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Colonial First State Wholesale Global Credit Income				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	78,682	-	-	78,682
Receivables	-	-	31,465	31,465
Financial assets held for trading	125,695	2,578,175	436,884	3,140,754
Derivatives	79,159	16,304	1,466	96,929
Financial liabilities				
Payables	-	-	(20,148)	(20,148)
Bank overdraft	(2,166)	-	-	(2,166)
Financial liabilities held for trading - Derivatives	(16,387)	(189,097)	(17,248)	(222,732)
	264,983	2,405,382	432,419	3,102,784
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	1,539,897	(1,539,897)	-	-
Net exposure	1,804,880	865,485	432,419	3,102,784
30/06/2013				
Financial assets				
Cash and cash equivalents	124,880	-	-	124,880
Receivables	-	-	27,593	27,593
Financial assets held for trading	106,691	3,266,901	459,408	3,833,000
Derivatives	80,846	16,190	12,511	109,547
Financial liabilities				
Payables	-	-	(18,203)	(18,203)
Bank overdraft	(728)	-	-	(728)
Financial liabilities held for trading - Derivatives	(34,048)	(329,599)	(3,430)	(367,077)
	277,641	2,953,492	477,879	3,709,012
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	933,331	(933,331)	-	-
Net exposure	1,210,972	2,020,161	477,879	3,709,012

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Kapstream Wholesale Absolute Return				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	2,295	-	-	2,295
Receivables	-	-	120	120
Financial assets held for trading	7,084	15,837	1	22,922
Derivatives	-	-	49	49
Financial liabilities				
Payables	-	-	(70)	(70)
Bank overdraft	(1)	-	-	(1)
Financial liabilities held for trading - Derivatives	-	(61)	(10)	(71)
Net exposure	9,378	15,776	90	25,244

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Macquarie Wholesale Income Opportunities				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	33,537	-	-	33,537
Receivables	-	-	3,261	3,261
Financial assets held for trading	110,383	741,710	4,150	856,243
Derivatives	-	773	9,472	10,245
Financial liabilities				
Payables	-	-	(4,233)	(4,233)
Bank overdraft	(4,207)	-	-	(4,207)
Financial liabilities held for trading - Derivatives	-	(7,655)	(3,386)	(11,041)
	139,713	734,828	9,264	883,805
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	167,300	(167,300)	-	-
Net exposure	307,013	567,528	9,264	883,805
30/06/2013				
Financial assets				
Cash and cash equivalents	144,005	-	-	144,005
Receivables	-	-	1,357	1,357
Financial assets held for trading	87,147	284,645	1,493	373,285
Derivatives	235	239	999	1,473
Financial liabilities				
Payables	-	-	(1,522)	(1,522)
Bank overdraft	(1,162)	-	-	(1,162)
Financial liabilities held for trading - Derivatives	-	(5,296)	(2,137)	(7,433)
	230,225	279,588	190	510,003
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	117,800	(117,800)	-	-
Net exposure	348,025	161,788	190	510,003

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Perpetual Wholesale Diversified Income				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	21,552	-	-	21,552
Receivables	-	-	1,788	1,788
Financial assets held for trading	79,371	232,714	-	312,085
Derivatives	69	4	-	73
Financial liabilities				
Payables	-	-	(1,704)	(1,704)
Financial liabilities held for trading - Derivatives	(213)	(5,807)	-	(6,020)
	100,779	226,911	84	327,774
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	82,326	(82,326)	-	-
Net exposure	183,105	144,585	84	327,774
30/06/2013				
Financial assets				
Cash and cash equivalents	16,393	-	-	16,393
Receivables	-	-	537	537
Financial assets held for trading	21,386	100,832	1,838	124,056
Derivatives	151	18	-	169
Financial liabilities				
Payables	-	-	(2,126)	(2,126)
Bank overdraft	(2)	-	-	(2)
Financial liabilities held for trading - Derivatives	(275)	(1,643)	(115)	(2,033)
	37,653	99,207	134	136,994
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	20,580	(20,580)	-	-
Net exposure	58,233	78,627	134	136,994

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

PIMCO Wholesale Global Bond				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	10,967	-	-	10,967
Receivables	-	-	5,490	5,490
Financial assets held for trading	12,906	191,200	108	204,214
Derivatives	50	580	7,174	7,804
Financial liabilities				
Payables	-	-	(9,974)	(9,974)
Bank overdraft	(3,487)	-	-	(3,487)
Financial liabilities held for trading - Derivatives	-	(658)	(3,512)	(4,170)
	20,436	191,122	(714)	210,844
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	69,229	(69,229)	-	-
Net exposure	89,665	121,893	(714)	210,844
30/06/2013				
Financial assets				
Cash and cash equivalents	1,537	-	-	1,537
Receivables	-	-	3	3
Financial assets held for trading	471	32,760	-	33,231
Derivatives	-	-	530	530
Financial liabilities				
Payables	-	-	(6,076)	(6,076)
Financial liabilities held for trading - Derivatives	-	(61)	(1,683)	(1,797)
	2,008	32,699	(7,226)	27,428
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	742	(742)	-	-
Net exposure	2,750	31,957	(7,226)	27,428

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Schroder Wholesale Credit Securities				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	14,707	-	-	14,707
Receivables	-	-	513	513
Financial assets held for trading	78,401	216,984	15,729	311,114
Derivatives	-	17	367	384
Financial liabilities				
Payables	-	-	(487)	(487)
Bank overdraft	(26)	-	-	(26)
Financial liabilities held for trading - Derivatives	-	(616)	(86)	(702)
Net exposure	93,082	216,385	16,036	325,503
30/06/2013				
Financial assets				
Cash and cash equivalents	8,246	-	-	8,246
Receivables	-	-	421	421
Financial assets held for trading	53,808	121,551	23,706	199,065
Derivatives	-	62	-	62
Financial liabilities				
Payables	-	-	(735)	(735)
Financial liabilities held for trading - Derivatives	-	-	(1,986)	(1,986)
Net exposure	62,054	121,613	21,406	205,073

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

UBS Wholesale Diversified Fixed Income				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	52,146	-	-	52,146
Receivables	-	-	6,693	6,693
Financial assets held for trading	1,137	203,565	-	204,702
Derivatives	-	(1,699)	7,390	5,691
Financial liabilities				
Payables	-	-	(17,482)	(17,482)
Bank overdraft	(260)	-	-	(260)
Financial liabilities held for trading - Derivatives	-	(519)	(583)	(1,102)
	53,023	201,347	(3,982)	250,388
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	456,485	(456,485)	-	-
Net exposure	509,508	(255,138)	(3,982)	250,388
30/06/2013				
Financial assets				
Cash and cash equivalents	53,916	-	-	53,916
Receivables	-	-	8,514	8,514
Financial assets held for trading	592	219,048	-	219,640
Derivatives	-	186	753	939
Financial liabilities				
Payables	-	-	(22,933)	(22,933)
Financial liabilities held for trading - Derivatives	-	(468)	(2,659)	(3,127)
	54,508	218,766	(16,325)	256,949
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	-	-	-	-
Net exposure	54,508	218,766	(16,325)	256,949

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Acadian Wholesale Defensive Income				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	40	-	-	40
Receivables	-	-	329	329
Financial assets held for trading	-	-	184,280	184,280
Financial liabilities				
Payables	-	-	(136)	(136)
Financial liabilities held for trading				
Net exposure	40	-	184,473	184,513
30/06/2013				
Financial assets				
Cash and cash equivalents	451	-	-	451
Receivables	-	-	28	28
Financial assets held for trading	-	-	164,109	164,109
Financial liabilities				
Payables	-	-	(107)	(107)
Financial liabilities held for trading				
Net exposure	451	-	164,030	164,481

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Colonial First State Wholesale Target Return Income				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	22,731	-	-	22,731
Receivables	-	-	6,745	6,745
Financial assets held for trading	-	13,685	308,996	322,681
Derivatives	-	-	66	66
Financial liabilities				
Payables	-	-	(2,605)	(2,605)
Financial liabilities held for trading - Derivatives	-	-	(473)	(473)
Net exposure	22,731	13,685	312,729	349,145
30/06/2013				
Financial assets				
Cash and cash equivalents	6,253	-	-	6,253
Receivables	-	-	6,392	6,392
Financial assets held for trading	-	16,912	354,230	371,142
Financial liabilities				
Payables	-	-	(1,311)	(1,311)
Financial liabilities held for trading - Derivatives	-	-	(855)	(855)
Net exposure	6,253	16,912	358,456	381,621

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Goldman Sachs Wholesale Income Plus				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	266	-	-	266
Receivables	-	-	230	230
Financial assets held for trading	-	-	405,896	405,896
Financial liabilities				
Payables	-	-	(545)	(545)
Financial liabilities held for trading				
Net exposure	266	-	405,581	405,847
30/06/2013				
Financial assets				
Cash and cash equivalents	1,189	-	-	1,189
Receivables	-	-	7	7
Financial assets held for trading	-	-	365,760	365,760
Financial liabilities				
Payables	-	-	(200)	(200)
Financial liabilities held for trading				
Net exposure	1,189	-	365,567	366,756

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

PM Capital Wholesale Enhanced Yield				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	29,636	-	-	29,636
Receivables	-	-	401	401
Financial assets held for trading	48,769	208,045	47,466	304,280
Derivatives	147	-	48	195
Financial liabilities				
Payables	-	-	(594)	(594)
Financial liabilities held for trading				
- Derivatives	-	(4,045)	(598)	(4,643)
	78,552	204,000	46,723	329,275
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	27,825	(27,825)	-	-
Net exposure	106,377	176,175	46,723	329,275
30/06/2013				
Financial assets				
Cash and cash equivalents	4,151	-	-	4,151
Receivables	-	-	181	181
Financial assets held for trading	43,993	132,857	21,909	198,759
Derivatives	71	6	361	438
Financial liabilities				
Payables	-	-	(213)	(213)
Bank overdraft	(362)	-	-	(362)
Financial liabilities held for trading				
- Derivatives	-	(4,497)	(1,281)	(5,778)
	47,853	128,366	20,957	197,176
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	31,975	(31,975)	-	-
Net exposure	79,828	96,391	20,957	197,176

