

Dimensional Australian Resident Trusts

Financial Statements for the Year Ended 30 June 2011

Dimensional Short Term Fixed Interest Trust

ARSN 092 663 897

Dimensional Two-Year Diversified Fixed Interest Trust

ARSN 116 833 222

Dimensional Five-Year Diversified Fixed Interest Trust

ARSN 096 155 716

Financial Statements

for the Year Ended 30 June 2011

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Dimensional Australian Resident Trusts

Directors' Report for the Year Ended 30 June 2011

The directors of DFA Australia Limited (ABN 46 065 937 671) (the "Responsible Entity") submit herewith the annual financial statements of the following three trusts, which form part of the Dimensional Australian Resident Trusts (collectively "the Schemes") for the year ended 30 June 2011:

Dimensional Short Term Fixed Interest Trust

Dimensional Two-Year Diversified Fixed Interest Trust

Dimensional Five-Year Diversified Fixed Interest Trust

In order to comply with the provisions of the *Corporations Act 2001*, the directors of the Responsible Entity report as follows:

Directors

The names of the directors of the Responsible Entity during and up to the date of this report:

D.G. Booth

A.G. Cain (*Resigned as director 27 April 2011*)

D.R. Martin

P.M. Keating

J.G. Crane

N.A.D. Stewart

C.L. Newell

G.J. Lennon

E.A. Repetto

Dimensional Australian Resident Trusts

Directors' Report for the Year Ended 30 June 2011

Principal activities

The Schemes are registered managed investment schemes domiciled in Australia. The principal activity of the Schemes is to invest funds in accordance with their investment objectives and guidelines. These are set out in the Schemes' current Product Disclosure Statements and in accordance with the provisions of their Constitutions. The following is a summary of the investment objectives of the Scheme:

Scheme Name	Investment Objective	Principal Investments
Dimensional Short Term Fixed Interest Trust	Within the risk constraints of investing in eligible short-term, high credit quality instruments, the objective of the Trust is to maximise the total return (comprising income and capital appreciation) of a broadly diversified portfolio of AUD denominated fixed interest and money market securities.	High credit quality, Australian dollar denominated fixed interest and money market securities, with an overall maximum weighted average maturity of one year and, for any individual security, a maximum maturity of two years from the date of settlement.
Dimensional Two-Year Diversified Fixed Interest Trust	Within the risk constraints of investing in eligible short-term, high credit quality instruments, the objective of the Trust is to maximise the total return (comprising income and capital appreciation) of a broadly diversified portfolio of domestic and global fixed interest and money market securities.	High credit quality domestic and global fixed interest securities with a maximum maturity of two years from the date of settlement.
Dimensional Five-Year Diversified Fixed Interest Trust	Within the risk constraints of investing in eligible short to medium-term, high credit quality eligible instruments, the objective of the Trust is to maximise the total return (comprising income and capital appreciation) of a broadly diversified portfolio of domestic and global fixed interest and money market securities.	High credit quality domestic and global fixed interest securities with a maximum maturity of five years from the date of settlement. Two classes of units are offered to all investors: AUD class units that are denominated in Australian dollars and NZD class units that are denominated in New Zealand dollars. Most foreign currency exposure is hedged to the Australian dollar (for the AUD class units) or the New Zealand dollar (for the NZD class units).

The Schemes continued to have no employees during the year.

Review and results of operations

In accordance with section 1017B of the *Corporations Act 2001*, the Responsible Entity reports any substantial withdrawals from the Schemes below.

There were no substantial withdrawals from the Schemes during the year.

Dimensional Australian Resident Trusts

Directors' Report for the Year Ended 30 June 2011

Review and results of operations (continued)

The results of the operations of the Schemes are disclosed in the Statements of Comprehensive Income included in the attached financial statements. The directors of the Responsible Entity also report the payment of distributions during the year, including final distributions. The operating income and distributions for the Schemes are set out below. For details of distributions paid during the year, refer to note 10 of the financial statements.

	Dimensional Short Term Fixed Interest Trust Year Ended		Dimensional Two-Year Diversified Fixed Interest Trust Year Ended		Dimensional Five-Year Diversified Fixed Interest Trust Year Ended	
	2011	2010	2011	2010	AUD Class Units 2011	AUD Class Units 2010
	\$	\$	\$	\$	\$	\$
Operating profit before finance costs attributable to unitholders	32,521,572	24,255,633	19,992,299	12,733,172	64,670,767	78,144,189
Distributions	c/unit	c/unit	c/unit	c/unit	AUD Class Units c/unit	AUD Class Units c/unit
September Distribution	15.57	12.30	-	-	-	-
December Distribution	13.94	11.47	2.00	3.13	-	20.43
March Distribution	8.20	13.61	-	-	-	-
Final Distribution (June)	11.30	11.54	81.74	12.35	115.34	78.73
Distributions (NZD)					NZD Class Units c/unit	NZD Class Units c/unit
December Distribution					-	2.73
December Distribution (NZD)					-	3.38
Final Distribution (June)					35.99	76.39
Final Distribution (June NZD)					46.66	93.84

Dimensional Australian Resident Trusts

Directors' Report for the Year Ended 30 June 2011

Indirect Cost Ratio (ICR)

The ICR includes Dimensional's management fee and recoverable expenses (including the fees and expenses of any underlying funds in which the Schemes may have invested), but excludes transaction costs and government charges. The ICR also includes GST after taking into account any expected reduced input tax credits.

The ICR captures expenses which are incurred by the operation of the Schemes. Expenses which would be incurred by a direct investor, such as transaction costs, brokerage, government taxes and charges on purchases and sales, are excluded where these can be identified and isolated.

	Dimensional Short Term Fixed Interest Trust					Dimensional Two-Year Diversified Fixed Interest Trust					Dimensional Five-Year Diversified Fixed Interest Trust				
	2011	2010	2009	2008	2007	2011	2010	2009	2008	2007	2011	2010	2009	2008	2007
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Direct ICR	0.19	0.19	0.19	0.21	0.23	0.26	0.30	0.40	0.40	0.40	0.29	0.30	0.29	0.32	0.34
Total ICR	0.19	0.19	0.19	0.21	0.23	0.26	0.30	0.40	0.40	0.40	0.29	0.30	0.29	0.32	0.34

All expenses of the Schemes are incurred directly.

Unit price history

The Schemes calculate the net asset value of their units on each business day. The net asset values of the Schemes are calculated by deducting from the value of the Schemes' gross assets the value of the liabilities of the Schemes (other than liabilities relating to unitholders' redemption rights), using unit price accounting.

Unit prices for the Schemes (except Dimensional Five-Year Diversified Fixed Interest Trust) are calculated by:

- > Dividing the net asset value of the Schemes (that is, the value of all the assets less liabilities – other than liabilities relating to unitholders' redemption rights – of the Schemes) by the number of units on issue to determine the net asset value of each unit;
- > For application prices, adjusting the net asset value of each unit by adding a Transaction Costs Allowance; and
- > For redemption prices, adjusting the net asset value of each unit by deducting a Transaction Costs Allowance.

In relation to Dimensional Five-Year Diversified Fixed Interest Trust, unit prices are calculated by:

- > Dividing the net asset value in respect of a particular class of units of the Scheme (that is, the value of all assets less liabilities – other than liabilities relating to unitholders' redemption rights – of that particular class of units of the Scheme) by the number of units in that particular class on issue to determine the net asset value of each unit in that particular class;
- > For application prices, adjusting the net asset value of each unit in that particular class by adding a Transaction Costs Allowance in respect of that class; and
- > For redemption prices, adjusting the net asset value of each unit in that particular class by deducting a Transaction Costs Allowance in respect of that class.

Dimensional Australian Resident Trusts

Directors' Report for the Year Ended 30 June 2011

Likely developments and expected results of operations

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

Further information on likely developments in the operations of the Schemes and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Schemes.

The Schemes will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Schemes and in accordance with the provisions of the Schemes' Constitutions.

Options granted

No options were:

- (i) granted over unissued units in the Schemes during or since the end of the financial year; or
- (ii) granted to the Responsible Entity.

No unissued units in the Schemes were under option as at the date on which this Report is made.

No units were issued in the Schemes during or since the end of the financial year as a result of the exercise of an option over unissued units in the Schemes.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Schemes in regards to insurance cover provided to either the officers of the Responsible Entity or the auditors of the Schemes. So long as the officers of the Responsible Entity act in accordance with the Schemes' Constitutions and the Law, the officers remain indemnified out of the assets of the Schemes against losses incurred while acting on behalf of the Schemes. The auditors of the Schemes are in no way indemnified out of the assets of the Schemes.

Scheme information in the financial report

Fees paid to the Responsible Entity and its associates out of the Schemes' property during the year are disclosed in the Statements of Comprehensive Income and in note 14(e) to the financial statements.

The number of units in the Schemes held by the Responsible Entity or its associates as at the end of the financial year are disclosed in note 14(d) to the financial statements.

The number of units in the Schemes issued during the financial year, withdrawals from the Schemes during the financial year, and the number of units in the Schemes at the end of the financial year are disclosed in note 8 to the financial statements.

The value of the Schemes' assets as at the end of the financial year are disclosed in the Statements of Financial Position as "Total Assets" and the basis of valuation is included in note 2 to the financial statements.

