

**Commonwealth International  
Series Trust**

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Milwaukee, WI 53212

**TRANSFER AGENT & ADMINISTRATOR**

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Milwaukee, WI 53212

**CUSTODIAN BANK**

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**INDEPENDENT REGISTERED PUBLIC  
ACCOUNTING FIRM**

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**LEGAL COUNSEL**

The Law Offices of John H. Lively & Associates, Inc.  
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11300 Tomahawk Creek Parkway, Ste. 310  
Leawood, KS 66211



**Commonwealth Australia/New Zealand Fund  
Africa Fund**

**Commonwealth Japan Fund**

**Commonwealth Global Fund**

**Commonwealth Real Estate Securities Fund**

**ANNUAL REPORT**

**October 31, 2014**

This report is intended for the shareholders of the family of funds of the Commonwealth International Series Trust. It may not be distributed to prospective investors unless it is preceded or accompanied by the Funds' current Prospectus. An additional Prospectus may be obtained at [www.commonwealthfunds.com](http://www.commonwealthfunds.com) or from the principal underwriter of the Funds or your broker.



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791 Town & Country Blvd, Suite 250, Houston, TX 77024-3925

**Commonwealth Australia/New Zealand Fund (CNZLX)**

**Africa Fund (CAFRX)**

**Commonwealth Japan Fund (CNJFX)**

**Commonwealth Global Fund (CNGLX)**

**Commonwealth Real Estate Securities Fund (CNREX)**

**[www.commonwealthfunds.com](http://www.commonwealthfunds.com)**

October 31, 2014

**Dear Fellow Shareholders:**

We are pleased to present the enclosed annual report for the twelve-months ended October 31, 2014 of the Commonwealth International Series Trust on behalf of its separate series: Commonwealth Australia/New Zealand Fund, Commonwealth Japan Fund, Commonwealth Global Fund, Commonwealth Real Estate Securities Fund and Africa Fund (each a “Fund” and together the “Funds”).

The global financial crisis in 2007/08 showed how negative externalities can arise when financial institutions take on excessive leverage and do not bear the full cost of their activities. These externalities can have substantial economic and policy consequences. For example, more than six years after the onset of the financial crisis most of the advanced economies have policy rates close to zero and the major central banks have undertaken around seven trillion dollars of quantitative easing. Although the U.S. Federal Reserve has discontinued its bond purchase program, global quantitative easing in 2015 is expected to be greater than at any time since 2011. These quantitative easing measures have contributed to higher prices of financial and real assets, depressed yields and compressed spreads on risk assets.

Domestic and International markets continue to weigh the “uncertainty” and dangers of various global concerns. These concerns include, but are not limited to, Russia’s aggression in Ukraine, militant control of vast regions of Iraq and Syria, Iran’s continued development as a nuclear threat, and pro-democracy protests in Hong Kong. In addition to these military and political concerns in regional hot spots, there is concern with the continued anemic economic growth in Western Europe and Japan. Emerging market growth has also slowed dramatically.

While we cannot forecast with precision how economic or geopolitical events will unfold, we have confidence that a long-term investment program remains essential. FCA Corp’s in-depth fundamental research, active investing and risk management strategies can serve investors well through challenging domestic and international markets.

Our investment theme remains relatively unchanged. Shareholders select the Funds for their attributes, the investment policy and the targeted markets they are designed to offer. In many cases this could be an asset allocation decision by our shareholders. We continue to offer this differential characteristics among our Funds coupled with a fundamental based approach to investment selections.

As we reflect on our twenty-third year as the investment advisor to the Funds, we would like to thank you as shareholders for your support and continued interest in the Commonwealth family of funds.



Robert W. Scharar  
President and Portfolio Manager  
Commonwealth International Series Trust



Wesley R. Yuhnke  
Assistant Portfolio Manager  
Commonwealth International Series Trust



Ronald Manning  
Assistant Portfolio Manager  
Commonwealth International Series Trust

The views in the above discussion, along with discussion included under the “Performance Overview” for each Fund below, were those of the Funds’ investment advisor as of the date set forth above and may not reflect its views on the date this annual report is first published or anytime thereafter. These views are intended to assist shareholders in understanding their investment in the Funds and the performance of the Funds during the period covered by this report and do not constitute investment advice.

**THE PERFORMANCE INFORMATION QUOTED IN THIS ANNUAL REPORT REPRESENTS PAST PERFORMANCE AND PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. INVESTMENT RETURN AND PRINCIPAL VALUE OF AN INVESTMENT WILL FLUCTUATE SO THAT AN INVESTOR’S SHARES, WHEN REDEEMED, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA QUOTED. AN INVESTOR SHOULD CONSIDER THE FUNDS’ INVESTMENT OBJECTIVES, RISKS, AND CHARGES AND EXPENSES CAREFULLY BEFORE INVESTING. THE FUNDS’ PROSPECTUS CONTAINS THIS AND OTHER IMPORTANT INFORMATION. FOR INFORMATION ON THE FUNDS’ EXPENSE RATIO, PLEASE SEE THE FINANCIAL HIGHLIGHTS TABLE FOUND WITHIN THIS REPORT. TO OBTAIN A PROSPECTUS AND OTHER INFORMATION ABOUT THE FUNDS, PLEASE VISIT [WWW.COMMONWEALTHFUNDS.COM](http://WWW.COMMONWEALTHFUNDS.COM) OR CALL 888-345-1898. PLEASE READ THE PROSPECTUS CAREFULLY BEFORE INVESTING.**

## Questions and Answers

To help shareholders better understand key attributes of the mutual funds (each a “Fund” and collectively the “Funds”) comprising the Commonwealth International Series Trust and their operations, the following Question and Answer section is provided.

