



Wilson HTM

Cash  
Management  
Trust

Financial Report 2010



Wilson HTM  
WHTM CAPITAL MANAGEMENT LIMITED



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# 1.0 Directors' Report

In accordance with the Corporations Act 2001, the Directors of WHTM Capital Management Limited ('WHTM'), the Responsible Entity of the Wilson HTM Cash Management Trust ('the Trust'), submit their report for the Trust for the year ended 30 June 2010.

## The Manager

WHTM has acted in the capacity of Manager of the Trust for the year ended 30 June 2010. Bendigo and Adelaide Bank Limited ('Bendigo and Adelaide Bank') is the Custodian and Service Provider and as such has prepared these accounts.

## Directors

The names of the directors of WHTM Capital Management Limited during the period and until the date of this report (unless otherwise stated) are:

Garry Lowrey (Resigned 15 March 2010)

Neal McCulloch (Resigned 30 April 2010)

Arthur Sweeney

Ian Harrison (Appointed 15 March 2010)

Karen Penrose (Appointed 30 April 2010)

## Principal Activities

The principal activity of the Trust is the pooling of investors' funds and the investment of these funds. There has been no significant change in the nature of this activity during the year.

## Trust Information

Wilson HTM Cash Management Trust is an Australian registered Trust. WHTM Capital Management Limited, the Responsible Entity of the Trust, is incorporated and domiciled in Australia.

The registered office of the Responsible Entity is located at Level 38, 71 Eagle Street, Brisbane, Qld, 4000.

## Review of Operations

The Trust maintained its entire investment as cash deposits with Bendigo and Adelaide Bank and the Commonwealth Bank of Australia. The revenue earned by the Trust is derived solely as interest from the deposits with Bendigo and Adelaide Bank and Commonwealth Bank of Australia.

## Results

The performance of the Trust for the year ended 30 June 2010, as represented by the results of its operations, was as follows:

|  |                    |
|--|--------------------|
| <b>Total Interest Income:</b>                          | <b>\$3,347,455</b> |
| <b>Finance Costs-<br/>Distribution to unitholders:</b> | <b>\$2,586,303</b> |

The total value of assets held by the Wilson HTM Cash Management Trust as at 30 June 2010 was \$92,230,724 (June 2009: \$86,777,987). Management fees paid to WHTM during the financial year were \$517,273 (June 2009: \$637,018).

The number of units issued during the year ended 30 June 2010 was 874,283,687 (June 2009: 745,268,013) with an additional 2,462,050 (June 2009: 4,873,627) units issued as a result of unitholders reinvestment from distributions made. The number of units redeemed during the year ended 30 June 2010 was 871,394,966 (June 2009: 787,918,375). The total number of units issued as at 30 June 2010 was 91,867,434 (June 2009: 86,541,487).

## Distributions

A distribution to ordinary unitholders of \$2,586,303 (June 2009: \$4,429,347) was made during the year.

## Significant Changes in the State of Affairs

On 30 April 2010, the directors of the responsible entity resolved to wind up the trust. There were no significant changes in the state of affairs of the Trust during the year, not otherwise disclosed in this report or the financial statements.

## Significant Events after Balance Date

No other matter or circumstance has arisen since 30 June 2010, not otherwise dealt with in this report or the financial statements that has significantly affected or may significantly affect:

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

## Likely Developments

In the opinion of the Directors, disclosure of any further information on likely developments would be prejudicial to the Trust.

## Environmental Issues

The operations of the Trust are not subject to 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 Trust.

## Insurance and indemnification for officers or auditors

### Indemnification

Since the end of the previous financial year, the Trust has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer of the Responsible Entity or an auditor of the Trust. So long as the officers of both the Manager and the Custodian act in accordance with the Constitution/Trust Deed and the Law, both parties remain fully indemnified out of the assets of the Trust against any losses incurred while acting on behalf of the Trust.