Dimensional Australian Resident Trusts

Directors' Report for the Year Ended 30 June 2011

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 on page 13.

Environmental regulation

The operations of the Schemes are not subject to any particular or significant environmental regulations under either Commonwealth, State or Territory law.

Signed in accordance with a resolution of the Directors of the Responsible Entity made pursuant to section 298(2) of the *Corporations Act 2001*.

On behalf of the Directors,



J.G. Crane

Director

Sydney, 9 September 2011



G.J. Lennon

Director

Dimensional Australian Resident Trusts

Independent Auditor's Report to the unitholders of Dimensional Australian Resident Trusts



Independent auditor's report to the Unitholders of

Dimensional Short Term Fixed Interest Trust
Dimensional Two-Year Diversified Fixed Interest Trust
Dimensional Five-Year Diversified Fixed Interest Trust

Report on the financial report

We have audited the accompanying financial report of the above Schemes, which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of DFA Australia Limited (the "Responsible Entity") are responsible for the preparation and fair presentation of the financial report 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 2, 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. 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.

Dimensional Australian Resident Trusts

Independent Auditor's Report to the unitholders of Dimensional Australian Resident Trusts



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.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

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

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 the above Schemes is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the above Schemes' financial position as at 30 June 2011 and of their 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*; and
- (b) the above Schemes' financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Dimensional Australian Resident Trusts

Independent Auditor's Report to the unitholders of Dimensional Australian Resident Trusts



Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report of the Schemes for the year ended 30 June 2011 included on Responsible Entity web site. The Responsible Entity's directors are responsible for the integrity of the Responsible Entity's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'SJ Hadfield'.

SJ Hadfield
Partner

Sydney
9 September 2011

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Dimensional Australian Resident Trusts

Auditor's Independence Declaration



Auditor's Independence Declaration

As lead auditor for the audit of the following Schemes:

Dimensional Short Term Fixed Interest Trust
Dimensional Two-Year Diversified Fixed Interest Trust
Dimensional Five-Year Diversified Fixed Interest Trust

for the year ended 30 June 2011, 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 above Schemes during the period.

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

SJ Hadfield
Partner
PricewaterhouseCoopers

Sydney
9 September 2011

Dimensional Australian Resident Trusts

Directors' Declaration for the Year Ended 30 June 2011

The financial statements and notes thereto of the following Schemes have been prepared by DFA Australia Limited (the Responsible Entity) in accordance with the *Corporations Act 2001*.

Dimensional Short Term Fixed Interest Trust

Dimensional Two-Year Diversified Fixed Interest Trust

Dimensional Five-Year Diversified Fixed Interest Trust

The Directors of the Responsible Entity declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Schemes, will be able to pay their debts as and when they become due and payable; and
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Schemes' financial position as at 30 June 2011 and of their performance for the financial year ended on this date.
- (c) the financial statements also comply with International Financial Reporting Standards as disclosed in note 2.

Signed in accordance with a resolution of the directors of the Responsible Entity made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors,



J.G. Crane

Director

Sydney, 9 September 2011



G.J. Lennon

Director

Dimensional Australian Resident Trusts

Statements of Comprehensive Income for the Year Ended 30 June 2011

	Note	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
		Year Ended		Year Ended		Year Ended	
		30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
		\$	\$	\$	\$	\$	\$
Investment income							
Interest income		23,254,346	20,743,278	12,017,211	9,209,491	25,715,886	27,751,062
Unrealised gains/(losses) on financial instruments held at fair value through profit or loss	5	7,177,631	(3,044,338)	(10,401,318)	6,492,464	(41,065,375)	(3,859,066)
Realised gains/(losses) on disposal of financial instruments held at fair value through profit or loss	5	3,212,629	7,610,530	19,322,327	(2,262,723)	82,725,644	56,527,835
Other income		-	-	-	-	-	3,774
Total net investment income		33,644,606	25,309,470	20,938,220	13,439,232	67,376,155	80,423,605
Expenses (excluding financing costs)							
Management fee	14(e)	927,479	851,924	747,888	506,852	2,380,231	1,945,668
Reimbursement of expenses to Responsible Entity	14(e)	-	-	-	15,335	-	-
Custody fees		153,051	167,811	153,037	136,362	273,049	279,552
Other expenses		32,796	25,099	35,288	38,508	42,400	45,193
Auditor's remuneration	9	9,708	9,003	9,708	9,003	9,708	9,003
Total operating expenses		1,123,034	1,053,837	945,921	706,060	2,705,388	2,279,416
Operating profit/(loss) attributable to unitholders		32,521,572	24,255,633	19,992,299	12,733,172	64,670,767	78,144,189
Financing costs attributable to unitholders							
Distributions to unitholders	10	28,310,653	26,436,311	31,640,293	4,561,690	104,405,211	75,849,006
Increase/(decrease) in net assets attributable to unitholders	8	4,210,919	(2,180,678)	(11,647,994)	8,171,482	(39,734,444)	2,295,183
Net profit/(loss) for the year		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		-	-	-	-	-	-

The Notes to the Financial Statements should be read in conjunction with these financial statements.

Dimensional Australian Resident Trusts

Statements of Financial Position as at 30 June 2011

	Notes	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
		As at		As at		As at	
		30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
		\$	\$	\$	\$	\$	\$
Assets							
Cash and cash equivalents	11(a)	332,994	3,498,995	1,220,779	2,367,520	10,066,875	7,056,987
Financial assets held at fair value through profit or loss	3	629,643,603	597,309,502	411,059,221	325,035,144	1,061,748,756	875,357,609
Fixed interest securities							
Currency contracts	3	-	-	4,159,379	3,388,652	16,556,965	5,865,908
Receivables	6	41,827	43,985	42,958	34,945	10,705,299	1,765,003
Total assets		630,018,424	600,852,482	416,482,337	330,826,261	1,099,077,895	890,045,507
Liabilities (excluding liabilities attributable to unitholders)							
Payables	7	243,201	186,672	240,828	165,111	4,378,121	375,176
Financial liabilities held at fair value through profit or loss	4	-	-	1,387,211	7,283,052	4,575,454	24,488,730
Distribution payable	10	6,667,678	6,540,744	30,933,584	3,794,928	104,405,218	62,629,263
Total liabilities (excluding liabilities attributable to unitholders)		6,910,879	6,727,416	32,561,623	11,243,091	113,358,793	87,493,169
Net assets attributable to unitholders – liability	8	623,107,545	594,125,066	383,920,714	319,583,170	985,719,102	802,552,338

The Notes to the Financial Statements should be read in conjunction with these financial statements.

Dimensional Australian Resident Trusts

Statements of Changes in Equity for the Year Ended 30 June 2011

	Dimensional Short Term Fixed Interest Trust Year Ended		Dimensional Two-Year Diversified Fixed Interest Trust Year Ended		Dimensional Five-Year Diversified Fixed Interest Trust Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Total equity at the beginning of the financial year	-	-	-	-	-	-
Profit/(loss) for the year	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-
Transactions with owners in their capacity as owners	-	-	-	-	-	-
Total equity at the end of the financial year	-	-	-	-	-	-

Under Australian Accounting Standards, net assets attributable to unitholders are classified as a liability rather than equity. As a result there was no equity at the start or end of the financial year.

The Notes to the Financial Statements should be read in conjunction with these financial statements.

Dimensional Australian Resident Trusts

Statements of Cash Flows for the Year Ended 30 June 2011

	Notes	Dimensional Short Term Fixed Interest Trust Year ended		Dimensional Two-Year Diversified Fixed Interest Trust Year ended		Dimensional Five-Year Diversified Fixed Interest Trust Year ended	
		30 June 2011 \$	30 June 2010 \$	30 June 2011 \$	30 June 2010 \$	30 June 2011 \$	30 June 2010 \$
Cash flows from operating activities							
Interest received		23,262,033	20,742,954	12,015,889	9,212,353	25,734,252	27,721,218
Other income received		-	-	-	-	-	3,774
Expenses paid		(1,072,034)	(1,048,088)	(877,900)	(712,415)	(2,645,941)	(2,179,174)
Net cash provided by operating activities	11(b)	22,189,999	19,694,866	11,137,989	8,499,938	23,088,311	25,545,818
Cash flows from investing activities							
Proceeds from sale of investments		2,010,114,529	2,113,163,815	653,552,101	574,416,300	1,627,479,287	1,471,994,506
Purchases of investments		(2,032,058,370)	(2,242,938,266)	(737,317,611)	(724,077,227)	(1,814,734,347)	(1,580,767,028)
Net cash (used in)/provided by investing activities		(21,943,841)	(129,774,451)	(83,765,510)	(149,660,927)	(187,255,060)	(108,772,522)
Cash flows from financing activities							
Proceeds from applications by unitholders		192,081,237	301,476,316	141,122,789	207,359,104	308,361,243	202,786,248
Payments for redemptions by unitholders		(168,475,411)	(177,360,654)	(65,416,093)	(54,474,082)	(89,436,372)	(89,927,047)
Distributions paid		(27,017,985)	(23,204,248)	(4,222,795)	(10,762,662)	(51,796,063)	(22,374,506)
Net cash provided by/(used in) financing activities		(3,412,159)	100,911,414	71,483,901	142,122,360	167,128,808	90,484,695
Net increase/(decrease) in cash and cash equivalents		(3,166,001)	(9,168,171)	(1,143,620)	961,371	2,962,059	7,257,991
Cash and cash equivalents at the beginning of the year		3,498,995	12,667,166	2,367,520	1,404,424	7,056,987	(211,361)
Effects of foreign currency exchange rate changes on cash and cash equivalents		-	-	(3,121)	1,725	47,829	10,357
Cash and cash equivalents at the end of the year	11(a)	332,994	3,498,995	1,220,779	2,367,520	10,066,875	7,056,987

The Notes to the Financial Statements should be read in conjunction with these financial statements.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

1 New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2011 reporting periods. The directors' assessment of the impact of these new standards (to the extent relevant to the Schemes) and interpretations is set out below:

- (i) *AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010 Amendment to Australia Accounting Standards arising from AASB 9 (December 2010, effective from 1 January 2013).*

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013 but is available for early adoption.