### Who is the Advisor?

The Funds’ investment advisor is FCA Corp (“FCA”). FCA is an investment advisor that is registered with the U.S. Securities and Exchange Commission and has its principle place of business located at 791 Town & Country Blvd., Suite 250, Houston, Texas 77024-3925. The firm was founded 40 years ago and maintains a global perspective on the equity and fixed income marketplaces.

### Why is investing outside the U.S. important?

The Funds invest in companies outside the United States because FCA believes there are significant investment opportunities in select foreign markets. In our view, U.S. investors benefit from the diversification that having investments outside the United States can provide. International investing offers exposure to more companies and other nations’ economies. In 2014, over 50% of the value of equity markets was outside the United States, and the growth experienced by many of these foreign economies appeared to be attractive. FCA believes that for a U.S. investor, allocation of a portion of the investor’s portfolio to international securities can provide the potential for less risk and can achieve a more consistent long-term performance in the investor’s overall portfolio.<sup>1</sup>

### How has international investing changed over the last decade?

International markets now comprise a significant portion of all equity value worldwide. As markets have blended through global commerce, capital has flowed from country to country following investment opportunities. Developed markets and emerging markets both require capital investments to provide the goods and services of their respective needs. During the last two decades in particular, statistical information has become more uniform, thus more dependable. The trend appears to be in place for continued development of these distant countries and their markets long term. Their demand for investment capital continues as they provide opportunities for diversification and growth. The Funds seek to be participants in these developments.

### What are some of the factors influencing a Fund’s portfolio turnover?

Each Fund generally invests in equity securities with a long-term view and in debt securities to be held to maturity. The Funds’ portfolio securities are evaluated on their long-term prospects. A particular Fund may experience higher or lower turnover ratios in certain years. Factors influencing portfolio turnover include, but are not limited to the following: rebalancing portfolio securities to take advantage of long-term opportunities and/or to reallocate between fixed income and equity securities; investing new subscriptions; or selling securities to cover redemptions. Higher levels of portfolio activity by a Fund will result in higher transaction costs and/or more realized gains or losses, the impact of which is borne by the Fund’s shareholders. The turnover of a portfolio is not predictable because managers do not know when the portfolio transactions will be dictated. Under most circumstances, it is desirable to limit transactions because of the costs associated with trading, although these are generally not the determining factor.

<sup>1</sup> Investing in international markets may involve additional risks, such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation.

You should consider each Fund’s objectives, risks, charges and expenses carefully before investing. The Prospectus contains information about those and other important matters relating to the Funds. Please read the Prospectus carefully before you invest.

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**How can the size of the Fund impact the Funds' expense ratio?**

Achieving each Fund's objective with a portfolio comprised of international securities is historically more expensive than the costs associated with managing a portfolio comprised of domestic securities. Research of foreign markets, trading in different currencies, custody of assets, accurate evaluations of holdings and overall communications are all known to be more expensive when managing these types of portfolios. Additionally, as with almost every mutual fund, size has an impact on the expense ratio. Typically, larger mutual funds can have lower expense ratios as there is an increased opportunity to spread out fixed and partially-fixed costs necessary to operate such mutual funds over a larger asset base. Generally, mutual fund expenses, including those of the Funds, are allocated on a daily basis among all shareholders. In addition, as a portfolio grows, it is self-evident that fixed costs as a percentage of the assets managed generally decline. Whenever a new fund is introduced or in highly specific investment objective portfolios, higher costs can be experienced during time periods of asset growth. The Financial Highlights section of the accompanying financial statements provides supplemental data that includes current and historic expense information, and where applicable, the advisor's waiver of fees or voluntary contributions of expenses.

**PERFORMANCE OVERVIEW – October 31, 2014 (Unaudited)**

**COMMONWEALTH AUSTRALIA/NEW ZEALAND FUND**

The Commonwealth Australia/New Zealand Fund's net asset value (NAV) as of October 31, 2014 was \$12.54 per share compared to \$13.25 per share on October 31, 2013. For the twelve month period covered by this Annual Report, the Commonwealth Australia/New Zealand Fund returned -1.74%. This return figure includes the \$0.46 per share distribution made in December 2013. In presenting comparative performance numbers on the Fund versus indexes, it is important to note that we do not make investment decisions with a view toward attempting to track any index. Rather, we invest based on fundamental research. We also invest a portion of the Fund's assets in fixed income investments and, as a result, we would note that a comparison of the performance of the Funds to indexes may be less meaningful than a comparison of funds that do not incorporate such fixed income investments. In an attempt to present various aspects of the marketplace return, we provide two indexes for consideration. During the twelve-month period, the NZX 50 Index returned 3.30% and the Australian All Ordinaries Index returned -0.07%<sup>1</sup>. These indexes do not include any fixed income instruments. Additionally, indexes are unmanaged, expressed in terms of U.S. dollars and do not reflect the deduction of fees associated with the ownership of a mutual fund such as investment management and fund accounting fees, nor do they reflect the deduction of taxes associated with the ownership of a mutual fund.

From our view, the long term goal of owning the Australia/New Zealand Fund is to benefit from the ownership of companies domiciled and operating in both of these fine countries. Therefore, both countries are continuously represented in ownership. History shows that the returns of the respective marketplaces can vary significantly from one another. It is rare that both countries markets perform the same. Nonetheless, the overriding goal of long term diversified ownership seeks to be maintained.