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Aspect Wholesale Diversified Futures				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	138	-	-	138
Receivables	-	-	55	55
Financial assets held for trading	-	-	22,335	22,335
Financial liabilities				
Payables	-	-	(106)	(106)
Financial liabilities held for trading				
Net exposure	138	-	22,284	22,422
30/06/2013				
Financial assets				
Cash and cash equivalents	97	-	-	97
Receivables	-	-	1	1
Financial assets held for trading	-	-	19,966	19,966
Financial liabilities				
Payables	-	-	(2)	(2)
Financial liabilities held for trading				
Net exposure	97	-	19,965	20,062

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Acadian Wholesale Geared Global Equity				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	3,568	-	-	3,568
Receivables	-	-	3,363	3,363
Financial assets held for trading	-	-	190,087	190,087
Derivatives	-	-	1	1
Financial liabilities				
Payables	-	-	(7,400)	(7,400)
Loans	-	(98,885)	-	(98,885)
Financial liabilities held for trading				
Net exposure	3,568	(98,885)	186,051	90,734
30/06/2013				
Financial assets				
Cash and cash equivalents	893	-	-	893
Receivables	-	-	211	211
Financial assets held for trading	-	-	94,296	94,296
Financial liabilities				
Payables	-	-	(188)	(188)
Bank overdraft	(86)	-	-	(86)
Loans	-	(48,178)	-	(48,178)
Financial liabilities held for trading				
Net exposure	807	(48,178)	94,319	46,948

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Colonial First State Wholesale Geared Global Property Securities				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	3,315	-	-	3,315
Receivables	-	-	1,077	1,077
Financial assets held for trading	-	-	63,009	63,009
Derivatives	-	-	1,509	1,509
Financial liabilities				
Payables	-	-	(956)	(956)
Loans	-	(34,500)	-	(34,500)
Financial liabilities held for trading - Derivatives	-	-	(454)	(454)
Net exposure	3,315	(34,500)	64,185	33,000
30/06/2013				
Financial assets				
Cash and cash equivalents	9,273	-	-	9,273
Receivables	-	-	3,973	3,973
Financial assets held for trading	-	-	70,258	70,258
Derivatives	-	-	1,177	1,177
Financial liabilities				
Payables	-	-	(289)	(289)
Loans	-	(46,500)	-	(46,500)
Financial liabilities held for trading - Derivatives	-	-	(5,207)	(5,207)
Net exposure	9,273	(46,500)	69,912	32,685

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Colonial First State Wholesale Geared Australian Share - Core				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	20,114	-	-	20,114
Receivables	-	-	5,580	5,580
Financial assets held for trading	-	-	393,201	393,201
Derivatives	-	-	2	2
Financial liabilities				
Payables	-	-	(5,719)	(5,719)
Loans	-	(225,000)	-	(225,000)
Financial liabilities held for trading				
Net exposure	20,114	(225,000)	393,064	188,178
30/06/2013				
Financial assets				
Cash and cash equivalents	12,365	-	-	12,365
Receivables	-	-	3,958	3,958
Financial assets held for trading	-	-	348,535	348,535
Derivatives	-	-	10	10
Financial liabilities				
Payables	-	-	(5,175)	(5,175)
Loans	-	(195,000)	-	(195,000)
Financial liabilities held for trading				
Net exposure	12,365	(195,000)	347,328	164,693

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

Colonial First State Wholesale Geared Share				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	106,744	-	-	106,744
Receivables	-	-	84,581	84,581
Financial assets held for trading	-	-	4,942,982	4,942,982
Financial liabilities				
Payables	-	-	(55,849)	(55,849)
Loans	-	(2,750,000)	-	(2,750,000)
Financial liabilities held for trading				
Net exposure	106,744	(2,750,000)	4,971,714	2,328,458
30/06/2013				
Financial assets				
Cash and cash equivalents	107,770	-	-	107,770
Receivables	-	-	88,448	88,448
Financial assets held for trading	-	-	4,225,702	4,225,702
Financial liabilities				
Payables	-	-	(63,802)	(63,802)
Loans	-	(2,402,239)	-	(2,402,239)
Financial liabilities held for trading				
Net exposure	107,770	(2,402,239)	4,250,348	1,955,879

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

FirstChoice Wholesale Geared Global Share				
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30/06/2014				
Financial assets				
Cash and cash equivalents	7,818	-	-	7,818
Receivables	-	-	348	348
Financial assets held for trading	-	-	175,745	175,745
Derivatives	-	19	7	26
Financial liabilities				
Payables	-	-	(606)	(606)
Bank overdraft	(1,944)	-	-	(1,944)
Loans	-	(56,877)	-	(56,877)
Financial liabilities held for trading - Derivatives	-	-	(22)	(22)
Net exposure	5,874	(56,858)	175,472	124,488
30/06/2013				
Financial assets				
Cash and cash equivalents	3,314	-	-	3,314
Receivables	-	-	443	443
Financial assets held for trading	-	-	151,264	151,264
Derivatives	-	-	3	3
Financial liabilities				
Payables	-	-	(1,077)	(1,077)
Loans	-	(48,974)	-	(48,974)
Financial liabilities held for trading - Derivatives	-	-	(2)	(2)
Net exposure	3,314	(48,974)	150,631	104,971

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

The table in part (b) under "Summarised Sensitivity Analysis" of the "Financial Risk Management" note to the financial statements, summarises the impact of an increase/decrease of interest rates on the 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 - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 Wholesale Cash						
	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
30/06/2014	(21,726)	21,726	-	-	(1,865)	1,865
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-3.60% \$'000	3.60% \$'000
	21,327	(21,327)	-	-	(2,341)	2,341
30/06/2013						

Aberdeen Wholesale Australian Fixed Income						
	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%	0.00%	0.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30/06/2014	19,220	(19,220)	(2)	2	-	-
	-50 basis points	50 basis points	-10.00%	10.00%	0.00%	0.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30/06/2013	22,021	(22,021)	(31)	31	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Wholesale Australian Bond						
	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	0.00% \$'000	0.00% \$'000
30/06/2014	24,409	(24,409)	-	-	-	-
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	0.00% \$'000	0.00% \$'000
30/06/2013	27,791	(27,791)	-	-	-	-

Colonial First State Wholesale Diversified Fixed Interest						
	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	-2.83% \$'000	2.83% \$'000
30/06/2014	31,674	(31,674)	(791)	791	(27,733)	27,733
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-2.82% \$'000	2.82% \$'000
	(18,488)	18,488	(68)	68	(37,203)	37,203

Colonial First State Wholesale Global Credit Income						
	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
30/06/2014	86,021	(86,021)	(3,011)	3,011	(15,728)	15,728
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-2.65% \$'000	2.65% \$'000
	(105,320)	105,320	(2,880)	2,880	(12,152)	12,152

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Kapstream Wholesale Absolute Return						
	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%	0.00%	0.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	30/06/2014	412	(412)	(5)	5	-

Macquarie Wholesale Income Opportunities						
	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	-24.00% \$'000	24.00% \$'000
30/06/2014	18,462	(18,462)	(323)	323	(996)	996
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-23.98% \$'000	23.98% \$'000
	3,991	(3,991)	(426)	426	(358)	358

Perpetual Wholesale Diversified Income						
30/06/2014	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	0.00% \$'000	0.00% \$'000
	3,847	(3,847)	(86)	86	-	-
30/06/2013	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-24.01% \$'000	24.01% \$'000
	1,435	(1,435)	(14)	14	(441)	441

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

PIMCO Wholesale Global Bond						
	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	-22.22% \$'000	22.22% \$'000
30/06/2014	3,636	(3,636)	232	(232)	(24)	24
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	0.00% \$'000	0.00% \$'000
30/06/2013	511	(511)	491	(491)	-	-

Schroder Wholesale Credit Securities						
	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	-24.00% \$'000	24.00% \$'000
30/06/2014	4,902	(4,902)	(47)	47	(3,775)	3,775
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-24.00% \$'000	24.00% \$'000
	2,789	(2,789)	(44)	44	(5,689)	5,689

UBS Wholesale Diversified Fixed Income						
	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	0.00% \$'000	0.00% \$'000
30/06/2014	5,775	(5,775)	(696)	696	-	-
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	0.00% \$'000	0.00% \$'000
	5,784	(5,784)	(578)	578	-	-
30/06/2013						

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Acadian Wholesale Defensive Income						
	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	-2.05% \$'000	2.05% \$'000
30/06/2014	-	-	-	-	(3,778)	3,778
30/06/2013	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-2.05% \$'000	2.05% \$'000
	(2)	2	-	-	(3,364)	3,364

Colonial First State Wholesale Target Return Income						
	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	-9.19% \$'000	9.19% \$'000
	379	(379)	-	-	(28,366)	28,366
30/06/2014	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-7.81% \$'000	7.81% \$'000
	578	(578)	-	-	(27,608)	27,607

Goldman Sachs Wholesale Income Plus						
	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	-6.61% \$'000	6.61% \$'000
30/06/2014	(1)	1	-	-	(26,830)	26,830
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-6.61% \$'000	6.61% \$'000
	(6)	6	-	-	(24,177)	24,177

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

PM Capital Wholesale Enhanced Yield						
	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	-23.76% \$'000	23.76% \$'000
30/06/2014	3,569	(3,569)	(212)	212	(11,278)	11,278
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-24.00% \$'000	24.00% \$'000
30/06/2013	3,286	(3,286)	(24)	24	(5,258)	5,258