AASB 9 permits the recognition of fair-value gains and losses in other comprehensive income if they relate to equity investments that are not traded.

The Schemes have not yet decided when to adopt AASB 9. Management does not expect this will have a significant impact on the Schemes' financial statements as the Schemes do not hold any available-for-sale investments.

- (ii) *Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards (effective from 1 January 2011)*

In December 2009 the AASB issued a revised AASB 124 Related Party Disclosures. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively. The amendment clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The Schemes will apply the amended standard from 1 July 2011. The amendments will not have any effect on the Schemes' financial statements.

- (iii) *AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets (effective for annual reporting periods beginning on or after 1 July 2011)*

In November 2010, the AASB issued AASB 2010-6 Disclosures on Transfers of Financial Assets, which amends AASB 1 First-time Adoption of Australian Accounting and AASB 7 Financial Instruments: Disclosures, to introduce additional disclosures in respect of risk exposures arising from transferred financial assets. The amendments will affect particularly entities that sell, factor, securitise, lend or otherwise transfer financial assets to other parties. The amendments will not have any impact on the Schemes' disclosures. The Schemes intend to apply the amendment from 1 July 2011.

- (iv) *Amendments to AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (effective for annual reporting periods beginning on or after 1 July 2010/1 January 2011)*

In June 2010, the AASB made a number of amendments to Australian Accounting Standards as a result of the IASB's annual improvements project. The Schemes do not expect that any adjustments will be necessary as the result of applying the revised rules.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

2 Summary of significant accounting policies

Financial reporting framework

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Schemes also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements were authorised for issue by the Directors on 9 September 2011.

Scheme Name	Date of Constitution	Date of Commencement	Date of Activation	Date of Termination
Dimensional Short Term Fixed Interest Trust	11 November 1997	29 June 1998	9 June 1999	29 June 2078
Dimensional Two-Year Diversified Fixed Interest Trust	24 October 2005	7 December 2005	7 December 2005	7 December 2085
Dimensional Five-Year Diversified Fixed Interest Trust	20 March 2001	22 June 2001	13 September 2001	22 June 2081

The Schemes commenced following payment of \$100 by DFA Australia Limited for the issue of initial units by the Schemes. The Schemes may be terminated prior to termination date in accordance with the provisions of the Schemes' Constitutions.

Basis of preparation

These general-purpose financial statements have been prepared on the basis of historical cost accounting except for certain assets which, as noted, are at market valuation. Except where stated, the financial statements do not take into account changing money values. The Schemes' investments are stated at market value. Cost is based on the fair value of the consideration given in exchange for assets.

The principal activities of each of the Schemes are disclosed in the directors' report. The financial statements are presented in the Australian currency.

The Statements of Financial Position 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 12 months, except for investments in financial assets and net assets attributable to unitholders. The amount expected to be recovered or settled within 12 months after the end of each reporting period cannot be reliably determined.

In the application of Australian Accounting Standards (AAS), management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions and other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

2 Summary of significant accounting policies (continued)

(a) Financial Instruments

(i) Valuation of financial assets and liabilities held at fair value through profit or loss

The Schemes' investments are categorised as at fair value through profit or loss. They comprise:

- > Financial instruments held for trading

Derivative financial instruments such as futures, forward currency contracts, options and swaps are included under this classification. Financial assets and liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchase in the short term. The Schemes do not designate any derivatives as hedges in a hedging relationship.

- > Financial instruments designated at fair value through profit or loss upon initial recognition

These include financial assets that are not held for trading purposes and which may be sold. These are investments in fixed and floating interest rate securities.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair-value basis in accordance with the Schemes' documented investment strategy. The Schemes' policy is for the Responsible Entity to evaluate the information about these financial instruments on a fair-value basis together with other related financial information.

Investments are initially recorded at cost and are revalued to their net market value as at the end of each reporting period. Gains and losses on a financial instrument held at fair value through profit or loss (realised and unrealised) are included within Total Investment Income in the Statements of Comprehensive Income. Investments are derecognised when the right to receive cash flows from the investments have expired or the Schemes have transferred substantially all risks and rewards of ownership.

The Schemes have designated all of their investments as at fair value through profit or loss. These securities are initially recognised at fair value. Investments are valued at their net fair value as at the end of each reporting period. Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are included in the Statements of Comprehensive Income in the period in which they arise. The following represent the basis of valuation for financial reporting purposes:

- Securities that are listed or traded on an exchange are fair valued based on quoted "bid" prices on long securities.
- Securities which are not listed on a securities exchange or are thinly traded are valued using quotes from brokers.
Investments in unlisted unit trusts are valued at the redemption price as established by the underlying trust's Responsible Entity.
- In the absence of quoted values or brokers' representative prices, securities are valued using appropriate valuation techniques as reasonably determined by the Responsible Entity.

(ii) Loans and receivables

Loan assets are measured initially at fair value plus transaction costs and subsequently amortised using the effective interest rate method, less impairment losses if any. Such assets are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment.

If evidence of impairment exists, an impairment loss is recognised in the Statements of Comprehensive Income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

2 Summary of significant accounting policies (continued)

(ii) Loans and receivables (continued)

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through the Statements of Comprehensive Income.

(iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(b) Net assets attributable to unitholders

Units are redeemable at the unitholders' option and are classified as financial liabilities as the Schemes are required to distribute their taxable income. The units can be put back to the Schemes at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount. This would be payable (based on the redemption unit price) at the end of the reporting period if unitholders exercised their right to redeem units in the Schemes.

(c) Derivative financial instruments

Derivative financial instruments are categorised as held for trading as the Schemes do not designate any derivatives as hedges in a hedging relationship (other than forward currency contracts). Derivatives are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and using valuation techniques.

(d) Investment income

Investment income and expenses are brought to account on an accruals basis.

Interest revenue is recognised on a time-proportionate basis that takes into account the effective yield on the financial assets. Interest on cash funds and coupon payments from investment securities are included in interest revenue. Matured discount on money market securities is included in net realised gains on sales of investments.

Changes in the fair value of financial assets and liabilities are recognised as revenue or expenses in the Statements of Comprehensive Income in the year in which the changes occur.

(e) Expenses

All expenses, including Responsible Entity fees and custodian fees, are recognised in profit or loss on an accruals basis.

(f) Cash and cash equivalents

For the purpose of the Statements of Cash Flows, cash and cash equivalents include deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, and bank overdrafts.

Overdrafts are presented as liabilities in the Statements of Financial Position.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

2 Summary of significant accounting policies (*continued*)

(g) Income tax

Under current legislation, the Schemes are not subject to income tax provided the taxable income of the Schemes is fully distributed either by way of cash or reinvestment (i.e. unitholders are presently entitled to the income of the Schemes). Financial instruments held at fair value may include unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax will be distributed so that the Schemes are not subject to capital gains tax. Realised capital losses are not distributed to unitholders but are retained in the Schemes to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is distributed to unitholders.

The benefit of imputation credits and foreign tax paid are passed on to unitholders. The Schemes currently incur withholding tax imposed by certain countries on investment income. Such income is recorded net of withholding tax in the Statements of Comprehensive Income.

(h) Distributions

In accordance with the Schemes' Constitutions, the Schemes fully distribute their distributable income to unitholders by cash or reinvestment. Distributable income is determined by reference to the taxable income of the Schemes.

For Dimensional Short Term Fixed Interest Trust, the distributions are normally paid quarterly at the end of September, December, March and June each year.

For Dimensional Two-Year Diversified Fixed Interest Trust and Five-Year Diversified Fixed Interest Trust, the distributions are normally paid half-yearly at the end of December and June each year.

Distributions in the current period are recognised in the Statements of Comprehensive Income as financing costs attributable to unitholders.

(i) Increase/decrease in net assets attributable to unitholders

Non-distributable income is transferred directly to unitholders' funds, and may consist of unrealised changes in the market value of investments, accrued income not yet assessable, expenses provided for or accrued which are not yet deductible, net capital losses and tax-free or tax-deferred income. Net capital gains on the realisation of any investments (including any adjustments for tax-deferred income previously taken directly to unitholders' funds) and accrued income not yet assessable will be included in the determination of distributable income in the same year in which it becomes assessable for tax. Movements in net assets attributable to unitholders are recognised in the Statements of Comprehensive Income as financing costs.

(j) Receivables

Receivables may include amounts for interest and amounts from securities sold where settlement has not yet occurred. Interest is accrued at the end of each reporting period from the time of last payment. Amounts are generally received within 30 days of being recorded as receivables.