### Insurance Premiums

During the financial year an associate of the Responsible Entity has paid premiums in respect of its directors and officers for liability and legal expenses on insurance contracts for the financial year ended 30 June 2010. This entity has paid or agreed to pay in respect of the Trust, premiums in respect of such insurance contracts for the financial year ending 30 June 2010. Such insurance contracts insure against certain liability (subject to specified exclusions) for persons who are or have been directors of the Responsible Entity or executive officers of the Responsible Entity and this entity.

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 contracts.

## Auditor's Independence Declaration

The audit of this financial report is in accordance with the declaration "Auditor's Independence Declaration to the Directors of WHTM Capital Management Limited as Responsible Entity for the Wilson HTM Cash Management Trust" on page 6.

This report has been made in accordance with the resolution of directors.



Mr A. Sweeney

Director  
WHTM Capital Management Limited

Brisbane, 16 September 2010

## Independent auditor's report to the unitholders of Wilson HTM Cash Management Trust

We have audited the accompanying financial report of Wilson HTM Cash Management Trust (the Trust), which comprises the balance sheet as at 30 June 2010, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders 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 the Responsible Entity are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### *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. These Auditing 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 our 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, we consider internal controls relevant to the Trust'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 Trust's internal controls. 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 met the independence requirements of the *Corporations Act 2001*. We have given to the directors of the Responsible Entity a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

## Auditor's Independence Declaration to the unitholders of Wilson HTM Cash Management Trust

In relation to our audit of the financial report of Wilson HTM Cash Management Trust for the financial year ended 30 June 2010, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'Mark Phelps'.

Mark Phelps  
Partner  
Adelaide  
17 September 2010

### **Auditor's Opinion**

In our opinion:

1. the financial report of Wilson HTM Cash Management Trust is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the financial position of Wilson HTM Cash Management Trust at 30 June 2010 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*.
  
2. the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'Mark Phelps'.

Mark Phelps  
Partner  
Adelaide  
17 September 2010

# 5.0 Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2010

|   | Note | 30-Jun-10<br>\$ | 30-Jun-09<br>\$ |
|---|------|-----------------|-----------------|
| <b>INCOME</b>   |      |                 |                 |
| Interest Income   | 3(a) | 3,347,455       | 5,362,116       |
| <b>EXPENSE</b>  |      |                 |                 |
| Administration Fee                                      |      | 226,943         | 275,213         |
| Custodian Fees  |      | 16,936          | 20,538          |
| Responsible Entity/Manager's Remuneration               |      | 517,273         | 637,018         |
| Net Profit available to Unitholders                     |      | 2,586,303       | 4,429,347       |
| <b>FINANCE COSTS - DISTRIBUTION TO UNITHOLDERS</b>      | 3(c) | 2,586,303       | 4,429,347       |
| <b>CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b> |      | -               | -               |

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

## 6.0 Statement of Financial Position

AS AT 30 JUNE 2010

|   | Note | 30-Jun-10<br>\$   | 30-Jun-09<br>\$   |
|---|------|-------------------|-------------------|
| <b>ASSETS</b>   |      |                   |                   |
| Cash and Cash Equivalents   | 4    | 91,867,434        | 86,541,487        |
| Trade and Other Receivables   | 5    | 363,290           | 236,500           |
| <b>TOTAL ASSETS</b>   |      | <b>92,230,724</b> | <b>86,777,987</b> |
| <b>LIABILITIES</b>  |      |                   |                   |
| Trade and Other Payables  | 6    | 363,290           | 236,500           |
| <b>TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b> |      | <b>363,290</b>    | <b>236,500</b>    |
| <b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>                             | 7    | <b>91,867,434</b> | <b>86,541,487</b> |
| <b>REPRESENTED BY:</b>  |      |                   |                   |
| <b>Unitholder Funds</b>   |      | <b>91,867,434</b> | <b>86,541,487</b> |
| <b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>                             |      | <b>91,867,434</b> | <b>86,541,487</b> |

The above statement of financial position should be read in conjunction with the accompanying notes.