Aspect Wholesale Diversified Futures						
	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	0.00% \$'000	0.00% \$'000
30/06/2014	(1)	1	-	-	-	-
30/06/2013	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	0.00% \$'000	0.00% \$'000
	-	-	-	-	-	-

Acadian Wholesale Geared Global Equity						
	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	-22.00% \$'000	22.00% \$'000
30/06/2014	(18)	18	282	(282)	(41,819)	41,819
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-22.00% \$'000	22.00% \$'000
	(4)	4	(56)	56	(20,745)	20,745

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Wholesale Geared Global Property Securities						
	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	-22.23% \$'000	22.23% \$'000
30/06/2014	(17)	17	(48)	48	(14,013)	14,013
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-22.20% \$'000	22.20% \$'000
	(46)	46	(377)	377	(15,599)	15,599
30/06/2013						

Colonial First State Wholesale Geared Australian Share - Core						
	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	-24.00% \$'000	24.00% \$'000
30/06/2014	(101)	101	-	-	(94,369)	94,369
30/06/2013	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-23.88% \$'000	23.88% \$'000
	(62)	62	-	-	(83,232)	83,232

Colonial First State Wholesale Geared Share						
	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	-23.90% \$'000	23.90% \$'000
30/06/2014	(534)	534	-	-	(1,181,247)	1,181,247
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-23.88% \$'000	23.88% \$'000
	(539)	539	-	-	(1,008,908)	1,008,908

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

FirstChoice Wholesale Geared Global Share						
	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	-22.01% \$'000	22.01% \$'000
30/06/2014	(38)	38	(126)	126	(38,689)	38,689
	-50 basis points \$'000	50 basis points \$'000	-10.00% \$'000	10.00% \$'000	-22.00% \$'000	22.00% \$'000
30/06/2013	(17)	17	(38)	38	(33,278)	33,278

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 Investment Review Services Department of the Responsible Entity regularly monitors the credit risks that arise from holding these securities.

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a high 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 Wholesale Cash		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	3,297,084	248,395
AA+	-	-
AA	-	4,491
AA-	-	-
A+	35,385	62,431
A	-	-
A-	-	-
Others	-	-
Non rated	857,057	3,921,513
Total	4,189,526	4,236,830

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

Aberdeen Wholesale Australian Fixed Income		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	474,543	495,257
AA+	48,017	76,115
AA	-	3,435
AA-	34,706	29,121
A+	31,126	27,200
A	35,163	31,043
A-	36,199	21,148
Others	17,164	21,786
Non rated	16,902	-
Total	693,820	705,105

Colonial First State Wholesale Australian Bond		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	432,621	477,790
AA+	95,232	119,553
AA	24,280	30,151
AA-	25,508	37,930
A+	9,492	34,338
A	34,996	24,731
A-	24,140	41,226
Others	34,216	19,947
Non rated	60,544	-
Total	741,029	785,666

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

Colonial First State Wholesale Diversified Fixed Interest		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	719,837	421,844
AA+	172,195	82,099
AA	12,717	8,301
AA-	8,422	-
A+	-	-
A	-	-
A-	-	-
Others	-	-
Non rated	13,520	-
Total	926,691	512,244

Colonial First State Wholesale Global Credit Income		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	116,599	178,787
AA+	25,911	11,903
AA	35,403	77,139
AA-	82,689	124,077
A+	114,870	194,415
A	228,063	252,474
A-	473,132	618,248
Others	1,392,087	999,010
Non rated	235,115	917,539
Total	2,703,869	3,373,592

Kapstream Wholesale Absolute Return	
	30/06/2014 \$'000
Rating	
AAA	2,277
AA+	103
AA	-
AA-	3,028
A+	1,075
A	3,300
A-	3,138
Others	9,499
Non rated	502
Total	22,922

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

Macquarie Wholesale Income Opportunities		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	169,924	115,317
AA+	10,329	7,029
AA	13,485	4,977
AA-	36,348	15,662
A+	35,141	33,925
A	72,481	33,852
A-	192,813	80,765
Others	286,986	59,497
Non rated	34,586	20,768
Total	852,093	371,792

Perpetual Wholesale Diversified Income		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	75,998	41,159
AA+	-	-
AA	9,036	3,613
AA-	6,040	4,716
A+	11,952	7,007
A	11,964	8,223
A-	71,277	25,219
Others	88,559	24,005
Non rated	37,259	8,276
Total	312,085	122,218

PIMCO Wholesale Global Bond		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	15,993	3,396
AA+	22,183	13,893
AA	5,352	169
AA-	4,426	807
A+	5,614	810
A	12,168	106
A-	10,269	1,944
Others	61,301	2,246
Non rated	66,800	9,860
Total	204,106	33,231

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

Schroder Wholesale Credit Securities		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	59,014	31,196
AA+	13,185	2,226
AA	-	-
AA-	11,008	1,354
A+	6,431	5,638
A	19,606	14,038
A-	65,323	34,652
Others	88,460	65,887
Non rated	32,356	20,368
Total	295,383	175,359

UBS Wholesale Diversified Fixed Income		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	80,700	101,515
AA+	31,567	23,243
AA	278	307
AA-	10,241	8,292
A+	6,402	7,983
A	12,240	14,986
A-	14,082	18,508
Others	28,565	28,092
Non rated	20,627	16,714
Total	204,702	219,640

Colonial First State Wholesale Target Return Income		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	-	-
AA+	-	-
AA	-	-
AA-	-	-
A+	-	-
A	-	-
A-	-	-
Others	6,253	6,635
Non rated	7,432	10,277
Total	13,685	16,912

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

PM Capital Wholesale Enhanced Yield		
	30/06/2014 \$'000	30/06/2013 \$'000
Rating		
AAA	14,046	2,426
AA+	-	-
AA	-	-
AA-	-	-
A+	8,141	10,676
A	6,189	34,514
A-	22,163	19,913
Others	74,142	57,634
Non rated	132,131	51,688
Total	256,812	176,851

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

Certain Funds have entered into a credit support agreement with various counterparties which allow the Funds to pledge cash and securities as collateral to cover unrealised hedge exposures on certain derivatives. Under this agreement, the Fund can provide securities in the form of cash, listed equities or debt securities to a counterparty as collateral on terms which permit the counterparty to repledge or resell these securities to others. The counterparties have an obligation to return the securities or equivalent credit support (i.e. securities of the same type, nominal value, description and amount) to the Fund. The risks and benefits of ownership of the securities remain with these Funds and therefore the securities have not been derecognised (i.e. treated as having been sold). These assets are included as Financial Assets held for trading in the Balance Sheets.

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

Aberdeen Wholesale Australian Fixed Income		
Asset Class	Pledged Value 30/06/2014	Pledged Value 30/06/2013
	\$'000	\$'000
Cash	120	460

Macquarie Wholesale Income Opportunities		
Asset Class	Pledged Value 30/06/2014	Pledged Value 30/06/2013
	\$'000	\$'000
Cash	6,540	3,320

PIMCO Wholesale Global Bond		
Asset Class	Pledged Value 30/06/2014	Pledged Value 30/06/2013
	\$'000	\$'000
Cash	5,226	1,139

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

Colonial First State Wholesale Target Return Income		
Asset Class	Pledged Value 30/06/2014	Pledged Value 30/06/2013
	\$'000	\$'000
Listed Securities	1,442	2,181

PM Capital Wholesale Enhanced Yield		
Asset Class	Pledged Value 30/06/2014	Pledged Value 30/06/2013
	\$'000	\$'000
Cash	7,007	3,549

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 its 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 And Liabilities" 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.

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

Aberdeen Wholesale Australian Fixed Income							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	-	-	-	-	-	-	-
(Outflows)	-	(69)	(206)	(274)	(274)	(388)	(1,211)
30/06/2013							
Derivatives:							
Inflows	-	1,060	-	-	-	-	1,060
(Outflows)	-	(1,033)	-	-	-	-	(1,033)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

Colonial First State Wholesale Australian Bond							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	-	-	498	498	498	3,306	4,800
(Outflows)	-	(2,445)	(821)	(821)	(821)	(5,451)	(10,359)
30/06/2013							
Derivatives:							
Inflows	-	807	-	-	-	-	807
(Outflows)	-	(55)	-	-	-	-	(55)

Colonial First State Wholesale Diversified Fixed Interest							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	7,668	1,859	8,367	9,468	9,468	34,841	71,671
(Outflows)	(7,705)	(13,860)	(15,220)	(17,811)	(17,811)	(61,494)	(133,901)
30/06/2013							
Derivatives:							
Inflows	-	6,644	11,909	11,909	11,909	77,848	120,219
(Outflows)	-	(2,348)	(10,916)	(11,257)	(11,257)	(67,356)	(103,134)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

Colonial First State Wholesale Global Credit Income							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	728,815	377,223	266,389	568,531	417,955	1,807,824	4,166,737
(Outflows)	(735,725)	(367,253)	(259,397)	(576,388)	(427,000)	(1,856,361)	(4,222,124)
30/06/2013							
Derivatives:							
Inflows	17,307	326,842	252,489	419,605	651,155	2,575,049	4,242,447
(Outflows)	(12,391)	(311,333)	(260,374)	(392,226)	(670,675)	(2,634,298)	(4,281,297)

Kapstream Wholesale Absolute Return							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	126	8,438	-	-	-	-	8,564
(Outflows)	(125)	(8,447)	-	-	-	-	(8,572)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