(k) Payables

These amounts represent liabilities and accrued expenses for amounts owing by the Schemes at year end which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trades are recorded on trade date and normally settled within three business days. Purchases of securities and investments that are not settled at reporting period are included in payables. The distributions payable to unitholders as at the end of each reporting period are recognised separately in the Statements of Financial Position, as unitholders are presently entitled to the distributable income as at 30 June 2011 under the Schemes' Constitutions.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

2 Summary of significant accounting policies (continued)

(l) Applications and redemptions

Applications received for units in the Schemes are recorded net of any Transaction Cost Allowance payable prior to the issue of units in the Schemes. Redemptions from the Schemes are recorded gross of any Transaction Cost Allowance payable after the cancellation of units redeemed. Unit redemption prices are determined by reference to the net assets of the Schemes, divided by the number of units on issue at or immediately prior to close of business each day. Issues and redemptions of units are processed simultaneously.

(m) Goods and services tax (GST)

The GST incurred on the cost of various services provided to the Responsible Entity by third parties, such as audit fees, custodial fees and other expenses of the Schemes have been passed on to the Schemes. The Schemes qualify for Reduced Input Tax Credits (RITCs) at the rate of 75% on certain fees and expenses, which have been recognised in the Statements of Comprehensive Income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the Statements of Financial Position. Cash flows related to GST are included in the Statements of Cash Flows on a gross basis.

(n) Foreign currency transactions and translation

(i) Functional and presentation currency

Items included in the Schemes' financial statements are measured using the currency of the primary economic environment in which they operate (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Schemes compete for funds and are regulated. The Australian dollar is also the Schemes' presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates, of monetary assets and liabilities denominated in foreign currencies are recognised in the Statements of Comprehensive Income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the Statement of Comprehensive Income on a net basis within net gains/(losses) on financial instruments held at fair value through profit or loss.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

2 Summary of significant accounting policies (continued)

(o) Use of estimates

The Schemes make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated 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 Schemes' 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 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.

For certain other financial instruments, including amounts due from/to brokers and payables, the carrying amounts approximate fair value due to the short-term nature of these financial instruments.

(p) Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment does not exceed what the amortised cost would have been had the impairment not been recognised.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

3 Financial assets held at fair value through profit or loss

	Dimensional Short Term Fixed Interest Trust As at		Dimensional Two-Year Diversified Fixed Interest Trust As at		Dimensional Five-Year Diversified Fixed Interest Trust As at	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Held for trading						
Forward currency contracts	-	-	4,159,379	3,388,652	16,556,965	5,865,908
Designated at fair value through profit or loss						
Fixed interest securities	366,931,029	430,842,043	357,271,464	304,132,417	975,033,033	834,557,298
Discount securities	262,712,574	166,467,459	53,787,757	20,902,727	86,715,723	40,800,311
Total financial assets held at fair value through profit or loss	629,643,603	597,309,502	415,218,600	328,423,796	1,078,305,721	881,223,517
Notional value of forward currency contracts	-	-	493,580,265	220,273,874	1,755,960,132	150,426,928

An overview of the risk exposures relating to financial assets held at fair value through profit or loss is included in note 15.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

4 Financial liabilities held at fair value through profit or loss

	Dimensional Short Term Fixed Interest Trust As at		Dimensional Two-Year Diversified Fixed Interest Trust As at		Dimensional Five-Year Diversified Fixed Interest Trust As at	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Held for trading						
Derivatives	-	-	1,387,211	7,283,052	4,575,454	24,488,730
Total financial liabilities held at fair value through profit or loss	-	-	1,387,211	7,283,052	4,575,454	24,488,730
Derivatives						
Forward currency contracts	-	-	1,387,211	7,283,052	4,575,454	24,488,730
Total derivatives	-	-	1,387,211	7,283,052	4,575,454	24,488,730
Total financial assets held at fair value through profit or loss	-	-	1,387,211	7,283,052	4,575,454	24,488,730
Notional value of forward currency contracts	-	-	185,360,123	475,794,484	771,281,719	770,050,632

An overview of the risk exposures relating to financial liabilities held at fair value through profit or loss is included in note 15.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

5 Net gains/(losses) on financial instruments held at fair value through profit or loss

Net gains/(losses) recognised in relation to financial assets and financial liabilities held at fair value through profit or loss:

	Dimensional Short Term Fixed Interest Trust As at		Dimensional Two-Year Diversified Fixed Interest Trust As at		Dimensional Five-Year Diversified Fixed Interest Trust As at	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Financial assets	-	-	125,322,070	(21,806,846)	373,479,505	(16,255,234)
Net gain/(loss) on financial assets held for trading						
Net gain/(loss) on financial assets designated as at fair value through profit or loss	10,390,260	4,566,192	(55,275,177)	(20,916,060)	(155,263,917)	(1,964,094)
Net gain/(loss) on financial assets held at fair value through profit or loss	10,390,260	4,566,192	70,046,893	(42,722,906)	218,215,588	(18,219,328)
Net realised gain/(loss) on financial assets held at fair value through profit or loss	3,212,629	7,610,530	77,112,217	(54,739,342)	247,593,895	(31,825,349)
Net unrealised gain/(loss) on financial assets held at fair value through profit or loss	7,177,631	(3,044,338)	(7,065,324)	12,016,436	(29,378,307)	13,606,021
Net gain/(loss) on financial assets held at fair value through profit or loss	10,390,260	4,566,192	70,046,893	(42,722,906)	218,215,588	(18,219,328)
Financial liabilities	-	-	(61,972,745)	46,868,309	(178,932,349)	67,861,620
Net gain/(loss) on financial liabilities held for trading						
Net gain/(loss) on financial liabilities designated as at fair value through profit or loss	-	-	846,861	84,338	2,377,030	3,026,477
Net gain/(loss) on financial liabilities held at fair value through profit or loss	-	-	(61,125,884)	46,952,647	(176,555,319)	70,888,097
Net realised gain/(loss) on financial liabilities held at fair value through profit or loss	-	-	(57,789,890)	52,476,619	(164,868,252)	88,535,184
Net unrealised loss on financial liabilities held at fair value through profit or loss	-	-	(3,335,994)	(5,523,972)	(11,687,067)	(17,465,087)
Net gain/(loss) on financial liabilities held at fair value through profit or loss	-	-	(61,125,884)	46,952,647	(176,555,319)	70,888,097
Total net gain on financial instruments held at fair value through profit or loss	10,390,260	4,566,192	8,921,009	4,229,741	41,660,269	52,668,769

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

6 Receivables

	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
	As at		As at		As at	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Interest receivable	7,016	14,703	9,931	9,614	22,846	17,878
Unsettled sales	-	-	-	-	10,591,611	1,675,462
Other receivables	34,811	29,282	33,027	25,331	90,842	71,663
Total receivables	41,827	43,985	42,958	34,945	10,705,299	1,765,003

7 Payables

	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
	As at		As at		As at	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Management fee payable	85,231	81,118	74,446	57,654	240,612	193,236
Unsettled purchases	-	-	-	-	3,848,409	-
Other accrued expenses	157,970	105,554	166,382	107,457	289,100	181,940
Total payables	243,201	186,672	240,828	165,111	4,378,121	375,176

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

8 Net assets attributable to unitholders

	Dimensional Short Term Fixed Interest Trust				Dimensional Two-Year Diversified Fixed Interest Trust			
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	Units	Units	\$	\$	Units	Units	\$	\$
Balance and units on issue at beginning of the year	56,676,254	44,765,806	594,125,066	471,203,870	30,720,360	15,736,942	319,583,170	158,166,050
Applications	18,198,230	28,652,475	192,081,237	301,476,316	13,215,091	20,237,372	141,122,789	207,359,104
Redemptions	(15,965,235)	(16,836,069)	(168,475,411)	(177,360,654)	(6,119,583)	(5,289,744)	(65,416,093)	(54,474,082)
Units issued upon reinvestment of distributions	111,292	94,042	1,165,734	986,212	26,687	35,790	278,842	360,616
Increase/(decrease) in net assets attributable to unitholders	-	-	4,210,919	(2,180,678)	-	-	(11,647,994)	8,171,482
Balance and units on issue at end of the year	59,020,541	56,676,254	623,107,545	594,125,066	37,842,555	30,720,360	383,920,714	319,583,170

	Dimensional Five-Year Diversified Fixed Interest Trust - AUD Class Units				Dimensional Five-Year Diversified Fixed Interest Trust - NZD Class Units			
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	Units	Units	\$	\$	Units	Units	\$	\$
Balance and units on issue at beginning of the year	75,461,387	66,211,529	717,262,880	614,904,723	10,691,755	9,140,729	85,289,458	71,532,263
Applications	23,595,905	17,066,694	253,890,472	182,142,832	6,657,936	2,411,345	54,470,771	20,643,416
Redemptions	(7,724,368)	(7,908,440)	(83,488,984)	(82,360,622)	(704,210)	(860,981)	(5,947,388)	(7,566,425)
Units issued upon reinvestment of distributions	219,618	91,604	2,273,052	955,313	206,328	662	1,703,285	5,655
Increase/(decrease) in net assets attributable to unitholders	-	-	(41,965,163)	1,620,634	-	-	2,230,719	674,549
Balance and units on issue at end of the year	91,552,542	75,461,387	847,972,257	717,262,880	16,851,809	10,691,755	137,746,845	85,289,458
<i>New Zealand Dollar equivalent (NZD\$)</i>							169,583,579	104,762,235

As stipulated within the Schemes' Constitutions, each unit represents a right to an individual share of the net asset value of the Schemes (based on the market value of the portfolio of investments of the Schemes) and does not extend to a right to the underlying assets of the Schemes.