There are other considerations as well:

- The (5.6) percent depreciation of the New Zealand dollar versus the U.S. dollar, and the (6.9) percent depreciation of the Australian dollar versus the U.S. dollar had a predictably negative effect on the Fund's returns. When measured in the respective local currency, New Zealand large-cap equities generally outperformed New Zealand small-cap equities. Due to the allocation of the Fund's assets to the small-cap area during the period covered by this report, the Fund's performance was negatively impacted.
- The Fund's New Zealand holdings within the commercial services and transportation industries (particular in the shipping and handling of goods through the port facilities) positively impacted the Fund's performance during the period covered by this report. In addition, the Fund's largest holding, South Port New Zealand, outperformed the broader New Zealand market during the period.

- The Fund's oil & gas holdings including New Zealand Oil & Gas in New Zealand, along with Santos Ltd. in Australia, had negative returns for the year with the commensurate effects on total returns.
- The Fund's holdings in the telecommunications industry, including TeamTalk Ltd. and Chorus Ltd., had negative returns for the year with the commensurate effects on total return.

**Investment Risks**

*Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including high-grade fixed income securities. The net asset values per share of a Fund will fluctuate as the value of these securities in the portfolio changes.*

*The Fund's investments in debt and/or fixed income securities also contain risk factors. The value of these securities tends to fluctuate inversely with changes in interest rates. Changes in an issuer's financial strength or creditworthiness also can affect the value of the securities it issues. Convertible and preferred stocks, which have some characteristics of both equity and fixed income securities, also contain, to varying degrees, depending on their structure, the associated risks of each.*

*The Fund's expenses, as with any mutual fund, detract from the Fund's performance. The Fund's asset levels have a direct effect on the expenses indirectly paid by shareholders. To the extent the Fund's assets decline and the expenses of the Fund rise or do not decrease proportionately, performance will be negatively impacted.*

*International investing involves increased risk and volatility. An investment in this Fund entails the special risks of international investing, including currency exchange fluctuation, government regulations, and the potential for political and economic instability. Because the Fund invests primarily in the securities of, and depository receipts represented by Australian and New Zealand issuers, the Fund is particularly susceptible to any economic, political, or regulatory developments affecting a particular issuer of those countries.*

*By itself the Fund does not constitute a complete investment plan and should be considered a long-term investment for investors who can afford to weather change in the value of their investments.*

*Investors should refer to the Fund's Prospectus for a more complete description of risks associated with investing in the Fund.*

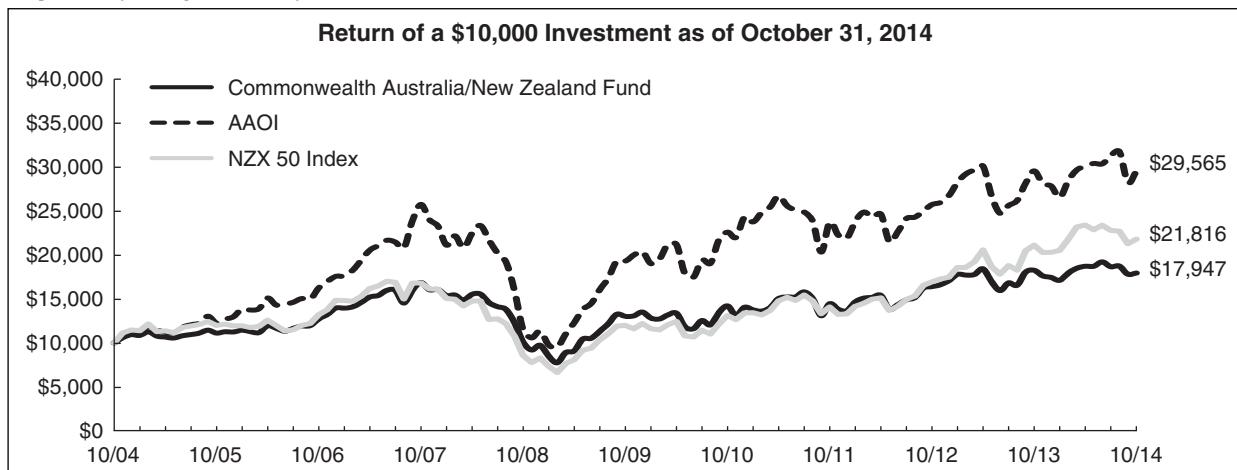
\* Portfolio holdings will change due to ongoing management of the Fund. References to specific securities or sectors should not be construed as recommendations by the Trust, the Advisor or the Distributor.

<sup>1</sup> For additional information, please refer to the Glossary of Terms following the Performance Overview section.

**PERFORMANCE OVERVIEW – October 31, 2014 (Unaudited)**

**COMMONWEALTH AUSTRALIA/NEW ZEALAND FUND**

*Comparison of Change in Value of a \$10,000 Investment in the Commonwealth Australia/New Zealand Fund, AAOI, and NZX 50 Index.*



The above graph is a hypothetical \$10,000 investment in the Commonwealth Australia/New Zealand Fund from 10/31/04 to 10/31/14, and represents the reinvestment of dividends and distributions in the Fund.

	Average Annual Total Return as of September 30, 2014			Average Annual Total Return as of October 31, 2014			Total Fund Operating Expense Ratio <sup>1</sup>
	1 Year	5 Year	10 Year	1 Year	5 Year	10 Year	
Commonwealth Australia/New Zealand Fund	-1.26%	6.09%	6.28%	-1.74%	6.63%	6.02%	3.17%
Australian All Ordinaries Index (“AAOI”)	0.39%	7.91%	11.59%	-0.07%	8.89%	11.45%	—
NZX 50 Index	3.86%	12.33%	7.86%	3.30%	12.71%	8.11%	—

**Past performance does not guarantee future results. The performance data quoted represents past performance and current returns which may be lower or higher. The above graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than the original cost. To obtain performance information current to the most recent month end, please call 888-345-1898.**

<sup>1</sup> The above expense ratio is from the Fund's Prospectus, dated February 28, 2014. Additional information pertaining to the Fund's expense ratios as of October 31, 2014 can be found in the financial highlights. Excluding the interest costs of investing in acquired funds, total Fund operating expenses would be 3.17%.