Macquarie Wholesale Income Opportunities							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	61	169,538	216,904	4,369	4,023	5,798	400,693
(Outflows)	(137)	(166,279)	(211,639)	(7,016)	(6,412)	(9,287)	(400,770)
30/06/2013							
Derivatives:							
Inflows	64	4,710	26,964	4,447	4,224	8,652	49,061
(Outflows)	(137)	(5,624)	(28,486)	(5,733)	(5,312)	(10,440)	(55,732)

Perpetual Wholesale Diversified Income							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	482	720	5,146	5,694	6,442	32,070	50,554
(Outflows)	(440)	(861)	(6,181)	(6,995)	(7,713)	(34,014)	(56,204)
30/06/2013							
Derivatives:							
Inflows	56	342	1,915	1,451	2,466	10,532	16,762
(Outflows)	(133)	(273)	(2,017)	(1,555)	(2,647)	(10,094)	(16,719)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

PIMCO Wholesale Global Bond							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	544,731	305,171	14,541	855	760	6,334	872,392
(Outflows)	(540,872)	(304,632)	(14,560)	(981)	(749)	(2,968)	(864,762)
30/06/2013							
Derivatives:							
Inflows	20,340	23,727	38	44	44	151	44,344
(Outflows)	(21,226)	(24,083)	(6)	-	-	(57)	(45,372)

Schroder Wholesale Credit Securities							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	-	53,477	119	159	159	318	54,232
(Outflows)	-	(53,627)	-	-	-	-	(53,627)
30/06/2013							
Derivatives:							
Inflows	-	41,546	-	-	-	-	41,546
(Outflows)	-	(43,336)	-	-	-	-	(43,336)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

UBS Wholesale Diversified Fixed Income							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	107,575	55,185	3,045	5,647	3,896	19,670	195,018
(Outflows)	(106,849)	(55,070)	(2,919)	(4,994)	(1,818)	(9,817)	(181,467)
30/06/2013							
Derivatives:							
Inflows	117,746	59,397	825	1,100	1,100	2,311	182,479
(Outflows)	(120,301)	(59,269)	(7)	(9)	(9)	-	(179,595)

PM Capital Wholesale Enhanced Yield							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	10,747	20,767	16,320	12,952	12,175	18,515	91,476
(Outflows)	(11,169)	(20,596)	(16,891)	(13,340)	(13,263)	(19,502)	(94,761)
30/06/2013							
Derivatives:							
Inflows	122	9,350	16,375	13,229	7,992	8,891	55,959
(Outflows)	(122)	(10,141)	(17,113)	(13,920)	(8,654)	(9,972)	(59,922)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

Acadian Wholesale Geared Global Equity							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	58	-	-	-	-	-	58
(Outflows)	(59)	-	-	-	-	-	(59)
30/06/2013							
Derivatives:							
Inflows	-	-	-	-	-	-	-
(Outflows)	-	-	-	-	-	-	-

Colonial First State Wholesale Geared Global Property Securities							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	118,364	58,611	-	-	-	-	176,975
(Outflows)	(117,716)	(58,104)	-	-	-	-	(175,820)
30/06/2013							
Derivatives:							
Inflows	182,443	80,520	-	-	-	-	262,963
(Outflows)	(186,225)	(80,573)	-	-	-	-	(266,798)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

Colonial First State Wholesale Geared Australian Share - Core							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	-	2	-	-	-	-	2
(Outflows)	-	-	-	-	-	-	-
30/06/2013							
Derivatives:							
Inflows	-	10	-	-	-	-	10
(Outflows)	-	-	-	-	-	-	-

FirstChoice Wholesale Geared Global Share							
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
30/06/2014							
Derivatives:							
Inflows	64	4,801	-	-	-	-	4,865
(Outflows)	(65)	(4,809)	-	-	-	-	(4,874)
30/06/2013							
Derivatives:							
Inflows	-	-	-	-	-	-	-
(Outflows)	-	-	-	-	-	-	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

9. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair Value Estimation

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

The Funds value their investments in accordance with the accounting policies set out in under "Summary of Significant Accounting Policies" note to the financial statements. Their fair value estimations are summarised below:

- The fair value of financial instruments traded in active markets (such as publicly traded derivatives and listed securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Funds is the last bid price.
- The quoted market price used for equity securities sold short is the current asking price.
- Derivative contracts classified as held for trading are fair valued by comparing the contracted rate to the current market rate for a contract with the same remaining period to maturity.
- Investments in unlisted managed investment schemes are recorded at the redemption value per unit as reported by the Responsible Entity.
- The fair value of financial instruments that are not traded in an active market (such as over the counter derivatives and investments in unlisted securities) is determined using valuation techniques. These Funds use a variety of methods and make assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine the fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

a) 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 or to reduce volatility 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.

- Forward Currency Contracts

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

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (continued)

a) Derivative Financial Instruments (continued)

- Interest Rate Swaps

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

- Cross Currency Swaps

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

- Credit Default Swaps

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

- Warrants

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

Derivative financial instruments of Funds contained in this Financial Report at the end of the reporting period end are detailed below:

Aberdeen Wholesale Australian Fixed Income						
	Contract/ Notional	Fair Values		Contract/ Notional	Fair Values	
		Assets	Liabilities		Assets	Liabilities
		30/06/2014			30/06/2013	
	\$'000	\$'000	\$'000		\$'000	\$'000
- Forward Currency Contracts	-	-	-	1,060	51	(22)
- Credit default swaps	27,441	-	(313)	-	-	-
	27,441	-	(313)	1,060	51	(22)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (continued)

a) Derivative Financial Instruments (continued)

Colonial First State Wholesale Australian Bond						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Interest rate futures	(151,660)	-	(2,445)	(98,247)	807	(55)
- Interest rate swaps	18,300	-	(983)	-	-	-
	(133,360)	-	(3,428)	(98,247)	807	(55)

Colonial First State Wholesale Diversified Fixed Interest						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Interest rate futures	(233,583)	758	(11,270)	520,931	6,644	(2,006)
- Forward Currency Contracts	7,669	38	(76)	-	-	-
- Interest rate swaps	428,000	3,883	(9,383)	604,000	6,367	(16,192)
- Credit default swaps	400,630	8,587	(19,448)	27,312	-	(861)
	602,716	13,266	(40,177)	1,152,243	13,011	(19,059)

Colonial First State Wholesale Global Credit Income						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Interest rate futures	20,195	-	(1,062)	(61,495)	1,820	(377)
- Forward Currency Contracts	986,971	1,467	(12,294)	293,057	12,490	(555)
- Interest rate swaps	1,539,897	18,282	(31,977)	933,331	17,373	(34,886)
- Cross currency swaps	2,588,892	77,180	(172,445)	3,135,960	77,843	(328,383)
- Credit default swaps	239,869	-	(4,953)	46,426	-	(2,856)
- Others	530	-	(1)	1,599	21	(20)
	5,376,354	96,929	(222,732)	4,348,878	109,547	(367,077)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (continued)

a) Derivative Financial Instruments (continued)

Kapstream Wholesale Absolute Return			
	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000
- Interest rate futures	(8,823)	-	(61)
- Forward Currency Contracts	8,570	49	(10)
	(253)	49	(71)

Macquarie Wholesale Income Opportunities						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Interest rate futures	(399,377)	773	(954)	(10,743)	239	(654)
- Forward Currency Contracts	381,221	9,311	(1,729)	27,037	234	(1,197)
- Interest rate swaps	167,300	-	(6,701)	117,800	235	(4,642)
- Credit default swaps	67,595	161	(1,657)	69,154	765	(940)
	216,739	10,245	(11,041)	203,248	1,473	(7,433)

Perpetual Wholesale Diversified Income						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Interest rate futures	(8,391)	4	-	(1,358)	18	-
- Interest rate swaps	82,326	-	(3,422)	20,580	151	(616)
- Cross currency swaps	25,765	69	(2,598)	7,935	-	(1,303)
- Credit default swaps	-	-	-	7,101	-	(114)
	99,700	73	(6,020)	34,258	169	(2,033)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (continued)

a) Derivative Financial Instruments (continued)

PIMCO Wholesale Global Bond						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Interest rate futures	18,725	132	-	2,077	(1)	(61)
- Exchange traded options	-	-	-	-	-	-
- Forward Currency Contracts	864,157	6,835	(3,312)	44,061	458	(1,683)
- Interest rate swaps	69,229	499	(659)	742	-	(53)
- Credit default swaps	26,144	330	(195)	874	71	-
- Others	4,473	8	(4)	659	2	-
	982,728	7,804	(4,170)	48,413	530	(1,797)

Schroder Wholesale Credit Securities						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Interest rate futures	(98,988)	17	(616)	(8,264)	62	-
- Forward Currency Contracts	53,421	240	(86)	41,483	-	(1,980)
- Credit default swaps	15,892	127	-	-	-	-
- Others	287	-	-	337	-	(6)
	(29,388)	384	(702)	33,556	62	(1,986)

UBS Wholesale Diversified Fixed Income						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Interest rate futures	(97,784)	357	(611)	57,106	186	(468)
- Exchange traded options	-	-	-	-	-	-
- Forward Currency Contracts	161,040	744	(53)	176,682	54	(2,638)
- Interest rate swaps	456,485	2,533	(347)	-	-	-
- Credit default swaps	29,512	2,057	(91)	22,986	699	(21)
	549,253	5,691	(1,102)	256,774	939	(3,127)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (continued)

a) Derivative Financial Instruments (continued)

Colonial First State Wholesale Target Return Income						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Exchange traded options	(407)	66	(473)	(855)	-	(855)
	(407)	66	(473)	(855)	-	(855)

PM Capital Wholesale Enhanced Yield						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Interest rate futures	-	-	-	(681)	6	-
- Forward Currency Contracts	31,387	48	(598)	17,810	360	(1,282)
- Interest rate swaps	27,825	-	(903)	31,975	26	(1,401)
- Cross currency swaps	46,601	147	(3,142)	30,421	46	(3,095)
	105,813	195	(4,643)	79,525	438	(5,778)