Capital risk management is included in note 15.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

9 Auditor's remuneration

	Dimensional Short Term Fixed Interest Trust Year Ended		Dimensional Two-Year Diversified Fixed Interest Trust Year Ended		Dimensional Five-Year Diversified Fixed Interest Trust Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Auditing the financial report	9,708	9,003	9,708	9,003	9,708	9,003
Total auditor's remuneration	9,708	9,003	9,708	9,003	9,708	9,003

The auditor of the Schemes is PricewaterhouseCoopers.

10 Distributions payable

	Dimensional Short Term Fixed Interest Trust				Dimensional Two-Year Diversified Fixed Interest Trust			
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	c/unit	c/unit	\$	\$	c/unit	c/unit
Opening balance 30 June	6,540,744	4,294,893	11.54	9.58	3,794,928	10,356,516	12.35	65.75
Additional provisions for distributions recognised	28,310,653	26,436,311	49.01	48.92	31,640,293	4,561,690	87.74	15.48
Reductions arising from payments:								
June	(6,540,744)	(4,294,893)	(11.54)	(9.58)	(3,794,928)	(10,356,516)	(12.35)	(65.75)
September	(8,910,193)	(6,172,378)	(15.57)	(12.30)	-	-	-	-
December	(7,973,630)	(6,209,995)	(13.94)	(11.47)	(706,709)	(766,762)	(2.00)	(3.13)
March	(4,759,152)	(7,513,194)	(8.20)	(13.61)	-	-	-	-
Closing balance 30 June	6,667,678	6,540,744	11.30	11.54	30,933,584	3,794,928	85.74	12.35

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

10 Distributions payable (continued)

	Dimensional Five-Year Diversified Fixed Interest Trust AUD Class Units				Dimensional Five-Year Diversified Fixed Interest Trust NZD Class Units			
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	c/unit	c/unit	\$	\$	c/unit	c/unit
Opening balance 30 June	54,461,407	10,115,731	78.73	16.93	8,167,856	-	76.39	-
Additional provisions for distributions recognised	98,339,736	67,412,584	115.38	99.16	6,065,482	8,436,422	35.99	79.12
Reductions arising from payments:								
June	(54,461,407)	(10,115,731)	(78.73)	(16.93)	(8,167,856)	-	(76.39)	-
December	-	(12,951,177)	-	(20.43)	-	(268,566)	-	(2.73)
Closing balance 30 June	98,339,736	54,461,407	115.38	78.73	6,065,482	8,167,856	35.99	76.39
<i>New Zealand Dollar equivalent (NZD)</i>					7,862,568	10,032,692	46.66	93.84

11 Cash and cash equivalents

(a) Reconciliation of cash and cash equivalents

For the purposes of the Statements of Cash Flows, cash includes cash on hand and in banks net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statements of Cash Flows are reconciled to the Statements of Financial Position as follows:

	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
	As at 30 June 2011	As at 30 June 2010	As at 30 June 2011	As at 30 June 2010	As at 30 June 2011	As at 30 June 2010
	\$	\$	\$	\$	\$	\$
Cash at bank	332,994	3,498,995	1,220,779	2,367,520	10,066,875	7,056,987
Total cash and cash equivalents	332,994	3,498,995	1,220,779	2,367,520	10,066,875	7,056,987

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

11 Cash and cash equivalents (continued)

(b) Reconciliation of net profit to net cash inflows from operating activities

	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
	Year Ended		Year Ended		Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Profit attributable to unitholders	32,521,572	24,255,633	19,992,299	12,733,172	64,670,767	78,144,189
Realised (gains)/losses on disposal of financial instruments held at fair value through profit or loss	(3,212,629)	(7,610,530)	(19,322,327)	2,262,723	(82,725,644)	(56,527,835)
Unrealised (gains)/losses on financial instruments held at fair value through profit or loss	(7,177,631)	3,044,338	10,401,318	(6,492,464)	41,065,375	3,859,066
Change in net assets:						
Receivables	2,158	(4,553)	(9,018)	21,663	(76,723)	22,328
Creditors and accruals	56,529	9,978	75,717	(25,156)	154,536	48,070
Net cash provided by operating activities	22,189,999	19,694,866	11,137,989	8,499,938	23,088,311	25,545,818

(c) Non-cash financing and investing activities

During the year, income distributions that were reinvested by unitholders for additional units in the Schemes are set out below:

	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
	Year Ended		Year Ended		Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Distributions reinvested	1,165,734	986,212	278,842	360,616	3,976,337	960,968

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

12 Realised capital losses

Where available, the capital losses available to offset future capital gains are set out below.

	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Capital loss	-	-	-	-	2,299,910	1,897,391

The above numbers are subject to change following the lodgement of tax returns.

13 Unrealised taxable capital gains/(losses)

The net unrealised capital gains for each of the Schemes are set out below, which if realised, and after any offset of realised capital losses, would be assessable.

	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Gross unrealised taxable capital gains/(losses)	-	-	-	-	(4,648,100)	8,612,318
Capital gains tax concession	-	-	-	-	-	(3,997,438)
Net unrealised taxable capital gain/(losses)	-	-	-	-	(4,648,100)	4,614,880

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

14 Related-party transactions

(a) Responsible Entity and Manager

The Responsible Entity of the Schemes is DFA Australia Limited (ABN 46 065 937 671). DFA Australia Limited is a subsidiary of Dimensional Fund Advisors LP (incorporated in the United States of America).

DFA Australia Limited also acts as the manager of the Schemes.

(b) Key management personnel

The names of each person considered to be key management personnel of the Responsible Entity during the financial year were:

D.G. Booth	A.G. Cain (<i>Resigned as director 27 April 2011</i>)	D.R. Martin	P.M. Keating
J.G. Crane	N.A.D. Stewart	C.L. Newell	G.J. Lennon
			E.A. Repetto

(c) Key management personnel compensation

Payments made from the Schemes to the Responsible Entity do not include any amounts attributable to the compensation of key management personnel.

(d) Holdings of units

Directors of the Responsible Entity and their Associates	Market Value		Holding		Purchases			Sales		Distributions paid and payable		Number of units held	
	2011 \$	2010 \$	2011 %	2010 %	2011 Units	2010 Units	2011 Units	2010 Units	2011 \$	2010 \$	2011	2010	
Dimensional Short Term Fixed Interest Trust	7,363,893	8,368,317	1.18	1.41	64,712	681,161	165,331	448,535	78,802	92,111	697,535	798,153	
Dimensional Two-Year Diversified Fixed Interest Trust	1,191,619	1,109,491	0.31	0.35	10,756	296,180	-	290,508	95,943	13,170	117,371	106,615	
Dimensional Five-Year Diversified Fixed Interest Trust	2,430,390	2,152,744	0.25	0.27	34,737	102,596	-	-	280,128	163,875	242,878	208,141	

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Schemes during the financial year and there were no material contracts involving key management personnel's interests existing at year end.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

14 Related-party transactions (continued)

(e) Transactions with related parties

Under the terms of the Schemes' Constitutions, the Responsible Entity is entitled up to a management fee of 1% per annum (2010: 1% per annum) of the net asset value of each of the Schemes, payable monthly. The Responsible Entity has however agreed to be paid at the following management fee rates. In addition, the Responsible Entity has further agreed to defer its management fee and to reimburse other expenses of the Schemes, so that the ICR for each of the Schemes does not exceed the capped ICR level set out in the current Product Disclosure Statements. Fees are accrued daily and payable on a monthly basis. Management fees are separately disclosed in the Statements of Comprehensive Income.

Scheme Name	Management Fee Rate*		Capped ICR level**
	2011 %	2010 %	%
Dimensional Short Term Fixed Interest Trust	0.150	0.150	0.50
Dimensional Two-Year Diversified Fixed Interest Trust	0.200	0.200	0.40
Dimensional Five-Year Diversified Fixed Interest Trust	0.250	0.250	0.60

* Rates are exclusive of GST.

** Rates are inclusive of GST.

The Responsible Entity has the right to increase management fees up to the limit set out in the Schemes' Constitutions and to remove or vary the capped ICR level.

The Responsible Entity intends to gradually recover deferred management fees, together with expenses that were reimbursed to the Schemes in the current and previous reporting periods. In doing so, the Responsible Entity will ensure that the ICR for each of the Schemes does not exceed the capped ICR level stated above.

(f) Investments in related parties

The Schemes did not hold any investment in DFA Australia Limited, its affiliates or any other scheme managed by DFA Australia Limited or its parent entity during the year (2010: Nil).

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

(b) Significant terms and conditions

Derivative financial instruments

In the normal course of business the Schemes 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 Schemes' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- > hedging to protect an asset or liability of the Schemes against a fluctuation in market values or to reduce volatility;
- > a substitution for trading of physical securities;
- > 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.

Derivatives 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 Schemes.