The Fund's performance is measured against the Australian All Ordinaries Index (“AAOI”), an index made up of the largest 500 companies as measured by market capitalization that are listed on the Australian Stock Exchange; and the NZX 50 Index, a total return index consisting of the top 50 companies by free float adjusted market capitalization that are listed on the New Zealand Stock Exchange. These indices are unmanaged, are expressed in terms of U.S. dollars, and do not reflect the deduction of fees or taxes with a mutual fund, such as investment management and fund accounting fees. The performance of the Fund reflects the deduction of fees for these services. Investors cannot invest directly in an index.

**You should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. This and other information can be found in the Fund's Prospectus, which can be obtained from [www.commonwealthfunds.com](http://www.commonwealthfunds.com), by calling the Funds directly at 888-345-1898 or by contracting your investment representative. Please read it carefully before you invest or send money.**

The Commonwealth Australia/New Zealand Fund was formerly known as Capstone New Zealand (2000) and subsequently the Commonwealth New Zealand Fund (2001).

**PERFORMANCE OVERVIEW – October 31, 2014 (Unaudited)**

**AFRICA FUND**

The Africa Fund's net asset value (NAV) as of October 31, 2014 was \$9.96 per share compared to \$10.38 per share on October 31, 2013. For the period covered by this Annual Report, the Africa Fund posted a -2.32% cumulative total return. This return figure includes the \$0.18 per share dividend distribution made in December 2013. Our investments do not attempt to track any indexes; rather, we make investment decisions on the basis of fundamental research. We also invest a portion of the Fund's assets in fixed income investments and acknowledge this process may mitigate some meaningful comparisons to indexes that do not have such investments represented within them. The MSCI Emerging Markets Index and the Dow Jones Africa Titans 50 Index returned 0.64% and -8.03%, respectively for the same period.<sup>1</sup> These indexes do not include any fixed income instruments. Additionally, indexes are unmanaged, expressed in terms of U.S. dollars and do not reflect the deduction of fees associated with ownership of a mutual fund such as investment management and fund accounting fees, nor do they reflect the deduction of taxes associated with the ownership of a mutual fund. The performance of the Fund reflects the deduction of fees for these services. Investors cannot invest directly in an index.

There are other considerations as well:

- For the year ended October 31, 2014, the investment adviser to the Fund contractually waived its advisory fee in the amount of \$28,775 and voluntarily reimbursed Fund operating expenses in the amount of \$56,265. The waived advisory fees are subject to recoupment. Please see accompanying notes to the financial statements for additional information.
- The (9.0) percent decline of the South African Rand versus the U.S. dollar had a predictably negative effect on the Fund's performance.
- The Fund's holdings in the financial sector, including banks, diversified financials and insurance companies had the largest positive impact on the Fund's performance. Among the positive contributors in the diversified financials were: Coronation Fund Managers, Ltd., FirstRand, Ltd. and PSG Group Ltd. African Bank Investments Ltd., one of four diversified financial holdings, was among the worst performing investments during the period.
- The Fund's capital goods holdings, including Wilson Bayly Holmes-Ovcon, negatively impacted the Fund's performance during the period covered by this report.

We believe that Africa represents a unique, complicated continent with the potential to be both economically rewarding and punitive. We feel equities listed on African stock exchanges offer investors a way to participate in what is expected to be sizeable growth in the consumer consumption of goods and services and the economies in general. It takes time for governments to change and for the people of an emerging country to adjust.

With the vast number of countries within the African continent, it is an exciting yet daunting task. Our portfolio selection includes using information we gather first hand through trips to the continent as we seek to monitor each investment and to make decisions we view as being in the best interests of the Fund. Because many U.S. investors share our vision for the African continent and have a desire to be informed beyond just financial aspects, we have constructed our web site's Africa section to provide a variety of information in response to this, and we invite you to visit the website at [www.commonwealthfunds.com](http://www.commonwealthfunds.com).

**Investment Risks**

*Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including high-grade fixed income securities. The net asset values per share of a Fund will fluctuate as the value of these securities in the portfolio changes.*

*The Fund's investments in debt and/or fixed income securities also contain risk factors. The value of these securities tends to fluctuate inversely with changes in interest rates. Changes in an issuer's financial strength or creditworthiness also can affect the value of the securities it issues. Convertible and preferred stocks, which have some characteristics of both equity and fixed income securities, also contain, to varying degrees, depending on their structure, the associated risks of each.*

*The Fund's expenses, as with any mutual fund, detract from the Fund's performance. The Fund's asset levels have a direct effect on the expenses indirectly paid by shareholders. To the extent the Fund's assets decline and the expenses of the Fund rise or do not decrease proportionately, performance will be negatively impacted.*

*International investing involves increased risk and volatility. An investment in this Fund entails the special risks of international investing, including currency exchange fluctuation, government regulations, and the potential for political and economic instability. Because the Fund invests primarily in the securities of, and depositary receipts represented by African issuers, the Fund is particularly susceptible to any economic, political, or regulatory developments affecting a particular issuer of those countries.*

*By itself the Fund does not constitute a complete investment plan and should be considered a long-term investment for investors who can afford to weather change in the value of their investments.*