Acadian Wholesale Geared Global Equity						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Forward Currency Contracts	58	1	-	-	-	-
- Others	312	-	-	-	-	-
	370	1	-	-	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (continued)

a) Derivative Financial Instruments (continued)

Colonial First State Wholesale Geared Global Property Securities						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Forward Currency Contracts	176,977	1,490	(454)	262,963	1,177	(5,157)
- Warrants	-	18	-	-	-	-
- Others	709	1	-	3,404	-	(50)
	177,686	1,509	(454)	266,367	1,177	(5,207)

Colonial First State Wholesale Geared Australian Share - Core						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Share price index futures	12,180	2	-	5,246	10	-
	12,180	2	-	5,246	10	-

FirstChoice Wholesale Geared Global Share						
	Contract/ Notional	Fair Values Assets	Liabilities	Contract/ Notional	Fair Values Assets	Liabilities
	30/06/2014 \$'000	\$'000	\$'000	30/06/2013 \$'000	\$'000	\$'000
- Interest rate futures	2,387	19	-	-	-	-
- Forward Currency Contracts	4,866	7	(22)	-	-	-
- Others	-	-	-	1,119	3	(2)
	7,253	26	(22)	1,119	3	(2)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (continued)

b) Hedge Accounting

i) Risk Management Framework

The investing activities of the Funds expose them to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Funds' overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Funds. The Funds exclusively use derivative financial instruments such as Forward Currency Contracts to hedge foreign exchange exposures, not for trading or other speculative purposes. The Funds may construct a basket of liquid currencies available within the portfolio to act as a proxy for less liquid currency exposures.

The hedging activities are carried out by Investment Manager of the Funds under policies in accordance with generally accepted accounting principles and the Constitutions of the Funds. The Risk and Compliance department of the Responsible Entity provides a risk oversight of the foreign exchange risk in close co-operation with the Investment Manager.

The administration and management of the Hedge Accounting are carried out by the Finance and Accounting department of the Responsible Entity. The Finance and Accounting department independently reviews the hedging operation and applies Hedge Accounting only when hedging operation meets the Hedge Accounting requirements pursuant to Accounting Standard AASB 139.

Certain Funds 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. Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates. The risk is measured using sensitivity analysis, see Note 9.

The Risk and Compliance department of the Responsible Entity has set up investment policy requiring certain Funds to manage their foreign exchange risk against their functional currency. Certain Funds are required to hedge their foreign exchange risk exposure arising from recognised investments using hedging instruments such as Forward Currency Contracts.

Derivatives instruments used by the Funds are detailed in Note 10 (a) above.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (continued)

b) Hedge Accounting (continued)

ii) Hedging Effectiveness

Derivatives are initially recognised at fair value on the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument. The Responsible Entity designated those derivatives as the only hedging instruments to hedge the foreign exchange fluctuation of the fair value of the recognised assets, the hedged items. For this purpose, the derivatives are forward currency contracts.

The Responsible Entity documents at the inception of the Fair Value Hedge, the relationship between hedging instruments and hedged items, as well as their financial risk management objective and strategy for undertaking Fair Value Hedge Accounting. On an ongoing basis the Responsible Entity documents their assessments, of whether the hedging instruments that are used in Fair Value Hedge have been and will continue to be highly effective in offsetting changes in the foreign exchange portion that is attributable to the fair value of the hedged items.

The Responsible Entity utilises financial models to evaluate the hedging effectiveness, both, prospectively and retrospectively. Where hedging strategy involves using proxy currency, the Responsible Entity will apply "Least Square Regression" model to assess the correlation between the proxy currency and the underlying currency.

Where derivatives are assessed to be highly effective, their changes in the fair value (unrealised gains or losses) of Forward Currency Contracts that are designated and qualified for Fair Value Hedges are recorded as changes in fair value of financial instruments held for trading in the Statements of Comprehensive Income, together with any changes in the fair value of the hedged assets that are attributable to the hedged risk - foreign exchange risk. Changes in the fair value of the disqualified hedges are recognised immediately in the foreign exchange gains or losses account of the Statements of Comprehensive Income.

iii) Disclosures for Fair Value Hedge Gains and Losses

The following summarised the actual foreign exchange gains or losses of the hedged items and hedging instruments. The fair value adjustments represent the under or over hedging in an effective hedging strategy given that AASB 139 "Financial Instruments: Recognition and Measurement" deems the hedge to be effective if the actual hedge results are within a range of 80 - 125 per cent.

As a result of the short term nature of the hedging instruments, Fair Value Hedge gains and losses represent the hedging effectiveness of the present rolling cycle of the hedging instruments, which represent the overall continuous effectiveness of the Fair Value Hedging strategy adopted by a Fund for the financial year. Therefore, prima facie, the quantum of the Fair Value Hedge gains and losses are smaller than the overall effective Fair Value Hedge gains and losses realised by a Fund.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

10. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (continued)

b) Hedge Accounting (continued)

iii) Disclosures for Fair Value Hedge Gains and Losses (continued)

Kapstream Wholesale Absolute Return		
	1/07/2013 - 30/06/2014 \$'000	
Fair value hedge gains or (losses)		
Hedged Items		
- Financial assets held for trading	(40)	
Hedging Instruments		
- Forward Currency Contracts	40	
Fair value adjustments	(0)	

Macquarie Wholesale Income Opportunities		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Fair value hedge gains or (losses)		
Hedged Items		
- Financial assets held for trading	(7,739)	-
Hedging Instruments		
- Forward Currency Contracts	7,582	-
Fair value adjustments	(156)	-

Colonial First State Wholesale Geared Global Property Securities		
	1/07/2013 - 30/06/2014 \$'000	1/07/2012 - 30/06/2013 \$'000
Fair value hedge gains or (losses)		
Hedged Items		
- Financial assets held for trading	(1,022)	3,792
Hedging Instruments		
- Forward Currency Contracts	1,037	(4,029)
Fair value adjustments	15	(237)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

11. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Certain Funds 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 is payable in settlement of all transactions.

The gross and net positions of financial assets and liabilities that have been offset in the balance sheet for the Funds are disclosed below:

Legends for the table below:

a - Gross amounts of financial assets/(liabilities)

b - Gross amounts set off in the statement of financial position

c - Net amounts of financial assets/(Liabilities) presented in the statement of financial position

d - Amounts subject to Master netting arrangements which are not currently enforceable

e - Financial Instrument collateral

f - Cash Collateral

g - Net Amount

Colonial First State Wholesale Australian Bond						
	Effects of offsetting on the Balance Sheet			Related amounts not offset on the Balance Sheet		
	a \$'000	b \$'000	c \$'000	d \$'000	e \$'000	f \$'000
30/06/2014						
Derivatives:						
- Assets	-	-	-	-	-	-
- Liabilities	(3,428)	-	(3,428)	-	-	2,445
30/06/2013						
Derivatives:						
- Assets	807	-	807	-	-	-
- Liabilities	(55)	-	(55)	-	-	55

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

11. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

Colonial First State Wholesale Diversified Fixed Interest						
	Effects of offsetting on the Balance Sheet			Related amounts not offset on the Balance Sheet		
	a \$'000	b \$'000	c \$'000	d \$'000	e \$'000	f \$'000
30/06/2014						
Derivatives:						
- Assets	13,266	-	13,266	(6,070)	-	-
- Liabilities	(40,177)	-	(40,177)	6,070	-	11,270
30/06/2013						
Derivatives:						
- Assets	13,011	-	13,011	(1,888)	-	-
- Liabilities	(19,059)	-	(19,059)	1,888	-	757

Colonial First State Wholesale Global Credit Income						
	Effects of offsetting on the Balance Sheet			Related amounts not offset on the Balance Sheet		
	a \$'000	b \$'000	c \$'000	d \$'000	e \$'000	f \$'000
30/06/2014						
Derivatives:						
- Assets	96,929	-	96,929	(81,086)	-	-
- Liabilities	(222,732)	-	(222,732)	81,086	-	9,883
30/06/2013						
Derivatives:						
- Assets	109,526	-	109,526	(90,031)	-	(728)
- Liabilities	(367,057)	-	(367,057)	90,031	-	378

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

11. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

Macquarie Wholesale Income Opportunities						
	Effects of offsetting on the Balance Sheet			Related amounts not offset on the Balance Sheet		
	a \$'000	b \$'000	c \$'000	d \$'000	e \$'000	f \$'000
30/06/2014						
Derivatives:						
- Assets	10,245	-	10,245	(1,890)	-	(773)
- Liabilities	(11,041)	-	(11,041)	1,890	-	7,494
30/06/2013						
Derivatives:						
- Assets	1,473	-	1,473	(587)	-	(21)
- Liabilities	(7,433)	-	(7,433)	587	-	3,974

Perpetual Wholesale Diversified Income						
	Effects of offsetting on the Balance Sheet			Related amounts not offset on the Balance Sheet		
	a \$'000	b \$'000	c \$'000	d \$'000	e \$'000	f \$'000
30/06/2014						
Derivatives:						
- Assets	73	-	73	-	-	-
- Liabilities	(6,020)	-	(6,020)	-	-	-
30/06/2013						
Derivatives:						
- Assets	169	-	169	-	-	(2)
- Liabilities	(2,033)	-	(2,033)	-	-	-

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

11. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

PIMCO Wholesale Global Bond							
	Effects of offsetting on the Balance Sheet			Related amounts not offest on the Balance Sheet			g \$'000
	a \$'000	b \$'000	c \$'000	d \$'000	e \$'000	f \$'000	
30/06/2014							
Derivatives:							
- Assets	7,804	-	7,804	(3,246)	-	(365)	4,193
- Liabilities	(4,170)	-	(4,170)	3,246	-	317	(606)
30/06/2013							
Derivatives:							
- Assets	530	-	530	(53)	-	-	477
- Liabilities	(1,736)	-	(1,736)	53	-	306	(1,377)