## 7.0 Statement of Changes in Net Assets Attributable to Unitholders

FOR THE YEAR ENDED 30 JUNE 2010

|  | 30-Jun-10<br>\$   | 30-Jun-09<br>\$    |
|--|-------------------|--------------------|
| <b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE YEAR</b> | <b>86,541,487</b> | <b>124,318,222</b> |
| New units issued during the year   | 874,283,687       | 745,268,013        |
| Distributions reinvested   | 2,462,050         | 4,873,627          |
| Units redeemed (withdrawals and fees)                                      | (871,419,790)     | (787,918,375)      |
| Net Profit available to Unitholders  | 2,586,303         | 4,429,347          |
| Distribution to Unitholders  | (2,586,303)       | (4,429,347)        |
| <b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE YEAR</b>       | <b>91,867,434</b> | <b>86,541,487</b>  |

The above statement of changes in net assets attributable to unitholders should be read in conjunction with the accompanying notes.

# 8.0 Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2010

|  | Note | 30-Jun-10<br>\$   | 30-Jun-09<br>\$     |
|--|------|-------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                  |      |                   |                     |
| Interest received  |      | 3,221,317         | 5,823,344           |
| Fees paid to Manager/Responsible Entity and Trustee/Custodian                |      | (759,267)         | (949,717)           |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>                              | 4(b) | <b>2,462,050</b>  | <b>4,873,627</b>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                  |      |                   |                     |
| Applications for units   |      | 874,283,687       | 745,268,013         |
| Redemption of units (withdrawals)  |      | (871,394,965)     | (787,816,337)       |
| Redemption of units (fees)   |      | (24,825)          | (102,038)           |
| <b>NET CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES</b>             |      | <b>2,863,897</b>  | <b>(42,650,362)</b> |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>                  |      | <b>5,325,947</b>  | <b>(37,776,735)</b> |
| <b>CASH AND CASH EQUIVALENTS HELD AT THE BEGINNING OF THE FINANCIAL YEAR</b> |      | <b>86,541,487</b> | <b>124,318,222</b>  |
| <b>CASH AND CASH EQUIVALENTS HELD AT THE END OF THE FINANCIAL YEAR</b>       |      | <b>91,867,434</b> | <b>86,541,487</b>   |

The above statement of cash flows should be read in conjunction with the accompanying notes.

# 9.0 Notes to the Financial Statements

## NOTE 1 Corporate Information

The financial report of Wilson HTM Cash Management Trust for the year ended 30 June 2010 was authorised for issue in accordance with a resolution of the directors of the Responsible Entity on 16 September 2010.

Wilson HTM Cash Management Trust is an Australian registered Trust, constituted on 31 January 2003. WHTM Capital Management Limited the Responsible Entity of the Trust, is incorporated and domiciled in Australia. The registered office of the Responsible Entity is located at Level 38, 71 Eagle Street, Brisbane, Qld, 4000.

## NOTE 2 Summary of Significant Accounting Policies

### (a) Basis of accounting

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

The financial report has been prepared on a historical cost basis. The balance sheet is presented on a liquidity basis. The financial report is presented in Australian dollars.

### (b) Statement of compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Boards.

### (c) Application of Accounting Standards

The Australian Accounting Standards and Interpretations that recently have been issued or amended but are not yet effective and have not been adopted for the reporting year ended 30 June 2010:

| Reference   | Title  | Summary   | Application date of standard* | Impact on Trust Financial report   | Application date for Trust* |
|-------------|--|---|-------------------------------|--|-----------------------------|
| AASB 2009-5 | Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project<br>[AASB 5, 8, 101, 107, 117, 118, 136 & 139] | The amendments to some Standards result in accounting changes for presentation, recognition or measurement purposes, while some amendments that relate to terminology and editorial changes are expected to have no or minimal effect on accounting except for the following: | 1-Jan-2010                    | The Trust has not yet determined the extent of the impact of the amendments, if any. | 1-Jul-2010                  |