*Investors should refer to the Fund's Prospectus for a more complete description of risks associated with investing in the Fund.*

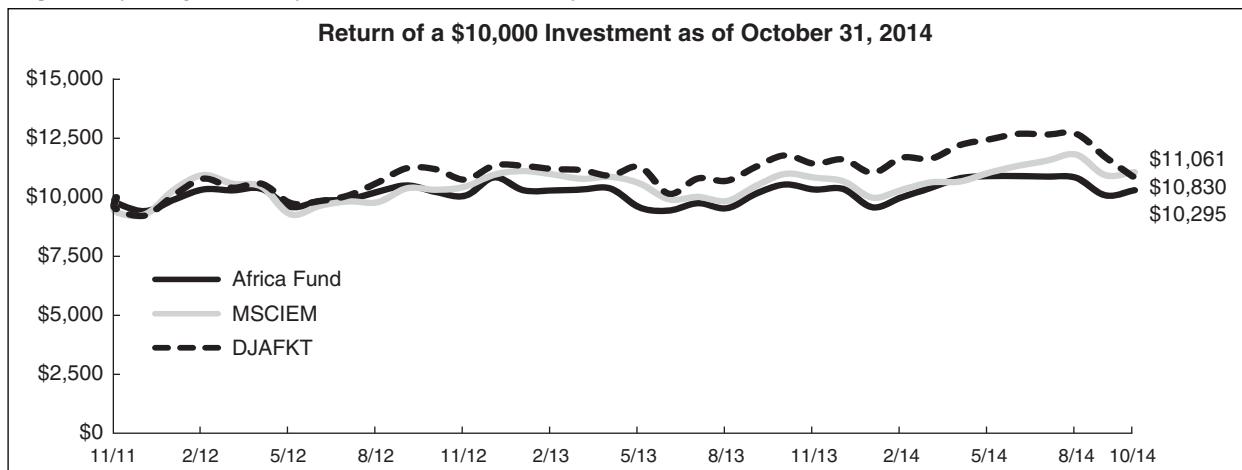
\* Portfolio holdings will change due to ongoing management of the Fund. References to specific securities or sectors should not be construed as recommendations by the Trust, the Advisor or the Distributor.

<sup>1</sup> For additional information, please refer to the Glossary of Terms following the Performance Overview section.

**PERFORMANCE OVERVIEW – October 31, 2014 (Unaudited)**

**AFRICA FUND**

*Comparison of Change in Value of a \$10,000 Investment in the Africa Fund, the MSCIEM and DJAFKT.*



The above graph is a hypothetical \$10,000 investment in the Africa Fund from 11/07/11 (inception) to 10/31/14, and represents the reinvestment of dividends and distributions in the Fund.

	Average Annual Total Return as of September 30, 2014		Average Annual Total Return as of October 31, 2014		Total Fund Operating Expense Ratio <sup>1</sup>	Total Fund Operating Expense After Fee Waiver Ratio <sup>1</sup>
	1 Year	Inception (11/07/11)	1 Year	Inception (11/07/11)		
Africa Fund	-0.74%	0.27%	-2.32%	0.98%	6.34%	5.09%
MSCI Emerging Markets Index (“MSCIEM”)	4.30%	3.12%	0.64%	3.44%	—	—
Dow Jones Africa Titans 50 Index (“DJAFKT”)	3.56%	5.56%	-8.03%	2.71%	—	—

**Past performance does not guarantee future results. The performance data quoted represents past performance and current returns which may be lower or higher. The above graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than the original cost. To obtain performance information current to the most recent month end, please call 888-345-1898.**

<sup>1</sup> The above expense ratios are from the Fund's Prospectus, dated February 28, 2014. FCA Corp has contractually agreed to waive the Management Fee of 1.25% through February 28, 2015. Additional information pertaining to the Fund's expense ratios as of October 31, 2014 can be found in the financial highlights. Excluding the indirect costs of investing in acquired funds, total fund operating expenses would be 6.13%.

The Fund's performance is measured against the MSCI Emerging Markets Index (“MSCIEM”), a free float-adjusted market capitalization index that is designed to measure equity market performance within global emerging markets; and the Dow Jones Africa Titans 50 Index (“DJAFKT”), a float-adjusted market capitalization index that is designed to measure the stock performance of 50 leading companies that are headquartered or generate the majority of their revenues in Africa. The Emerging Markets Index currently consists of the following 23 emerging market country indices: Brazil, Chile, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. These indices are unmanaged, are expressed in terms of U.S. dollars, and do not reflect the deduction of fees or taxes with a mutual fund, such as investment management and fund accounting fees. The performance of the Fund reflects the deduction of fees for these services. Investors cannot invest directly in an index.

**You should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. This and other information can be found in the Fund's Prospectus, which can be obtained from [www.commonwealthfunds.com](http://www.commonwealthfunds.com), by calling the Funds directly at 888-345-1898 or by contracting your investment representative. Please read it carefully before you invest or send money.**

**PERFORMANCE OVERVIEW – October 31, 2014 (Unaudited)**

**COMMONWEALTH JAPAN FUND**

The Commonwealth Japan Fund's net asset value (NAV) as of October 31, 2014 was \$3.05 per share compared to \$3.08 per share on October 31, 2013. For the twelve month period covered by this Annual Report, the Commonwealth Japan Fund returned -0.97%. Our investments do not attempt to track any index, but rather we undertake investments on the basis of fundamental research. We also may invest a portion of the Fund's assets in fixed income investments and acknowledge this process may mitigate some meaningful comparisons to indexes that do not have such investments represented within them. The Tokyo Stock Price Index returned -0.18% for the same period.<sup>1</sup> The index does not include any fixed income instruments. Additionally, indexes are unmanaged, expressed in terms of U.S. dollars and do not reflect the deduction of fees or taxes associated with ownership of a mutual fund such as investment management and fund accounting fees, nor do they reflect the deduction of taxes associated with the ownership of a mutual fund. The performance of the Fund reflects the deduction of fees for these services. Investors cannot invest directly in an index.