The Schemes may hold the following derivative instruments:

Forward currency contracts

Forward currency contracts are primarily used by the Schemes to hedge against foreign currency exchange rate risks on their non-Australian dollar denominated investments designated at fair value through profit or loss. The Schemes 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 end of each reporting period. The Schemes recognise a gain or loss equal to the change in fair value at the end of each reporting period.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments *(continued)*

(c) Financial risk management objectives

The Schemes are exposed to a variety of financial risks as a result of their activities. These risks include market risk (including currency risk, interest-rate risk and price risk), credit risk and liquidity risk. The Schemes' risk management and investment policies, approved by the Responsible Entity, seek to minimise the potential adverse effects of these risks on the Schemes' financial performance. These policies may include the use of certain financial derivative instruments.

The Responsible Entity manages the financial risks relating to the operations of the Schemes in accordance with the Schemes' Constitutions and Product Disclosure Statements.

The Schemes do not enter into or trade derivative financial instruments for speculative purposes. The use of financial derivatives is governed by the Schemes' investment policies, which provide written principles on the use of financial derivatives. These principles permit the use of derivatives to change the Schemes' exposure to particular assets. Derivatives are not used to gear the Schemes and the Schemes' effective market exposure will not exceed its market value. Compliance with policies and exposure limits is reviewed by the Responsible Entity on a continuous basis.

(d) Capital risk management

The capital structure of the Schemes consists of cash and cash equivalents and the proceeds from the issue of units of the Schemes.

The Responsible Entity manages cash levels to ensure that there are sufficient cash funds to meet unitholder redemptions.

The Schemes have no restrictions or specific capital requirements on the application and redemption of units. The Schemes' overall investment strategy remains unchanged from the prior year.

(e) Foreign exchange risk

Dimensional Short Term Fixed Interest Trust is not exposed to direct foreign exchange risk.

The following table details Dimensional Two-Year Diversified Fixed Interest Trust's and Dimensional Five-Year Diversified Fixed Interest Trust's international investments in Australian dollar equivalents by currency exposure and the amounts that are effectively hedged using forward foreign currency contracts at the end of each reporting period. At 30 June 2011, had the exchange rate of all the currencies increased or decreased by 10% (2010: 10%), with all other variables held constant, the impact on the net assets attributable to unitholders is reflected in the tables below.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(e) Foreign-exchange risk (continued)

	Dimensional Two-Year Diversified Fixed Interest Trust						
	Swiss Franc \$A	US Dollar \$A	Canadian Dollar \$A	European Euro \$A	British Pound \$A	New Zealand Dollar \$A	Total \$A
30 June 2011							
Gross investment amounts denominated in foreign currency	6,340,562	177,021,195	78,129,466	56,266,851	15,529,161	13,382,712	346,669,947
Increase in exposure from foreign currency contracts	(6,478,813)	(179,739,527)	(78,652,082)	(56,669,712)	(16,664,536)	(13,336,146)	(351,540,816)
Total foreign currency exposure	(138,251)	(2,718,332)	(522,616)	(402,861)	(1,135,375)	46,566	(4,870,869)
Net foreign currency exposure	(138,251)	(2,718,332)	(522,616)	(402,861)	(1,135,375)	46,566	(4,870,869)
Foreign currency exposure (+/- 10%)	(13,825)	(271,833)	(52,262)	(40,286)	(113,538)	4,657	(487,087)

	Dimensional Two-Year Diversified Fixed Interest Trust						
	Swiss Franc \$A	US Dollar \$A	Canadian Dollar \$A	European Euro \$A	British Pound \$A	New Zealand Dollar \$A	Total \$A
30 June 2010							
Gross investment amounts denominated in foreign currency	-	143,551,944	35,275,718	32,466,423	47,879,877	-	259,173,962
Decrease in exposure from foreign currency contracts	-	(143,816,030)	(35,063,070)	(32,416,195)	(48,119,714)	-	(259,415,009)
Total foreign currency exposure	-	(264,086)	212,648	50,228	(239,837)	-	(241,047)
Net foreign currency exposure	-	(264,086)	212,648	50,228	(239,837)	-	(241,047)
Foreign currency exposure (+/- 10%)	-	(26,409)	21,265	5,023	(23,984)	-	(24,105)

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(e) Foreign-exchange risk (continued)

	Dimensional Five-Year Diversified Fixed Interest Trust					
	US Dollar	Canadian Dollar	European Euro	British Pound	New Zealand Dollar	Total
30 June 2011	\$A	\$A	\$A	\$A	\$A	\$A
Gross investment denominated amounts in foreign currency	668,170,440	16,010,480	30,792,360	254,005,559	5,283,443	974,262,282
Decrease in exposure from foreign currency contracts	(678,921,468)	(16,064,775)	(30,429,917)	(263,716,081)	134,792,454	(854,339,787)
Total foreign currency exposure	(10,751,028)	(54,295)	362,443	(9,710,522)	140,075,897	119,922,495
Net foreign currency exposure	(10,751,028)	(54,295)	362,443	(9,710,522)	140,075,897	119,922,495
Foreign currency exposure (+/- 10%)	(1,075,103)	(5,430)	36,244	(971,052)	14,007,590	11,992,250

	Dimensional Five-Year Diversified Fixed Interest Trust					
	US Dollar	Canadian Dollar	European Euro	British Pound	New Zealand Dollar	Total
30 June 2010	\$A	\$A	\$A	\$A	\$A	\$A
Gross investment denominated amounts in foreign currency	486,741,649	20,467,447	56,736,200	169,083,012	94,987,984	828,016,292
Decrease in exposure from foreign currency contracts	(485,388,860)	(20,202,068)	(56,723,971)	(170,919,611)	-	(733,234,510)
Total foreign currency exposure	1,352,789	265,379	12,229	(1,836,599)	94,987,984	94,781,782
Net foreign currency exposure	1,352,789	265,379	12,229	(1,836,599)	94,987,984	94,781,782
Foreign currency exposure (+/- 10%)	135,279	26,538	1,223	(183,660)	9,498,798	9,478,178

*The residual New Zealand dollars exposure relates to the NZD Class Units.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(f) Interest-rate risk

Interest rate risk is the risk that a financial asset's value will fluctuate as a result of changes in market interest rates. The weighted average effective interest rate has been calculated using the market yield for cash and cash equivalents within the Schemes prevailing at the year end. Interest-rate risk is managed as part of the overall investment strategy of the Schemes.

The following tables detail the Schemes' exposure to interest-rate risk as at 30 June 2011 and 30 June 2010. The average interest rates are based on the outstanding balances at the end of the financial year.

	Weighted average interest rate (% p.a.)	Floating interest rate \$	Non-interest bearing \$	Dimensional Short Term Fixed Interest Trust		
				Fixed interest maturing in or repriced at:		
				Less than 1 year \$	1 to 5 years \$	Total \$
30 June 2011						
Assets						
Cash and cash equivalents	4.00	332,994	-	-	-	332,994
Financial assets held at fair value through profit or loss	4.75	-	-	363,676,798	265,966,805	629,643,603
Fixed interest securities						
Receivables		-	41,827	-	-	41,827
Total assets		332,994	41,827	363,676,798	265,966,805	630,018,424
Liabilities (excluding liabilities attributable to unitholders)						
Payables		-	(243,201)	-	-	(243,201)
Provision for distributions payable		-	(6,667,678)	-	-	(6,667,678)
Total liabilities (excluding liabilities attributable to unitholders)		-	(6,910,879)	-	-	(6,910,879)
Net assets/(liabilities) (excluding liabilities attributable to unitholders)		332,994	(6,869,052)	363,676,798	265,966,805	623,107,545

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(f) Interest-rate risk (continued)

	Weighted average interest rate (% p.a.)	Floating interest rate \$	Non-interest bearing \$	Dimensional Short Term Fixed Interest Trust Fixed interest maturing in or repriced at:		
				Less than 1 year \$	1 to 5 years \$	Total \$
30 June 2010						
Assets						
Cash and cash equivalents	1.75	3,498,995	-	-	-	3,498,995
Financial assets held at fair value through profit or loss						
Fixed interest securities	5.57	-	-	473,396,957	123,912,545	597,309,502
Receivables		-	43,985	-	-	43,985
Total assets		3,498,995	43,985	473,396,957	123,912,545	600,852,482
Liabilities (excluding liabilities attributable to unitholders)						
Payables		-	(186,672)	-	-	(186,672)
Provision for distributions payable		-	(6,540,744)	-	-	(6,540,744)
Total liabilities (excluding liabilities attributable to unitholders)		-	(6,727,416)	-	-	(6,727,416)
Net assets/(liabilities) (excluding liabilities attributable to unitholders)		3,498,995	(6,683,431)	473,396,957	123,912,545	594,125,066
				Effect on profit attributable to unitholders		
	30 June 2011	Change in variable		30 June 2011	30 June 2010	
	+/- %	30 June 2010		\$	\$	
		+/- %				
Interest-rate risk	1.00	1.00		1,038,855	6,008,085	

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(f) Interest-rate risk (continued)