Schroder Wholesale Credit Securities							
	Effects of offsetting on the Balance Sheet			Related amounts not offest on the Balance Sheet			g \$'000
	a \$'000	b \$'000	c \$'000	d \$'000	e \$'000	f \$'000	
30/06/2014							
Derivatives:							
- Assets	384	-	384	(86)	-	(17)	281
- Liabilities	(702)	-	(702)	86	-	616	-
30/06/2013							
Derivatives:							
- Assets	62	-	62	-	-	-	62
- Liabilities	(1,986)	-	(1,986)	-	-	-	(1,986)

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

11. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

UBS Wholesale Diversified Fixed Income						
	Effects of offsetting on the Balance Sheet			Related amounts not offset on the Balance Sheet		
	a \$'000	b \$'000	c \$'000	d \$'000	e \$'000	f \$'000
30/06/2014						
Derivatives:						
- Assets	5,691	-	5,691	(479)	-	(260)
- Liabilities	(1,102)	-	(1,102)	479	-	611
30/06/2013						
Derivatives:						
- Assets	939	-	939	(64)	-	-
- Liabilities	(3,127)	-	(3,127)	64	-	468

PM Capital Wholesale Enhanced Yield						
	Effects of offsetting on the Balance Sheet			Related amounts not offset on the Balance Sheet		
	a \$'000	b \$'000	c \$'000	d \$'000	e \$'000	f \$'000
30/06/2014						
Derivatives:						
- Assets	195	-	195	-	-	-
- Liabilities	(4,643)	-	(4,643)	-	-	1,689
30/06/2013						
Derivatives:						
- Assets	438	-	438	-	-	-
- Liabilities	(5,778)	-	(5,778)	-	-	3,461

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

11. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

Colonial First State Wholesale Geared Global Property Securities						
	Effects of offsetting on the Balance Sheet			Related amounts not offset on the Balance Sheet		
	a \$'000	b \$'000	c \$'000	d \$'000	e \$'000	f \$'000
30/06/2014						
Derivatives:						
- Assets	1,509	-	1,509	(452)	-	-
- Liabilities	(454)	-	(454)	452	-	-
						1,057 (2)
30/06/2013						
Derivatives:						
- Assets	1,177	-	1,177	(1,017)	-	-
- Liabilities	(5,207)	-	(5,207)	1,017	-	-
						161 (4,190)

12. CONTINGENT LIABILITIES AND COMMITMENTS

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

13. 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 2014 or on the results and cash flows of the Funds for the reporting period ended on that date.

14. 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) and Note 5 - "Financial Assets held for Trading", Note 8 "Related Parties" 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 Note 8 "Related Parties".

Certain Funds have exposures to unconsolidated structured entities through its trading activities. These Funds typically have 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 Note (9), which includes an indication of changes in risk measures compared to prior year.

Colonial First State Wholesale Global Credit Income invests in external unit trusts. The total market value of the external unit trusts at 30 June 2014 is \$205.13m.

COLONIAL FIRST STATE - FIRSTCHOICE WHOLESALE INVESTMENT FUNDS

**DIRECTORS' DECLARATION
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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 2014 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
27 August 2014



Independent auditor's report to the members of Colonial First State - FirstChoice Wholesale Investment Funds

Report on the financial report

We have audited the accompanying financial report of Colonial First State - FirstChoice Wholesale Investment Funds (the Funds), which comprises the balance sheets as at 30 June 2014, the statements of comprehensive income, statements of changes in equity and cash flow statements for the year or period ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration. The Colonial First State - FirstChoice Wholesale Investment Funds comprise the following funds:

Colonial First State Wholesale Cash Fund
Commonwealth Fixed Interest Fund 3
Colonial First State Wholesale Australian Bond Fund
Colonial First State Wholesale Diversified Fixed Interest Fund
Colonial First State Wholesale Global Corporate Debt Fund
Commonwealth Specialist Fund 33
Commonwealth International Fixed Interest Fund 9
Commonwealth Fixed Interest Fund 21
Commonwealth International Fixed Interest Fund 10
Commonwealth Specialist Fund 5
Commonwealth International Fixed Interest Fund 3
Commonwealth Specialist Fund 19
Colonial First State Wholesale Enhanced Yield Fund
Commonwealth Fixed Interest Fund 14
Commonwealth Fixed Interest Fund 11
Colonial First State - FirstChoice Wholesale Investments - Specialist Fund 23
Commonwealth Specialist Fund 13
Commonwealth Specialist Fund 14
Colonial First State Wholesale Geared Australian Share Fund - Core
Colonial First State Wholesale Geared Share Fund
Colonial First State Wholesale Geared Global Share Fund

PricewaterhouseCoopers, ABN 52 780 433 757

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Liability limited by a scheme approved under Professional Standards Legislation.

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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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 - FirstChoice Wholesale 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 2014 and of their performance for the year or period 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 dark ink, appearing to read 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

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

CJ Cummins
Partner

Sydney
27 August 2014

COMMONWEALTH FIXED INTEREST FUND 13

(also referred to in this Financial Report as CHALLENGER WHOLESALE HIGH YIELD)

ARSN : 113 916 911

FINANCIAL REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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

COMMONWEALTH FIXED INTEREST FUND 13

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CHALLENGER WHOLESALE HIGH YIELD

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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.

The registered name of the Fund is Commonwealth Fixed Interest Fund 13 and is referred to in this Financial Report as Challenger Wholesale High Yield.

Reporting Period

The current reporting period for the financial report is from 1 July 2013 to 30 June 2014. The comparative reporting period is from 1 July 2012 to 30 June 2013.

Date of Constitution and Date of Registration of the Fund

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

Date of Constitution	30/06/2005
Date of Registration	4/05/2005

Termination of the Fund

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.

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.

The Responsible Entity will cancel the units held by the unitholders in accordance with the provisions of the Constitution of the Fund.

As at 30 June 2014 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 Information Memorandum 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.

CHALLENGER WHOLESALE HIGH YIELD

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

Review of Operations

Income

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

	Period ended 30/06/2014 \$	Period ended 30/06/2013 \$
Operating profit/(loss) attributable to unitholders	465,402	324,784

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
Michael Venter	Appointed on 4 July 2011.
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.
Annabel Spring	Resigned on 11 April 2014.
Peter Taylor *	Resigned on 11 April 2014.

* Alternate director for Annabel Spring.

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.

CHALLENGER WHOLESALE HIGH YIELD

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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

On 1 July 2014 the Commonwealth Fixed Interest Fund 13 fully disposed of all its investments held as at 30 June 2014 to an external party and Capital 121 (related party) at market value (\$299,320.40 and \$783.60 respectively) as determined by independent valuation experts.

No other matters or circumstances have arisen since 30 June 2014 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 has paid insurance premiums for the benefit of the officers of the Responsible Entity and the Compliance Committee members. Details of the nature of the liabilities covered or the amount of the premium paid have not been included as such disclosure is prohibited under the terms of the insurance contracts.

Likely Developments and Expected Results of Operations

The Fund 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.

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.

CHALLENGER WHOLESALE HIGH YIELD

DIRECTORS' REPORT FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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, flowing script.

Linda Elkins
Director
Sydney
27 August 2014



Auditor's Independence Declaration

As lead auditor for the audit of Commonwealth Fixed Interest Fund 13 for the year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Commonwealth Fixed Interest Fund 13 during the year.

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

CJ Cummins
Partner
PricewaterhouseCoopers

Sydney
27 August 2014

CHALLENGER WHOLESALE HIGH YIELD

STATEMENT OF COMPREHENSIVE INCOME FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

	Note	1/07/2013 - 30/06/2014	1/07/2012 - 30/06/2013
Investment Income		\$	\$
Interest income	3	101,470	175,517
Changes in fair value of financial instruments held for trading		344,422	171,960
Other income		17,812	-
Net foreign exchange gain/(loss)		17,449	3,204
Total investment Income/(loss)		481,153	350,681
Expenses			
Responsible Entity's management fees	8(c)	15,655	25,741
Custody fees	8(d)	30	70
Other expenses		66	86
Total operating expenses		15,751	25,897
Operating profit/(loss) attributable to unitholders		465,402	324,784
Distributions to unitholders	4	-	-
Change in net assets attributable to unitholders from operations	6(a)	(465,402)	(324,784)
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.

CHALLENGER WHOLESALE HIGH YIELD

BALANCE SHEET AS AT 30 JUNE 2014

	Note	30/06/2014 \$	30/06/2013 \$
Assets			
Cash and cash equivalents		1,558,247	88,813
Trade and other receivables:			
- interests		2,958	115
- others		1,678	2,064
Financial assets held for trading	5	300,104	1,289,373
Others		-	-
Total assets		1,862,987	1,380,365
Liabilities			
Responsible Entity - fee	8(c)	18,451	1,231
Total liabilities (excluding net assets attributable to unitholders)		18,451	1,231
Net assets attributable to unitholders - liability		1,844,536	1,379,134

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

CHALLENGER WHOLESALE HIGH YIELD

STATEMENT OF CHANGES IN EQUITY FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 accompany notes.