Japan's economy registered growth of around 5.8 percent on an annualized basis in the first quarter of 2014, as consumer demand was pulled forward ahead of the consumption tax increase from 5 percent to 8 percent in April 2014. According to a government interim assessment in July, many firms had judged that the adverse impact of the consumption tax hike was largely within their expectations. In reality, however, it turned out that an actual decline in domestic demand was greater in the April-June quarter this year and the recovery process since August has also been slower than expected.

Some weakness in Japan's economy has remained, particularly on the production side, against the background of inventory adjustments brought by the effects of a decline in demand following the front-loaded increase prior to the consumption tax increase. The real GDP growth rate declined substantially in the April-June quarter and was minus (1.9) percent in the July-September quarter on an annualized quarter-on-quarter basis.

The Bank of Japan introduced the quantitative and qualitative monetary easing (or "QQE") in April 2013, with a two year view for seeking to achieve the price stability target of 2 percent growth in the Consumer Price Index, with an announced goal of doubling the monetary base within two years. At the end of October 2014, the Bank of Japan announced a surprise round of further stimulus to its monetary policies. As part of its target to reach a 2 percent inflation target, the Bank of Japan now plans to increase its monetary base by 80 trillion yen per year, and the Bank of Japan tripled the size of its annual purchase of Exchange Traded Funds to 3 trillion yen per year, as well as tripled the size of its real estate purchases to 90 billion yen per year.

There are other considerations as well:

- For the period ended October 31, 2014, the Advisor voluntarily reimbursed Fund operating expenses in the amount of \$32,954, which are not subject to recoupment. Please see accompanying notes to the financial statements for additional information.

- The depreciation of the Japanese Yen versus the U.S. dollar during the year had a predictably negative effect on the Fund's returns.
- The Fund's electronics holdings, Hamamatsu Photonics KK and Hoya Corp. positively impacted the Fund's performance.
- The Fund's healthcare-products holding, Asahi Intecc, positively impacted the Fund's performance.
- The Fund's holdings within the engineering & construction industry were a major positive contributor to the Fund's performance.
- The Fund's holdings within the real estate, transportation and beverages industries had negative returns for the year with commensurate effects on the Fund's returns.
- The Fund's holdings in Coca-Cola West Co. and Kirin Holdings Co. negatively impacted the Fund's performance.

**Investment Risks**

*Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including high-grade fixed income securities. The net asset values per share of a Fund will fluctuate as the value of these securities in the portfolio changes.*

*The Fund's investments in debt and/or fixed income securities also contain risk factors. The value of these securities tends to fluctuate inversely with changes in interest rates. Changes in an issuer's financial strength or creditworthiness also can affect the value of the securities it issues. Convertible and preferred stocks, which have some characteristics of both equity and fixed income securities, also contain, to varying degrees, depending on their structure, the associated risks of each.*

*The Fund's expenses, as with any mutual fund, detract from the Fund's performance. The Fund's asset levels have a direct effect on the expenses indirectly paid by shareholders. To the extent the Fund's assets decline and the expenses of the Fund rise or do not decrease proportionately, performance will be negatively impacted.*

*International investing involves increased risk and volatility. An investment in this Fund entails the special risks of international investing, including currency exchange fluctuation, government regulations, and the potential for political and economic instability. Because the Fund invests primarily in the securities of, and depositary receipts represented by Japanese issuers, the Fund is particularly susceptible to any economic, political, or regulatory developments affecting a particular issuer of those countries.*

*By itself the Fund does not constitute a complete investment plan and should be considered a long-term investment for investors who can afford to weather change in the value of their investments.*

*Investors should refer to the Fund's Prospectus for a more complete description of risks associated with investing in the Fund.*

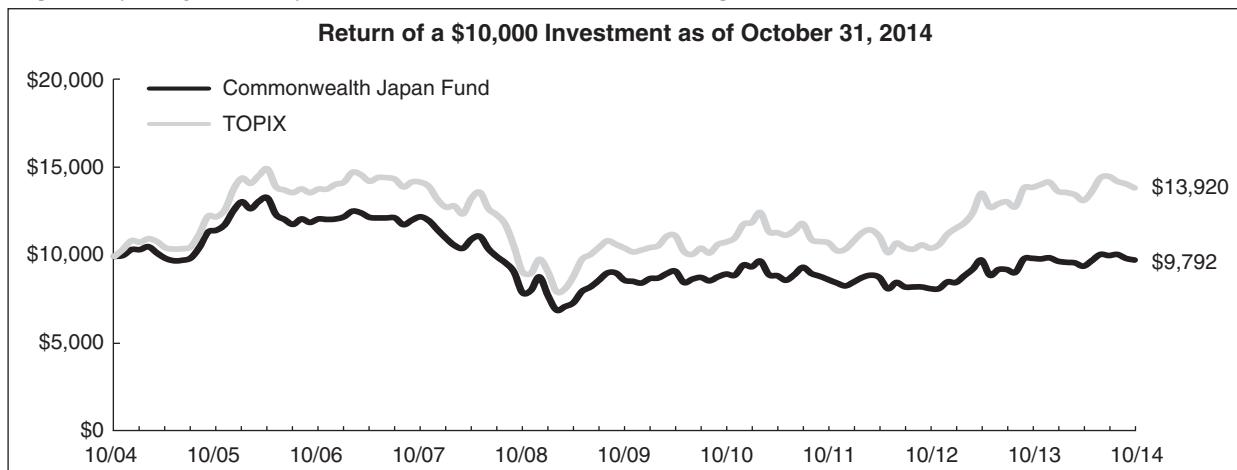
\* Portfolio holdings will change due to ongoing management of the Fund. References to specific securities or sectors should not be construed as recommendations by the Trust, the Advisor or the Distributor.