30 June 2011	Weighted average interest rate (% p.a.)	Floating interest rate \$	Non-interest bearing \$	Dimensional Two-Year Diversified Fixed Interest Trust Fixed interest maturing in or repriced at:		Total \$
				Less than 1 year \$	1 to 5 years \$	
Assets						
Cash and cash equivalents	3.65	1,220,779	-	-	-	1,220,779
Financial assets held at fair value through profit or loss						
Fixed interest securities	3.43	-	-	76,640,638	334,418,583	411,059,221
Currency contracts		-	4,159,379	-	-	4,159,379
Receivables		-	42,958	-	-	42,958
Total assets		1,220,779	4,202,337	76,640,638	334,418,583	416,482,337
Liabilities (excluding liabilities attributable to unitholders)						
Payables		-	(240,828)	-	-	(240,828)
Financial liabilities held at fair value through profit and loss		-	(1,387,211)	-	-	(1,387,211)
Provision for distribution payable		-	(30,933,584)	-	-	(30,933,584)
Total liabilities (excluding liabilities attributable to unitholders)		-	(32,561,623)	-	-	(32,561,623)
Net assets/(liabilities) (excluding liabilities attributable to unitholders)		1,220,779	(28,359,286)	76,640,638	334,418,583	383,920,714

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(f) Interest-rate risk (continued)

	Weighted average interest rate (% p.a.)	Floating interest rate \$	Non-interest bearing \$	Dimensional Two-Year Diversified Fixed Interest Trust Fixed interest maturing in or repriced at:		
				Less than 1 year \$	1 to 5 years \$	Total \$
30 June 2010						
Assets						
Cash and cash equivalents	1.73	2,367,520	-	-	-	2,367,520
Financial assets held at fair value through profit or loss						
Fixed interest securities	3.29	-	-	69,621,344	255,413,800	325,035,144
Currency contracts		-	3,388,652	-	-	3,388,652
Receivables		-	34,945	-	-	34,945
Total assets		2,367,520	3,423,597	69,621,344	255,413,800	330,826,261
Liabilities (excluding liabilities attributable to unitholders)						
Payables			(165,111)	-	-	(165,111)
Financial liabilities held at fair value through profit and loss			-	(7,283,052)	-	(7,283,052)
Provision for distribution payable			-	(3,794,928)	-	(3,794,928)
Total liabilities (excluding liabilities attributable to unitholders)			-	(11,243,091)	-	(11,243,091)
Net assets/(liabilities) (excluding liabilities attributable to unitholders)		2,367,520	(7,819,494)	69,621,344	255,413,800	319,583,170
			Change in variable	Effect on profit attributable to unitholders		
	30 June 2011		30 June 2010	30 June 2011	30 June 2010	
	+/- %		+/- %	\$	\$	
Interest-rate risk	1.00		1.00	4,098,384	3,274,027	

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(f) Interest-rate risk (continued)

	Weighted average interest rate (% p.a.)	Floating interest rate \$	Non-interest bearing \$	Dimensional Five-Year Diversified Fixed Interest Trust		
				Fixed interest maturing in or repriced at:		
30 June 2011				Less than 1 year \$	1 to 5 years \$	Total \$
Assets						
Cash and cash equivalents	1.82	10,066,875	-	-	-	10,066,875
Financial assets held at fair value through profit or loss						
Fixed interest securities	2.84	-	-	86,715,723	975,033,033	1,061,748,756
Currency contracts		-	16,556,965	-	-	16,556,965
Receivables		-	10,705,299	-	-	10,705,299
Total assets		10,066,875	27,262,264	86,715,723	975,033,033	1,099,077,895
Liabilities (excluding liabilities attributable to unitholders)						
Payables		-	(4,378,121)	-	-	(4,378,121)
Financial liabilities held at fair value through profit and loss		-	(4,575,454)	-	-	(4,575,454)
Provision for distribution payable		-	(104,405,218)	-	-	(104,405,218)
Total liabilities (excluding liabilities attributable to unitholders)		-	(113,358,793)	-	-	(113,358,793)
Net assets/(liabilities) (excluding liabilities attributable to unitholders)		10,066,875	(86,096,529)	86,715,723	975,033,033	985,719,102

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(f) Interest-rate risk (continued)

	Weighted average interest rate (% p.a.)	Floating interest rate \$	Non-interest bearing \$	Dimensional Five-Year Diversified Fixed Interest Trust Fixed interest maturing in or repriced at:		
				Less than 1 year \$	1 to 5 years \$	Total \$
30 June 2010						
Assets						
Cash and cash equivalents	1.74	7,056,987	-	-	-	7,056,987
Financial assets held at fair value through profit or loss						
Fixed interest securities	3.06	-	-	40,800,311	834,557,298	875,357,609
Currency contracts		-	5,865,908	-	-	5,865,908
Receivables		-	1,765,003	-	-	1,765,003
Total assets		7,056,987	7,630,911	40,800,311	834,557,298	890,045,507
Liabilities (excluding liabilities attributable to unitholders)						
Payables		-	(375,176)	-	-	(375,176)
Financial liabilities held at fair value through profit and loss		-	(24,488,730)	-	-	(24,488,730)
Provision for distribution payable		-	(62,629,263)	-	-	(62,629,263)
Total liabilities (excluding liabilities attributable to unitholders)		-	(87,493,169)	-	-	(87,493,169)
Net assets/(liabilities) (excluding liabilities attributable to unitholders)		7,056,987	(79,862,258)	40,800,311	834,557,298	802,552,338

	30 June 2011 +/- %	Change in variable 30 June 2010 +/- %	Effect on profit attributable to unitholders	
			30 June 2011 \$	30 June 2010 \$
Interest-rate risk	1.00	1.00	10,516,819	8,824,146

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(g) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Schemes. The Schemes have adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, and ensuring that the majority of transactions are undertaken on recognised markets, as a means of mitigating the risk of financial loss from default. The Schemes measure credit risk on a fair-value basis.

The Schemes have no significant credit-risk exposure to any single counterparty or counterparties having similar characteristics.

Credit risk primarily arises from investments in debt securities and from trading derivative products. Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers. None of these assets are impaired nor past due but not impaired.

Credit risk is managed by ensuring that:

- > counterparties with respective credit limits are approved by DFA Australia Limited as the Responsible Entity;
- > transactions are undertaken with a number of different counterparties; and
- > limits are established for individual counterparties and with respect to investment ratings.

Fixed interest securities and money markets	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2011
	\$	\$	\$	\$	\$	\$
Rating						
AAA	240,412,090	223,025,460	213,616,511	230,780,439	611,032,946	599,261,677
AA+	17,576,692	30,850,100	26,513,606	8,840,768	45,747,836	57,870,413
AA	100,958,069	147,647,577	44,446,758	46,419,046	163,573,076	108,872,500
AA-	7,984,178	29,318,907	43,607,735	18,092,164	154,679,175	44,858,736
A1+	262,712,574	166,467,458	61,571,797	20,902,727	86,715,723	40,800,311
A+	-	-	21,302,814	-	-	16,538,943
A	-	-	-	-	-	7,155,029
Total	629,643,603	597,309,502	411,059,221	325,035,144	1,061,748,756	875,357,609

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments *(continued)*

(h) Net fair value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with note 2 to the financial statements.

The Schemes have no significant holdings of investments which are not readily traded on original markets in standardised form or for which prices are not publicly available.

(i) Market risk

Market risk is the risk that the value of the Schemes' investment portfolio will fluctuate as a result of changes in market prices. This risk is managed by ensuring that all activities are transacted in accordance with mandates, overall investment strategies and within approved limits. Market-risk analysis is conducted regularly on a total portfolio basis, which includes the effect of derivatives.

Price risk

Price risk is the risk that the total value of investments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Schemes have investments in debt securities which expose them to price risk. The investment manager manages the Schemes' market risk on a daily basis in accordance with the Schemes' investment objectives and policies.

As the majority of the Schemes' financial instruments are carried at fair value, with changes in fair value recognised in the Statements of Comprehensive Income, all changes in market conditions will directly affect investment income.

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(i) Market risk (continued)

The following table details the effect on profit attributable to unitholders and net assets attributable to unitholders from possible changes in other market risk that were reasonably possible based on the risk the Schemes were exposed to at the end of each reporting period:

	Dimensional Short Term Fixed Interest Trust				Dimensional Two-Year Diversified Fixed Interest Trust			
	Change in variable		Effect on profit		Change in variable		Effect on profit	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	+/- %	+/- %	\$	\$	+/- %	+/- %	\$	\$
Debt security price risk								
Australia	10.00	10.00	62,964,360	59,730,950	10.00	10.00	6,370,846	6,586,118
Asia Pacific	-	-	-	-	10.00	-	1,338,271	-
USA & Canada	-	-	-	-	10.00	10.00	25,530,172	16,552,792
Continental Europe	-	-	-	-	10.00	10.00	5,848,132	4,576,616
United Kingdom	-	-	-	-	10.00	10.00	2,018,502	4,787,988
					Dimensional Five-Year Diversified Fixed Interest Trust			
					Change in variable		Effect on profit	
					30 June 2011	30 June 2010	30 June 2011	30 June 2010
					+/- %	+/- %	\$	\$
Debt security price risk								
Australia					10.00	10.00	10,063,144	14,232,930
Asia Pacific					-	-	-	-
USA & Canada					10.00	10.00	68,918,027	50,720,910
Continental Europe					10.00	10.00	4,897,856	5,673,620
United Kingdom					10.00	10.00	22,295,848	16,908,301

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(j) Liquidity risk

Liquidity risk is the risk that the Schemes will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments. This risk is controlled through the Schemes' investments in financial instruments which under normal market conditions are readily convertible to cash. In addition, the Schemes maintain cash and cash equivalents to meet normal operating requirements.