NOTE 2 Summary of Significant Accounting Policies (Cont)

| Reference           | Title | Summary  | Application date of standard* | Impact on Trust Financial report   | Application date for Trust* |
|---------------------|-------|--|-------------------------------|--|-----------------------------|
| AASB 2009-5 (con't) |       | <p>The amendment to AASB 117 removes the specific guidance on classifying land as a lease so that only the general guidance remains. Assessing land leases based on the general criteria may result in more land leases being classified as finance leases and if so, the type of asset which is to be recorded (intangible vs. property, plant and equipment) needs to be determined.</p> <p>The amendment to AASB 101 stipulates that the terms of a liability that could result, at anytime, in its settlement by the issuance of equity instruments at the option of the counterparty do not affect its classification.</p> <p>The amendment to AASB 107 explicitly states that only expenditure that results in a recognised asset can be classified as a cash flow from investing activities.</p> <p>The amendment to AASB 118 provides additional guidance to determine whether an entity is acting as a principal or as an agent. The features indicating an entity is acting as a principal are whether the entity:</p> <ul style="list-style-type: none"> <li>• has primary responsibility for providing the goods or service;</li> <li>• has inventory risk;</li> <li>• has discretion in establishing prices;</li> <li>• bears the credit risk.</li> </ul> <p>The amendment to AASB 136 clarifies that the largest unit permitted for allocating goodwill acquired in a business combination is the operating segment, as defined in IFRS 8 before aggregation for reporting purposes.</p> <p>The main change to AASB 139 clarifies that a prepayment option is considered closely related to the host contract when the exercise price of a prepayment option reimburses the lender up to the approximate present value of lost interest for the remaining term of the host contract.</p> <p>The other changes clarify the scope exemption for business combination contracts and provide clarification in relation to accounting for cash flow hedges.</p> | 1-Jan-2010                    | The Trust has not yet determined the extent of the impact of the amendments, if any. | 1-Jul-2010                  |

**NOTE 2 Summary of Significant Accounting Policies (Cont)**

| Reference              | Title   | Summary  | Application date of standard* | Impact on Trust Financial report   | Application date for Trust* |
|------------------------|---|--|-------------------------------|--|-----------------------------|
| AASB 9<br>AASB 2009-11 | Financial Instruments Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] | <p>The revised Standard introduces a number of changes to the accounting for financial assets, the most significant of which includes:</p> <ul style="list-style-type: none"> <li>• two categories for financial assets being amortised cost or fair value</li> <li>• removal of the requirement to separate embedded derivatives in financial assets</li> <li>• strict requirements to determine which financial assets can be classified as amortised cost or fair value, Financial assets can only be classified as amortised cost if (a) the contractual cash flows from the instrument represent principal and interest and (b) the entity’s purpose for holding the instrument is to collect the contractual cash flows</li> <li>• an option for investments in equity instruments which are not held for trading to recognise fair value changes through other comprehensive income with no impairment testing and no recycling through profit or loss on derecognition</li> <li>• reclassifications between amortised cost and fair value no longer permitted unless the entity’s business model for holding the asset changes to the accounting and additional disclosures for equity instruments classified as fair value through other comprehensive income.</li> </ul> | 1-Jan-2013                    | The Trust has not yet determined the extent of the impact of the amendments, if any. | 1-July-2013                 |
| AASB 2009-12           | Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]  | This amendment makes numerous editorial changes to a range of Australian Accounting Standards and Interpretations.   | 1-Jan-2011                    | The Trust has not yet determined the extent of the impact of the amendments, if any. | 1-July-2011                 |

All other standards, amendments and interpretations that have been issued up to the date of signing but are not yet effective, are not relevant to the entity and will have no impact on the results, financial position or disclosures by the entities.

# 9.0 Notes to the Financial Statements

## NOTE 2 Summary of Significant Accounting Policies (cont.)

### (d) Interest Income

Interest income is recognised as control of the right to receive consideration for the provision of, or investment in assets has been attained. Interest income comprises interest earned on deposits held with Bendigo and Adelaide Bank and Commonwealth Bank, and is recognised as the interest accrues using the effective yield method.

### (e) Distribution of income

Income is credited monthly to Unitholders' accounts.

### (f) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position and for the purpose of the Cash Flow Statement includes cash at bank, deposits held at call with banks and short term investments with original maturity of three months or less.