<sup>1</sup> For additional information, please refer to the Glossary of Terms following the Performance Overview section.

**PERFORMANCE OVERVIEW – October 31, 2014 (Unaudited)**

**COMMONWEALTH JAPAN FUND**

Comparison of Change in Value of a \$10,000 Investment in the Commonwealth Japan Fund and the TOPIX Index.



The above graph is a hypothetical \$10,000 investment in the Commonwealth Japan Fund from 10/31/04 to 10/31/14, and represents the reinvestment of dividends and distributions in the Fund.

	Average Annual Total Return as of September 30, 2014			Average Annual Total Return as of October 31, 2014			Total Fund Operating Expense Ratio <sup>1</sup>
	1 Year	5 Year	10 Year	1 Year	5 Year	10 Year	
Commonwealth Japan Fund	0.33%	1.78%	-0.28%	-0.97%	2.54%	-0.21%	4.43%
Tokyo Stock Price Index ("TOPIX")	1.75%	5.77%	3.75%	-0.18%	5.85%	3.36%	—

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns which may be lower or higher. The above graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than the original cost. To obtain performance information current to the most recent month end, please call 888-345-1898.

<sup>1</sup> The above expense ratio is from the Fund's Prospectus, dated February 28, 2014. Additional information pertaining to the Fund's expense ratios as of October 31, 2014 can be found in the financial highlights. Excluding the indirect costs of investing in acquired funds, total fund operating expenses would be 4.40%.

The Fund's performance is measured against the Tokyo Stock Price Index an unmanaged capitalization-weighted index of all the companies stocks on the First Selection of the Tokyo Stock Exchange. This index is expressed in terms of U.S. dollars, and does not reflect the deduction of fees or taxes with a mutual fund, such as investment management and fund accounting fees. The performance of the Fund reflects the deduction of fees for these services. Investors cannot invest directly in an index.

You should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. This and other information can be found in the Fund's Prospectus, which can be obtained from [www.commonwealthfunds.com](http://www.commonwealthfunds.com), by calling the Funds directly at 888-345-1898 or by contracting your investment representative. Please read it carefully before you invest or send money.

The Commonwealth Japan Fund was formerly known as the Capstone Japan Fund (2000), established as a series of the Trust on July 10, 1989 under the name of the Capstone Nikko Japan Tilt Fund.

**PERFORMANCE OVERVIEW – October 31, 2014 (Unaudited)**

**COMMONWEALTH GLOBAL FUND**

The Commonwealth Global Fund's net asset value (NAV) as of October 31, 2014 was \$16.78 per share compared to \$17.00 per share on October 31, 2013. For the twelve month period covered by this Annual Report, the Commonwealth Global Fund posted a 2.56% cumulative total return. This return figure includes the \$0.64 per share distribution made in December 2013. Our investments do not attempt to track any index, but rather we undertake investments on the basis of fundamental research. We also invest a portion of the Fund's assets in fixed income investments and acknowledge this process may mitigate some meaningful comparisons to indexes that do not have such investments represented within them. The MSCI World Index returned 9.25% for the same period. The index does not include any fixed income instruments.<sup>1</sup> Additionally, indexes are unmanaged, expressed in terms of U.S. dollars and do not reflect the deduction of fees or taxes associated with ownership of a mutual fund such as investment management and fund accounting fees, nor do they reflect the deduction of taxes associated with the ownership of a mutual fund. The performance of the Fund reflects the deduction of fees for these services. Investors cannot invest directly in an index.

Domestic and International markets continue to weigh the “uncertainty” and dangers of various global concerns. These concerns include but are not limited to Russia’s aggression in Ukraine, militant control of vast regions of Iraq and Syria, Iran’s continued development as a nuclear threat, and pro-democracy protests in Hong Kong. In addition to these military and political concerns in regional hot spots, there is concern with the continued anemic economic growth in Western Europe and Japan. Emerging market growth has also slowed dramatically.

Last year we discussed the disappointing returns the Fund experienced in the Transportation stocks. In particular, we felt the underperformance of rail road companies was overdone. This year, we saw our highest returns from our Transportation stocks, up 34%. This year’s worst performing sector was the Materials sector. Stocks in this sector were hit hard by the continued low expectations for economic growth. This does not diminish our belief that our selected material miners and producers will benefit should a global economic recovery occur this year.

While we will continue to invest, recognizing the risks inherent in today’s market, we are optimistic in the global entrepreneurial spirit that exists in many regions of the world.

There are other considerations as well during the period covered by this year’s report:

- The Fund’s U.S holdings hold a meaningful allocation to small and mid-cap stocks. The Fund’s benchmark, the MSCI World Index, is heavily tilted toward large-cap securities. Large-cap companies outperformed smaller-cap companies by a significant margin during the year. This allocation difference was a major factor to the Fund’s relative underperformance versus the large-cap MSCI World Index.

- The Fund’s international holdings represented more than half of the Fund’s holdings. This led to some underperformance due to currency exposure.
- The Fund’s investments in the following negatively impacted the Fund’s performance during the period covered by this year’s report: coal producer Cloud Peak Energy and the French based diversified chemical manufacturer Arkema SA.