CHALLENGER WHOLESALE HIGH YIELD

CASH FLOW STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

	Note	1/07/2013 - 30/06/2014 \$	1/07/2012 - 30/06/2013 \$
Cash flows from operating activities			
Proceeds from sale of financial instruments held for trading		1,341,668	1,269,386
Payments for purchase of financial instruments held for trading		(1)	(18,924)
Interest received		111,173	179,108
Responsible Entity fee received/ (paid)		1,951	(24,367)
Others		17,716	(683)
Net cash (used in)/from operating activities	7(a)	1,472,507	1,404,520
Cash flows from financing activities			
Payment for redemption of units		-	(1,779,501)
Net cash (used in)/from financing activities		-	(1,779,501)
Net movement in cash and cash equivalents		1,472,507	(374,981)
Effects of exchange rate changes		(3,073)	3,073
Add opening cash and cash equivalents brought forward		88,813	460,721
Closing cash and cash equivalents carried forward		1,558,247	88,813

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

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

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 2014 the termination process is in progress.

The financial information presented in this financial report for the year ended 30 June 2014 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 2013 to 30 June 2014. The comparative reporting period is from 1 July 2012 to 30 June 2013.

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 25 August 2014. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Non-going concern basis of preparation (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

The Fund had to change some of its accounting policies as the result of new and revised accounting standards which became effective for the annual reporting period commencing on 1 July 2013. The affected policies are:

- Principles of consolidation – AASB 10 "Consolidated Financial Statements"
- Determining fair value – AASB 13 "Fair Value Measurement"
- Offsetting arrangements - AASB 2012-2 Amendments to Australian Accounting Standards Disclosures Offsetting Financial Assets and Financial Liabilities
- Structured entities - AASB 12 "Disclosure of Interests in Other Entities"

The Fund has also early adopted amendments made to AASB 10 and AASB 127 (revised 2011) "Separate Financial Statements" by AASB 2013-5 "Amendments to Australian Accounting Standards – Investment Entities".

Changes in Accounting policy: Investments in controlled entities

The objective of AASB 10 is to establish principles for the preparation and presentation of consolidated financial statements. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. The Fund has reviewed its investments in other entities to assess whether the conclusion as to whether the Fund controls an investee or not is different under AASB 10. No differences were identified.

The amendments made by AASB 2013-5 introduce an exception from consolidation requirements for investment entities. The amendments to AASB 10 require controlled investments, excluding entities which provide services to the investment entity, to be accounted for at fair value through profit or loss, rather than being consolidated.

On adoption of the amendments, the Fund has determined that it meets the definition of an investment entity (see "Investment Entity" note below). The Fund does not control any entities providing services to the investment entity. It has therefore changed its accounting policy with respect to its controlled investments. The investees, which were previously consolidated, are now accounted for at fair value through profit or loss.

This change in accounting policy has been applied retrospectively in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors as required by the transitional provisions of AASB 10 and the amendments to AASB 10.

The amendments to AASB 127 outline that consolidated financial statements are no longer required to be prepared, where the Fund measures all of its controlled entities at fair value through profit or loss, as is the case with the Fund. Going forward only separate financial statements are required.

The Fund continues to measure its investments in controlled entities at fair value through profit or loss in accordance with AASB 139, in its separate financial statements. As the separate financial statements have been previously disclosed, no further information is presented on the impact of the above change, as the separate financial statements show the financial position of the Fund as required by the investment entities exception.

As at the end of the reporting period the Fund did not have any investments in controlled entities.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Non-going concern basis of preparation (continued)

(ii) New and Amended Standards adopted by the Fund (continued)

Changes in Accounting Policy - Fair value measurement

AASB 13 Fair Value Measurement aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards. The standard does not extend the use of fair value accounting but provides guidance on how it should be applied where its use is already required or permitted by other Australian Accounting Standards.

Previously the fair value of financial liabilities (including derivatives) was measured on the basis that the financial liability would be settled or extinguished with the counterparty. The adoption of AASB 13 has clarified that fair value is an exit price notion, and as such, the fair value of financial liabilities should be determined based on a transfer value to a third party market participant. As a result of this change, the fair value of derivative liabilities has changed on transition to AASB 13, largely due to incorporating credit risk into the valuation.

As at the end of the reporting period there were no adjustments required to be made as a result of this new Accounting Standard.

Changes in Accounting Policy - Offsetting arrangements

AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities requires additional disclosures to enable users of financial statements to evaluate the effect or the potential effects of arrangements, including rights of set-off associated with an entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The amendments did not have any impact on the Fund's financial position or performance, however, has resulted in additional disclosure in the notes to the financial statements.

Changes in Accounting Policy - Structured entities

AASB 12 sets out disclosures for interest in entities that are subsidiaries, associates, joint arrangement and structured entities. Adoption of AASB 12 has resulted in additional disclosures of structured entities as provided in "Structured Entities" notes to the financial statements.

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 2013 that would be expected to have a material impact on the Fund.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(i) Classification

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

(ii) Recognition/Derecognition

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

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

(iii) Measurement

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

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

For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantively the same or is calculated based on the expected cash flows of the underlying net asset base of the investment.

Gains or losses on investments held for trading are recognised in the Statements of Comprehensive Income.

Investments of the Funds which are considered to be held for trading are equity securities, fixed interest and money market securities, derivatives and investments in Managed Investment Schemes.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 are recognised. This includes both realised and unrealised gains and losses.

(d) Cash and Cash Equivalents

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

(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.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Distributions to Unitholders

In accordance with the Fund's Constitution, the Fund fully distribute its distributable income to unitholders. Distributions are payable at the end of each distributing periods. 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 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 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.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Expense Recognition

Expenses are recognised in the Statements 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 Statements of Comprehensive Income if expenditure does not produce future economic benefits that qualify for recognition in the Balance Sheets.

(n) Use of Estimates

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

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

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 Fund has determined that it is an investment entity under the definition in AASB 10 as they meet the following criteria:

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

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

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 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 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 2014 reporting periods and have not been early adopted by the Fund. The director's assessment of the impact of these new standards (to the extent relevant to the fund) and interpretations is set out below:

- AASB 9 Financial Instruments (2009 or 2010 version), AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010), AASB 2012-6 Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures and AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments (effective from 1 January 2017).

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting. The standard is not applicable until 1 January 2017 but is available for early adoption.

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

The derecognition rules have not been changed from the previous requirements, and the Fund does not apply hedge accounting.

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

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

2. AUDITOR'S REMUNERATION

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 not paid by the Fund.

3. INTEREST INCOME

The interest income of the Fund are summarised as follows:

	1/07/2013 - 30/06/2014 \$	1/07/2012 - 30/06/2013 \$
Cash and cash equivalents	21,992	27,917
Debt securities	79,478	147,600
Total Interest Income	101,470	175,517

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.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 their investments in accordance 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 regularly agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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.

(c) Recognised Fair Value Measurements

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

30/06/2014	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading:				
Debt Securities	300,104	-	-	300,104
Total Assets Held for Trading	300,104	-	-	300,104
30/06/2013	Total \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial Assets Held for Trading:				
Shares in Unlisted Company	24,978	-	-	24,978
Debt Securities	1,264,395	-	-	1,264,395
Total Assets Held for Trading	1,289,373	-	-	1,289,373

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

5. FINANCIAL ASSETS HELD FOR TRADING (continued)

(d) Transfers between Levels

There were no material transfers between Levels for other investments by the Funds during the current and previous reporting periods.

(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:

	1/07/2013 - 30/06/2014 \$	1/07/2012 - 30/06/2013 \$
Opening balance	1,289,373	2,367,121
Gains and losses recognised in profit or loss	(915,736)	50,133
Purchases	-	18,924
Sales	(73,533)	(1,146,805)
Closing balance	300,104	1,289,373

(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 NAV from a change in expected liquidation proceeds of 10%
30/06/2014			
Debt Securities	300,104	Expected liquidation proceeds	1.63%

(ii) Valuation process

Debt securities classified as Level 3 investments are valued based on the expected return from the liquidation or successful sale of the issuer company. The expected return provided by liquidators can differ from the final return that will ultimately be realised. This is due to uncertainty in relation to a number of factors such as the value that will be realised from the sale of company assets, the total number of claims against the company, the outcome of legal disputes and liquidator fees.

Level 3 investments held by the Fund have been valued using highly judgemental assumptions relating to the credit risks associated with the issuers or debt holders of the securities, the quality of any underlying collateral and expected returns from liquidation. Due to the subjectivity involved in these valuations, any changes to these assumptions could significantly impact the net asset value of the Fund. The fair value of these investments may therefore not necessarily reflect the actual future cash flows from the assets if sold.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 22 October 2008, the number of units cancelled were 29,637,409. 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 immediate prior to termination.

(a) Movements in Net Assets Attributable to Unitholders:

	1/07/2013 - 30/06/2014 \$	1/07/2012 - 30/06/2013 \$
Opening balance	1,379,134	2,833,851
Applications	-	-
Repayment of capital	-	(1,779,501)
Units issued upon reinvestment of distributions	-	-
Units cancelled on termination	-	-
Change in net assets attributable to unitholders from operations	465,402	324,784
Closing Balance	1,844,536	1,379,134

(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 2014, 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.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

7. CASH AND CASH EQUIVALENTS

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

	1/07/2013 - 30/06/2014 \$	1/07/2012 - 30/06/2013 \$
Net profit/(loss) attributable to unitholders	465,402	324,784
Proceeds from sale of financial instruments held for trading	1,341,668	1,269,386
Payments for purchase of financial instruments held for trading	(1)	(18,924)
Changes in fair value of financial instruments held for trading	(344,422)	(171,960)
Distribution or Dividend income reinvested	-	-
Net foreign exchange gain/(loss)	(17,449)	(3,204)
Change in receivables and other assets	10,089	5,612
Change in payables and other liabilities	17,220	(1,174)
Net Cash From/(Used In) Operating Activities	1,472,507	1,404,520

(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 Asset 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.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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
Michael Venter	Appointed on 4 July 2011.
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.
Annabel Spring	Resigned on 11 April 2014.
Peter Taylor *	Resigned on 11 April 2014.