### (g) Income Tax

Under current Income Tax Legislation, the Trust is not liable to pay income tax provided the unitholders are presently entitled to the income of the Trust and the Trust fully distributes its taxable income.

### (h) Economic Dependency

The Wilson HTM Cash Management Trust invests its assets with Bendigo and Adelaide Bank and the Commonwealth Bank of Australia.

### (i) Terms and Conditions of Units on Issue

Each unit confers upon the unitholder an equal interest in the Trust (subject to income entitlements), and is of equal value. A unit does not confer an interest in any particular asset or investment of the Trust. 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 Trust.

As unitholders have the ability to redeem units from the Trust, all unitholders' funds have been classified as liabilities of the Trust. All distributions paid and payable are classified as interest expense in the Income Statement.

### (j) Trade and Other Receivables

Receivables include amounts where settlement has not yet occurred. Receivables are carried at original amounts less any provision for uncollectible amounts. Interest is accrued at the reporting date from the last payment. Amounts are generally received within 30 days of being recorded as receivables. Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

### (k) Trade and Other Payables

Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Trust, and include outstanding settlements on the purchase of investments and distributions payable. The carrying period is dictated by market conditions and is generally less than 30 days. Payables are measured at amortised cost.

### (l) Goods & Services Tax (GST)

Expenses incurred by the Trust are recognised net of the amount of GST that can be recovered from the Australian Taxation Office (ATO). Amounts recognised as receivables and payables at balance date are inclusive of GST.

Reduced input tax credits (RITC) recoverable by the Trust from the ATO are recognised as receivables in the statement of financial position.

### (m) Significant Accounting Judgements, Estimates and Assumptions

The Trust has not made any significant accounting judgements, estimates or assumptions in the preparation of this financial report that is required to be disclosed.

# 9.0 Notes to the Financial Statements

|  | Note | 30-Jun-10<br>\$   | 30-Jun-09<br>\$   |
|--|------|-------------------|-------------------|
| <b>NOTE 3 INTEREST INCOME AND DISTRIBUTION TO UNITHOLDERS</b>  |      |                   |                   |
| <b>(A) FINANCE INCOME</b>  |      |                   |                   |
| Interest from Investments  |      | 3,347,455         | 5,362,116         |
|  |      | <b>3,347,455</b>  | <b>5,362,116</b>  |
| <b>(B) EXPENSES</b>  |      |                   |                   |
| Manager's remuneration   |      | 517,273           | 637,018           |
| Custodian Fee  |      | 16,936            | 20,538            |
| Administration Fee   |      | 226,943           | 275,213           |
| Finance Costs - Distribution to Unitholders  | 3(c) | 2,586,303         | 4,429,347         |
|  |      | <b>3,347,455</b>  | <b>5,362,116</b>  |
| <b>(C) FINANCE COSTS - DISTRIBUTION TO UNITHOLDERS</b>   |      |                   |                   |
| Accrued Distribution at the beginning of the period  |      | (167,376)         | (611,656)         |
| Distributions Payable for the year   |      | 2,462,050         | 4,873,627         |
| Accrued Distribution at the end of the period  |      | 291,629           | 167,376           |
|  |      | <b>2,586,303</b>  | <b>4,429,347</b>  |
| <b>NOTE 4 CASH AND CASH EQUIVALENTS</b>  |      |                   |                   |
| <b>(A) RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>   |      |                   |                   |
| For the purposes of the statement of financial position and statement of cash flows, cash and cash equivalents comprise: |      |                   |                   |
| Deposit with:-   |      |                   |                   |
| Bendigo and Adelaide Bank  |      | 91,867,434        | 66,540,973        |
| Commonwealth Bank of Australia   |      | -                 | 20,00,514         |
|  |      | <b>91,867,434</b> | <b>86,541,487</b> |
| Investments are valued in accordance with accounting policy  | 2(f) |                   |                   |
| Average balance  |      | 90,876,434        | 110,205,582       |
| Average interest rate  |      | 3.67%             | 4.79%             |
| Maturity analysis based on remaining term to maturity at 30 June 2010 At call  |      | 91,867,434        | 86,541,487        |
| <b>(B) RECONCILIATION OF NET PROFIT ATTRIBUTABLE TO UNITHOLDERS TO NET CASH INFLOWS FROM OPERATING ACTIVITIES</b>        |      |                   |                   |
| Net Profit Attributable to Unitholders   |      | 2,586,303         | 4,429,347         |
| <i>Changes in assets and liabilities</i>   |      |                   |                   |
| GST Receivable   |      | (138)             | 1,240             |
| Interest Receivable  |      | (126,652)         | 461,228           |
| Manager/Responsible Entity fee Payable   |      | 2,537             | (18,188)          |
| Net cash inflows from operating activities   |      | <b>2,462,050</b>  | <b>4,873,627</b>  |