Cash-flow risk is the risk that the future cash flows derived from holding financial instruments will fluctuate.

The risk-management guidelines adopted are designed to minimise liquidity and cash-flow risk through:

- > ensuring that there is no significant exposure to illiquid or thinly traded financial instruments; and
- > applying limits to ensure there is no concentration of liquidity risk to a particular counterparty or market.

(k) Maturity analysis of financial liabilities

The tables below summarise the maturity analysis of financial liabilities (excluding gross-settled financial liabilities) at the end of each reporting period. The tables demonstrate that there are no significant mismatches between the Schemes' assets and liabilities.

	Dimensional Short Term Fixed Interest Trust			
	Due on demand	Due within 3 months	Due after 3 months	Total
30 June 2011	\$	\$	\$	\$
Payables	-	243,201	-	243,201
Distributions payable	-	6,667,678	-	6,667,678
Total liabilities (excluding liabilities attributable to unitholders)	-	6,910,879	-	6,910,879

	Dimensional Short Term Fixed Interest Trust			
	Due on demand	Due within 3 months	Due after 3 months	Total
30 June 2010	\$	\$	\$	\$
Payables	-	186,672	-	186,672
Distributions payable	-	6,540,744	-	6,540,744
Total liabilities (excluding liabilities attributable to unitholders)	-	6,727,416	-	6,727,416

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(k) Maturity analysis of financial liabilities (continued)

30 June 2011	Dimensional Two-Year Diversified Fixed Interest Trust			
	Due on demand \$	Due within 3 months \$	Due after 3 months \$	Total \$
Payables	-	240,828	-	240,828
Distributions payable	-	30,933,584	-	30,933,584
Financial liabilities at fair value through profit and loss	-	1,387,211	-	1,387,211
Total liabilities (excluding liabilities attributable to unitholders)	-	32,561,623	-	32,561,623

30 June 2010	Dimensional Two-Year Diversified Fixed Interest Trust			
	Due on demand \$	Due within 3 months \$	Due after 3 months \$	Total \$
Payables	-	165,111	-	165,111
Distributions payable	-	3,794,928	-	3,794,928
Total liabilities (excluding liabilities attributable to unitholders)	-	3,960,039	-	3,960,039

30 June 2011	Dimensional Five-Year Diversified Fixed Interest Trust			
	Due on demand \$	Due within 3 months \$	Due after 3 months \$	Total \$
Payables	-	4,378,121	-	4,378,121
Distribution payable	-	104,405,218	-	104,405,218
Financial liabilities at fair value through profit and loss	-	4,575,454	-	4,575,454
Total liabilities (excluding liabilities attributable to unitholders)	-	113,358,793	-	113,358,793

30 June 2010	Dimensional Five-Year Diversified Fixed Interest Trust			
	Due on demand \$	Due within 3 months \$	Due after 3 months \$	Total \$
Payables	-	375,176	-	375,176
Distributions payable	-	62,629,263	-	62,629,263
Total liabilities (excluding liabilities attributable to unitholders)	-	63,004,439	-	63,004,439

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(l) Fair-value hierarchy

The Schemes classify fair-value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair-value hierarchy has the following levels:

- > Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- > Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2);
- > Inputs for the asset or liability that are not based on observable market data – that is, unobservable inputs (level 3).

The level in the fair-value hierarchy within which the fair-value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair-value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair-value measurement in its entirety. If a fair-value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair-value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the Responsible Entity. The Responsible Entity considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The table below sets out the Schemes’ financial assets and liabilities (by class) measured at fair value according to the fair-value hierarchy at 30 June 2011 and 30 June 2010.

	Dimensional Short Term Fixed Interest Trust				Dimensional Two-Year Diversified Fixed Interest Trust			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
30 June 2011	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets								
Financial assets held for trading:								
Derivatives	-	-	-	-	-	4,159,379	-	4,159,379
Financial assets designated at fair value through profit or loss:								
Fixed Interest securities	262,712,574	366,931,029	-	629,643,603	53,787,756	357,271,465	-	411,059,221
Total	262,712,574	366,931,029	-	629,643,603	53,787,756	361,430,844	-	415,218,600
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	-	-	-	-	-	1,387,211	-	1,387,211
Total	-	-	-	-	-	1,387,211	-	1,387,211

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(l) Fair-value hierarchy (continued)

	Dimensional Five-Year Diversified Fixed Interest Trust			
	Level 1	Level 2	Level 3	Total
30 June 2011	\$	\$	\$	\$
Financial Assets				
Financial assets held for trading:				
Derivatives	-	16,556,965	-	16,556,965
Financial assets designated at fair value through profit or loss:				
Fixed Interest securities	86,715,723	975,033,033	-	1,061,748,756
Total	86,715,723	991,589,998	-	1,078,305,721
Financial liabilities				
Financial liabilities held for trading:				
Derivatives	-	(4,575,454)	-	(4,575,454)
Total	-	(4,575,454)	-	(4,575,454)

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(I) Fair-value hierarchy (continued)

	Dimensional Short Term Fixed Interest Trust				Dimensional Two-Year Diversified Fixed Interest Trust			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
30 June 2010	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets								
Financial assets held for trading:								
Derivatives	-	-	-	-	-	3,388,652	-	3,388,652
Financial assets designated at fair value through profit or loss:								
Fixed Interest securities	166,467,459	430,842,043	-	597,309,502	20,902,727	304,132,417	-	325,035,144
Total	166,467,459	430,842,043	-	597,309,502	20,902,727	307,521,069	-	328,423,796
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	-	-	-	-	-	(7,283,052)	-	(7,283,052)
Total	-	-	-	-	-	(7,283,052)	-	(7,283,052)
Dimensional Five-Year Diversified Fixed Interest Trust								
					Level 1	Level 2	Level 3	Total
30 June 2010					\$	\$	\$	\$
Financial Assets								
Financial assets held for trading:								
Derivatives					-	5,865,908	-	5,865,908
Financial assets designated at fair value through profit or loss:								
Fixed Interest securities					40,800,311	834,557,298	-	875,357,609
Total					40,800,311	840,423,206	-	881,223,517
Financial liabilities								
Financial liabilities held for trading:								
Derivatives					-	(24,488,730)	-	(24,488,730)
Total					-	(24,488,730)	-	(24,488,730)

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

15 Financial instruments (continued)

(l) Fair-value hierarchy (continued)

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include fixed interest securities.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include investment-grade corporate bonds, floating-rate notes, mortgage certificates and other public sector bonds and certain unlisted unit trusts. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. Level 3 instruments include corporate debt securities and certain floating-rate notes. As observable prices are not available for these securities, the Responsible Entity has used valuation techniques to derive fair value.

The level 3 debt consists of a single position. The valuation model technique for this corporate debt instrument is the net present value of estimated future cash flows. The responsible entity also considers other liquidity, credit and market-risk factors. It adjusts the model as deemed necessary. Discounted cash flows are calculated using a risk-adjusted discount rate during the financial year.

For investments in debt securities classified under level 3, if the discount rate used in the discounted cash flow valuation model was increased/decreased by 1% this would have resulted in an immaterial increase/decrease in the fair value.

16 Contingent assets and liabilities and commitments

Under the terms and conditions of the Schemes' Constitutions, the Responsible Entity is entitled to be reimbursed for expenditure reasonably and properly incurred on behalf of the Schemes. Expenses incurred by the Responsible Entity on behalf of the Schemes during the year ended 30 June 2011 that have not been reimbursed by the Schemes, together with management fees deferred and Schemes' expenses recovered/(reimbursed) by the Responsible Entity to maintain the ICR cap, are set out in the following table.

Deferred management fees recovered by the Responsible Entity, together with expenses that were reimbursed to the Schemes in the previous reporting period and recovered by the Responsible Entity in the current reporting period, are set out below. The maximum amounts payable by the Schemes in respect of the entitlement at 30 June 2011 are set out in the following table.

	Dimensional Short Term Fixed Interest Trust		Dimensional Two-Year Diversified Fixed Interest Trust		Dimensional Five-Year Diversified Fixed Interest Trust	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$	\$
Fees and expenses recovered	-	-	-	64,733	-	-
Maximum amount payable in respect of the entitlement	-	-	-	-	-	-

Dimensional Australian Resident Trusts

Notes to the Financial Statements for the Year Ended 30 June 2011

17 Subsequent events

The Schemes invest in Australian and international fixed interests and are consequently exposed to the market risk associated with these investments.

Since the balance sheet date, Australian and international share markets have experienced a period of significant volatility, impacting on the valuations of the Schemes' investment portfolio.

As investments are measured at 30 June 2011 fair values in the financial report, the subsequent volatility in values is not reflected in the Statements of Comprehensive Income or the Statements of Financial Position. As the Schemes allocate all investment income to unitholders, the volatility in the value of investments has been reflected in the current unit price, resulting in a corresponding change in net assets attributable to unitholders.

Other than stated above, no matter or circumstance has arisen since 30 June 2011 that has significantly affected, or may significantly affect, the operations of the Schemes in future financial years, the results of those operations in future financial years, or the state of affairs of the Schemes in future financial years.

18 Additional information

DFA Australia Limited, a public company incorporated and operating in Australia, is the Responsible Entity of the Schemes.

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