* Alternate director for Annabel Spring.

(ii) Compensation of Key Management Personnel

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

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

(c) Responsible Entity's Management Fees

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

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

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

	1/07/2013 - 30/06/2014 %	1/07/2012 - 30/06/2013 %
Management fees rate for the reporting periods	0.95	0.95

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

8. RELATED PARTIES DISCLOSURES (continued)

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

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

	1/07/2013 - 30/06/2014 \$	1/07/2012 - 30/06/2013 \$
Management fees charged/(refunded) for the reporting periods	15,655	25,741

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

	1/07/2013 - 30/06/2014 \$	1/07/2012 - 30/06/2013 \$
Fees due to/(refund from) the Responsible Entity as at the end of the reporting periods	18,451	1,231

(d) Management Expenses Recharged

The Responsible Entity is responsible for paying the custody fees on behalf of the Fund. The amount paid is based on the overall arrangement in place with the custodian. The Responsible Entity may recharge the custody fees to the Fund. However there were no such fees charged to the Fund for the current and previous reporting periods.

The Responsible Entity is also responsible for paying certain expenses (such as audit fees, printing and postage etc) for the Fund. The amount recharged is based on the lower of the expenses paid or 0.02% of the net assets value of the Fund, 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 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.

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

Name of Fund:	30/06/2014 Number of Units No.'000	30/06/2013 Number of Units No.'000
Units in the Fund held by Colonial First State Investments Limited and its associates	1,798,390	1,798,390

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

(g) Related Party Transactions

The Fund may transact between the Fund and other registered Funds, which are also managed by the Responsible Entity. These transactions are normally consist of the sale of units in the Fund to related Managed Investment Schemes or purchases of units in related Managed Investment Schemes, and receipt and payment of distributions on normal commercial terms and conditions.

The amounts outstanding payable or receivable at period end represent the value of the units (financial liability of the Fund) issued or held and any amount of interest expense payable or receivable.

On 1 July 2014 the Commonwealth Fixed Interest Fund 13 fully disposed of all its investments held as at 30 June 2014 to Capital 121 at market value \$300,104 as determined by independent valuation experts.

(i) Terms and Conditions of Transactions with Related Parties

All related party transactions are made in arms 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.

(h) Investing Activities

(i) Related Managed Investment Schemes

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

(ii) Related Listed Securities

The Fund did not invest in any related listed securities.

(iii) Other related Financial Instruments

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

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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.

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 are 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 a Fund's net assets attributable to unitholders at the end of the reporting periods. The analysis is based on the assumptions that the relevant indexes increased or decreased as tabled with all other variables held constant and that the fair value of the Fund which has indirect exposures to equity securities and derivatives moved according to the historical correlation with the indexes. Any Fund which invests in various asset classes, such as a multi-sector Fund, will have a weighted average movement calculated based on the proportion of its investments in those classes.

(ii) Foreign Exchange Risk

A Fund 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 will fluctuate due to changes in exchange rates. The risk is measured using sensitivity analysis.

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

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

					Others
30/06/2014	AUD \$	AUD \$	AUD \$	AUD \$	AUD \$
Cash and cash equivalents	-	-	-	-	-
Receivables	-	-	-	-	-
Financial assets held for trading	-	-	-	-	-
Derivatives	-	-	-	-	-
Mortgages	-	-	-	-	-
Payables	-	-	-	-	-
Bank overdraft	-	-	-	-	-
Financial liabilities held for trading	-	-	-	-	-
- Securities - Short Sell	-	-	-	-	-
- Derivatives	-	-	-	-	-
	-	-	-	-	-
Net increase/decrease in exposure from:					
- foreign currency contract	-	-	-	-	-
- cross currency swap	-	-	-	-	-
	-	-	-	-	-
	New Zealand Dollar	European Euro			Others
30/06/2013	AUD \$	AUD \$	AUD \$	AUD \$	AUD \$
Cash and cash equivalents	56,251	3	-	-	1
Receivables	-	-	-	-	-
Financial assets held for trading	670,593	-	-	-	-
Derivatives	-	-	-	-	-
Mortgages	-	-	-	-	-
Payables	-	-	-	-	-
Bank overdraft	-	-	-	-	-
Financial liabilities held for trading	-	-	-	-	-
- Securities - Short Sell	-	-	-	-	-
- Derivatives	-	-	-	-	-
	726,844	3	-	-	1
Net increase/decrease in exposure from:					
- foreign currency contract	-	-	-	-	-
- cross currency swap	-	-	-	-	-
	726,844	3	-	-	1

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

The table in part (b) under "Summarised Sensitivity Analysis" of the "Financial Risk Management" note to the financial statements, summarises the sensitivities of the Fund's 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 Fund is exposed.

(iii) Interest Rate Risk

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

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

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk (continued)

	Floating interest rate \$	Fixed interest rate \$	Non-interest bearing \$	Total \$
30/06/2014				
Financial assets				
Cash and cash equivalents	1,558,247	-	-	1,558,247
Receivables	-	-	4,636	4,636
Financial assets held for trading	119,000	181,104	-	300,104
Derivatives	-	-	-	-
Mortgages	-	-	-	-
Financial liabilities				
Payables	-	-	(18,451)	(18,451)
Bank overdraft	-	-	-	-
Loans	-	-	-	-
Financial liabilities held for trading				
- Securities - Short Sell	-	-	-	-
- Derivatives	-	-	-	-
	1,677,247	181,104	(13,815)	1,844,536
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	-	-	-	-
Net exposure	1,677,247	181,104	(13,815)	1,844,536
30/06/2013				
Financial assets				
Cash and cash equivalents	88,813	-	-	88,813
Receivables	-	-	2,179	2,179
Financial assets held for trading	112,000	1,152,395	24,978	1,289,373
Derivatives	-	-	-	-
Mortgages	-	-	-	-
Financial liabilities				
Payables	-	-	(1,231)	(1,231)
Bank overdraft	-	-	-	-
Loans	-	-	-	-
Financial liabilities held for trading				
- Securities - Short Sell	-	-	-	-
- Derivatives	-	-	-	-
	200,813	1,152,395	25,926	1,379,134
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	-	-	-	-
Net exposure	200,813	1,152,395	25,926	1,379,134

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

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

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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					
30/06/2014	-50 basis points \$	50 basis points \$	-10.00% \$	10.00% \$	0.00% \$	0.00% \$
	(1,866)	1,866	-	-	-	-
30/06/2013	-50 basis points \$	50 basis points \$	-10.00% \$	10.00% \$	-24.00% \$	24.00% \$
	(3,039)	3,039	(5,232)	5,232	(6,419)	6,419

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

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

The Fund invests 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 Investment Review Services Department of the Responsible Entity regularly monitors the credit risks that arise from holding these securities.

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a high credit rating.

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

	30/06/2014	30/06/2013
	\$	\$
Rating		
AAA	-	44,122
AA+	-	-
AA	-	-
AA-	-	319,543
A+	-	-
A	-	-
A-	-	-
Others	-	670,593
Non rated	300,104	230,137
Total	300,104	1,264,395

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

9. FINANCIAL RISK MANAGEMENT (continued)

(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.

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

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

(e) Fair Value Estimation

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

The Fund values their investments in accordance with the accounting policies set out in under "Summary of Significant Accounting Policies" note to the financial statements. Their fair value estimations are summarised below:

- The fair value of financial instruments traded in active markets (such as publicly traded derivatives and listed securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Fund is the last bid price.
- The quoted market price used for equity securities sold short is the current asking price.
- Derivative contracts classified as held for trading are fair valued by comparing the contracted rate to the current market rate for a contract with the same remaining period to maturity.
- Investments in unlisted managed investment schemes are recorded at the redemption value per unit as reported by the Responsible Entity.
- The fair value of financial instruments that are not traded in an active market (such as over the counter derivatives and investments in unlisted securities) is determined using valuation techniques. The Fund uses a variety of methods and make assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine the fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

CHALLENGER WHOLESALE HIGH YIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2014

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 is payable in settlement of all transactions.

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

12. CONTINGENT LIABILITIES AND COMMITMENTS

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

13. EVENTS AFTER BALANCE SHEET DATE

On 1 July 2014 the Commonwealth Fixed Interest Fund 13 fully disposed of all its investments held as at 30 June 2014 to an external party and Capital 121 (related party) at market value (\$299,320.40 and \$783.60 respectively) as determined by independent valuation experts.

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 2014 or on the results and cash flows of the Fund for the reporting period ended on that date.

14. 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) and Note 5 - "Financial Assets held for Trading", Note 8 "Related Parties" 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 Note 8 "Related Parties".

The Fund has exposures to unconsolidated structured entities through its 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 Note (9), which includes an indication of changes in risk measures compared to prior year.

CHALLENGER WHOLESALE HIGH YIELD

**DIRECTORS' DECLARATION
FOR THE REPORTING PERIOD ENDED 30 JUNE 2014**

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 2014 and of its performances 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
27 August 2014



Independent auditor's report to the members of Commonwealth Fixed Interest Fund 13

Report on the financial report

We have audited the accompanying financial report of Commonwealth Fixed Interest Fund 13 (the Fund), which comprises the balance sheet as at 30 June 2014, 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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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Liability limited by a scheme approved under Professional Standards Legislation.



Auditor's opinion

In our opinion:

- (a) the financial report of Commonwealth Fixed Interest Fund 13 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 2014 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 statements, it is management's intention to wind up the fund. As a result, the financial statements have been prepared on a liquidation basis and not on a going concern basis.

A handwritten signature in cursive script, likely belonging to a representative of PricewaterhouseCoopers.

PricewaterhouseCoopers

A handwritten signature in cursive script, likely belonging to CJ Cummins.

CJ Cummins
Partner

Sydney
27 August 2014

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Enquiries

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