# 9.0 Notes to the Financial Statements

| Note   | 30-Jun-10<br>\$   | 30-Jun-09<br>\$    |
|--|-------------------|--------------------|
| <b>NOTE 5 TRADE AND OTHER RECEIVABLES</b>  |                   |                    |
| Receivables due from other financial institutions  | 358,404           | 231,752            |
| Receivables other  | 4,886             | 4,748              |
|  | <b>363,290</b>    | <b>236,500</b>     |
| Maturity analysis based on remaining term to maturity at 30 June 2010 At call  | 363,290           | 236,500            |
| <b>NOTE 6 TRADE AND OTHER PAYABLES</b>   |                   |                    |
| Manager/Responsible Entity Fee   | 48,725            | 46,876             |
| Administration Fee   | 21,343            | 20,703             |
| Custodian Fee  | 1,593             | 1,545              |
| Distributions Payable  | 291,629           | 167,376            |
|  | <b>363,290</b>    | <b>236,500</b>     |
| <b>NOTE 7 NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>   |                   |                    |
| <b>UNITS ON ISSUE</b>  |                   |                    |
| <b>OPENING BALANCE</b>   | <b>86,541,487</b> | <b>124,318,222</b> |
| <b>GROSS MOVEMENT</b>  |                   |                    |
| Units issued - 874,283,687 (2009: 745,268,013) fully paid units to \$1   | 874,283,687       | 745,268,013        |
| Units redeemed - 871,419,790 (2009: 787,918,375) fully paid units to \$1   | (871,419,790)     | (787,918,375)      |
| Reinvestments - 2,462,050 (2009: 4,873,627) fully paid units to \$1  | 2,462,050         | 4,873,627          |
| <b>CLOSING BALANCE</b>   | <b>91,867,434</b> | <b>86,541,487</b>  |
| <b>NOTE 8 AUDITORS' REMUNERATION</b>   |                   |                    |
| The audit fee paid/payable by WHTM Capital Management Limited to Ernst & Young on behalf of the Wilson HTM Cash Management Trust | 6,400             | 6,000              |

# 9.0 Notes To The Financial Statements

## NOTE 9 Financial Instruments

### (a) Net fair values of financial assets

The Trust's Trade and Other Receivables assets are valued in accordance with note 2(j). The Trust's financial assets are valued in accordance with note 2(f). The net fair values of these assets are equivalent to the carrying value as at 30 June 2010.

### (b) Interest rate risk exposures

The Trust is exposed to interest rate risk through its investments with Bendigo and Adelaide Bank and the Commonwealth Bank of Australia.

| Financial Asset   | Weighted Average Effective Interest Rate<br>% p.a. | 30-Jun-10<br>\$ | 30-Jun-09<br>\$ |
|---|--|-----------------|-----------------|
| Floating Rate Deposit with Bendigo and Adelaide Bank      | 3.67   | 91,867,434      | 66,540,973      |
| Floating Rate Deposit with Commonwealth Bank of Australia | 3.67   | -               | 20,000,514      |

The effective interest rate on the investments during the year was 4.79% (2008: 6.82%).

| Financial Asset | Increase in Interest Rate | Sensitivity of interest income | Decrease in Interest Rate | Sensitivity of interest income |
|-----------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
| 2010            |                           | \$                             |                           |                                |
| Cash            | + 1.00 %                  | 918,674                        | - 0.50%                   | (459,337)                      |
| 2008            |                           | \$                             |                           |                                |
| Cash            | + 1.00 %                  | 865,415                        | - 0.50%                   | (432,707)                      |

### (c) Liquidity and cash flow risk

The Trust's investments with Bendigo and Adelaide Bank and Commonwealth Bank of Australia are treated like any other bank deposit liability, as such the deposit will have the same protection as is afforded to deposit liabilities under the Banking Act. This means that the Trust is expected to have the capacity at all times to meet withdrawals on an at call basis at face value. This controls the liquidity risks of satisfying unitholders' redemption requests.

Maturity profile of liabilities:

|   | Maturity Profile 30 June 2010 |                            |                          |                   | Maturity Profile 30 June 2008 |                              |                          |                   |
|---|-------------------------------|----------------------------|--------------------------|-------------------|-------------------------------|------------------------------|--------------------------|-------------------|
|   | Less Than 3 months            | Between 3 months & 5 years | Between 1 year & 5 years | More Than 5 years | Less Than 3 months            | Between 3 months & 12 months | Between 1 year & 5 years | More than 5 years |
| Management Fees Accrued                 | 71,661                        | -                          | -                        | -                 | 69,124                        | -                            | -                        | -                 |
| Distribution Payable to Unitholders     | 291,629                       | -                          | -                        | -                 | 167,376                       | -                            | -                        | -                 |
| Net Assets Attributable to Unitholders* | 91,867,434                    | -                          | -                        | -                 | 86,541,487                    | -                            | -                        | -                 |
| <b>Total</b>                            | <b>92,230,724</b>             | -                          | -                        | -                 | <b>86,777,987</b>             | -                            | -                        | -                 |

\* Units in the Trust are generally redeemable within 24 hours subject to the manager's discretion.

### (d) Credit risk exposures

Total credit risk exposure of the Trust is limited to the carrying value of assets on the statement of financial position. The Trust is exposed to credit risk through its investments with Bendigo and Adelaide Bank and the Commonwealth Bank of Australia.

# 9.0 Notes to the Financial Statements

**(e) Market risk exposures**

The risk of the carrying value of the Trust's investment being affected by movements in interest rates is managed by ensuring all transactions are within defined, approved limits. Other receivables and payables are valued at cost, which is equivalent to the net fair value.

**NOTE 10 Director Disclosures**

- (a) The Directors of WHTM Capital Management Limited during the financial year were :
- Garry Lowrey (Resigned 15 March 2010)
  - Neal McCulloch (Resigned 30 April 2010)
  - Arthur Sweeney
  - Ian Harrison (Appointed 15 March 2010)
  - Karen Penrose (Appointed 30 April 2010)
- (b) The Trust has not made, guaranteed or secured, directly or indirectly any loans to the Directors or their Director related entities during the year.
- (c) The following Directors of WHTM Capital Management Limited held fully paid units in the Wilson HTM Cash Management Trust during the year.

| Directors      | Number of Units |          |
|----------------|-----------------|----------|
|                | Direct          | Indirect |
| Garry Lowrey   | -               | -        |
| Neal McCulloch | -               | -        |
| Arthur Sweeney | -               | -        |
| Ian Harrison   | -               | 25,428   |
| Karen Penrose  | -               | -        |

No other Directors held any interests during the period covered by these financial reports. All interests held are on arms length basis and under normal circumstances.

- (d) There were no Key Management Personnel employed by the Trust.

**NOTE 11 Related Parties**

- (a) The Responsible Entity of Wilson HTM Cash Management Trust is WHTM Capital Management Limited whose immediate and ultimate holding company is Wilson HTM Investment Group Ltd.
- (b) The Wilson HTM Cash Management Trust invests all Trust funds in Bendigo and Adelaide Bank and Commonwealth Bank of Australia. The total receivables due from other financial institutions represents the accrued interest receivable from Bendigo and Adelaide Bank and the Commonwealth Bank of Australia.
- (c) WHTM Capital Management Limited, as trustee for the Wilson HTM Priority Core Plus Fund, acquired 5,000,000 units in the Trust on 26 March 2010. These units were subsequently disposed of for 5,099,681 on 1 June 2010, with total interest earned during the period they were held of \$9,681.
- (d) All remuneration and fees have been calculated in accordance with the Trust Deed/Constitution.
- Manager/Responsible Entity remuneration amounted to \$637,018 (2008: \$721,425) for the year ended 30 June 2010.
  - The Custodian's remuneration amounted to \$20,538 (2008: \$23,213) for the year ended 30 June 2010.
  - The Bendigo and Adelaide Bank Limited Administration fee amounted to \$275,213 (2008: \$311,060) for the year ended 30 June 2010.

# 9.0 Notes to the Financial Statements

## NOTE 12 Key Management Personnel

### (a) Key Management Personnel

The key management personnel (KMP) of the Trust only include persons who are KMP of the Responsible Entity. The names of the KMP of the Responsible Entity during the year and until the date of this report (unless otherwise stated) are:

Garry Lowrey (Resigned 15 March 2010)

Angela Roberts (General Manager)

Neal McCulloch (Resigned 30 April 2010)

Arthur Sweeney

Ian Harrison (Appointed 15 March 2010)

Karen Penrose (Appointed 30 April 2010)

### (b) Compensation of Key Management Personnel

KMP of the Responsible Entity are paid by WHTM Capital Management Limited in their roles as KMP of the Responsible Entity, not of the Trust. KMP of the Responsible Entity are not remunerated by the Trust.

No securities were granted to KMP during the period as compensation.

### (c) Key management personnel's interest in financial instruments issued by the Trust.

Interests in the units issued by the Trust held by the KMP and their related entities at balance date are as follows:

| Directors                        | Number of Units |          |
|----------------------------------|-----------------|----------|
|                                  | Direct          | Indirect |
| Garry Lowrey                     | -               | -        |
| Angela Roberts (General Manager) | -               | -        |
| Neal McCulloch                   | -               | -        |
| Arthur Sweeney                   | -               | -        |
| Ian Harrison                     | -               | 25,428   |
| Karen Penrose                    | -               | -        |

### (d) Distributions paid or payable by the Trust to key management personnel

Distributions paid or payable by the Trust to KMP and their related entities during the year are as follows:

| Directors                        | Number of Units |          |
|----------------------------------|-----------------|----------|
|                                  | Direct          | Indirect |
| Garry Lowrey                     | -               | -        |
| Angela Roberts (General Manager) | -               | -        |
| Neal McCulloch                   | -               | -        |
| Arthur Sweeney                   | -               | -        |
| Ian Harrison                     | -               | 512      |
| Karen Penrose                    | -               | -        |

# 9.0 Notes to the Financial Statements

## NOTE 12 Key Management Personnel (cont.)

### (e) Outstanding balances between the Trust and key management personnel

Outstanding balances between the Trust and the KMP and their related entities are as follows:

| Directors                        | Distribution Payable |          |
|----------------------------------|----------------------|----------|
|                                  | Direct               | Indirect |
| Garry Lowrey                     | -                    | -        |
| Angela Roberts (General Manager) | -                    | -        |
| Neal McCulloch                   | -                    | -        |
| Arthur Sweeney                   | -                    | -        |
| Ian Harrison                     | -                    | -        |
| Karen Penrose                    | -                    | -        |

## NOTE 14 Subsequent Events

Since 30 June 2010 there has not been any matter or circumstances not otherwise dealt with in the financial report that has significantly affected or may significantly affect the Trust.

# 10.0 Director's Declaration

In the opinion of the Directors of WHTM Capital Management Limited:

(a) the financial statements and notes of the Trust are in accordance with the Corporations Act 2001, including :

- (i) giving a true and fair view of Trust's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
- (ii) complying with Accounting Standards and the Corporations Regulations 2001;

(b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed for and on behalf of the Board of Directors and in accordance with a resolution of the Directors.



**Mr A. Sweeney**

Director

WHTM Capital Management Limited

Brisbane, 16 September 2010

For your nearest office call  
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