We were pleased with specific investment selections in various countries, such as Nidec Corp., based in Japan, and HDFC Bank Ltd. based in India.

**Investment Risks**

*Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including high-grade fixed income securities. The net asset values per share of a Fund will fluctuate as the value of these securities in the portfolio changes.*

*The Fund’s investments in debt and/or fixed income securities also contain risk factors. The value of these securities tends to fluctuate inversely with changes in interest rates. Changes in an issuer’s financial strength or creditworthiness also can affect the value of the securities it issues. Convertible and preferred stocks, which have some characteristics of both equity and fixed income securities, also contain, to varying degrees, depending on their structure, the associated risks of each.*

*The Fund’s expenses, as with any mutual fund, detract from the Fund’s performance. The Fund’s asset levels have a direct effect on the expenses indirectly paid by shareholders. To the extent the Fund’s assets decline and the expenses of the Fund rise or do not decrease proportionately, performance will be negatively impacted.*

*International investing involves increased risk and volatility. An investment in this Fund entails the special risks of international investing, including currency exchange fluctuation, government regulations, and the potential for political and economic instability.*

*By itself the Fund does not constitute a complete investment plan and should be considered a long-term investment for investors who can afford to weather change in the value of their investments.*

*Investors should refer to the Fund’s Prospectus for a more complete description of risks associated with investing in the Fund.*

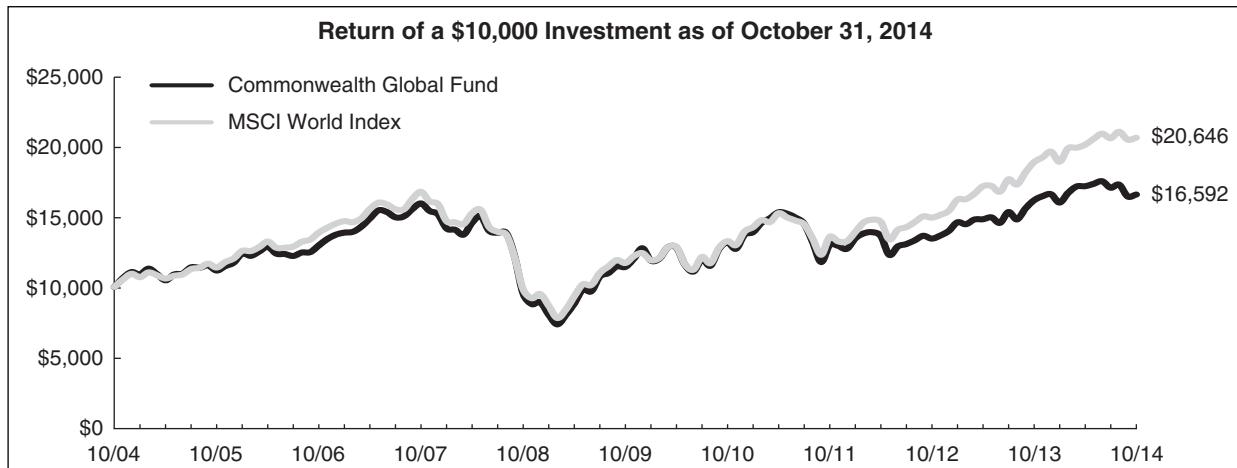
- \* Portfolio holdings will change due to ongoing management of the Fund. References to specific securities or sectors should not be construed as recommendations by the Trust, the Advisor or the Distributor.

<sup>1</sup> For additional information, please refer to the Glossary of Terms following the Performance Overview section.

**PERFORMANCE OVERVIEW – October 31, 2014 (Unaudited)**

**COMMONWEALTH GLOBAL FUND**

*Comparison of Change in Value of a \$10,000 Investment in the Commonwealth Global Fund and the MSCI World Index.*



The above graph is a hypothetical \$10,000 investment in the Commonwealth Global Fund from 10/31/04 to 10/31/14, and represents the reinvestment of dividends and distributions in the Fund.

	Average Annual Total Return as of September 30, 2014			Average Annual Total Return as of October 31, 2014			Total Fund Operating Expense Ratio <sup>1</sup>
	1 Year	5 Year	10 Year	1 Year	5 Year	10 Year	
	Commonwealth Global Fund	5.49%	7.48%	5.39%	2.56%	7.75%	5.19%
MSCI World Index	12.80%	11.47%	7.71%	9.25%	12.02%	7.52%	—

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns which may be lower or higher. The above graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than the original cost. To obtain performance information current to the most recent month end, please call 888-345-1898.

- <sup>1</sup> The above expense ratio is from the Fund's Prospectus, dated February 28, 2014. Additional information pertaining to the Fund's expense ratios as of October 31, 2014 can be found in the financial highlights. Excluding the indirect costs of investing in acquired funds, total fund operating expenses would be 3.12%.

The Fund's performance is measured against the MSCI World Index, an unmanaged free float-adjusted market capitalization index that is designed to measure global developed market equity performance. Currently the MSCI World Index consists of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. This performance of the index is expressed in terms of U.S. dollars, and does not reflect the deduction of fees or taxes with a mutual fund, such as investment management and fund accounting fees. The performance of the Fund reflects the deduction of fees for these services. Investors cannot invest directly in an index.

You should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. This and other information can be found in the Fund's Prospectus, which can be obtained from [www.commonwealthfunds.com](http://www.commonwealthfunds.com), by calling the Funds directly at 888-345-1898 or by contracting your investment representative. Please read it carefully before you invest or send money.

**PERFORMANCE OVERVIEW – October 31, 2014 (Unaudited)**

**COMMONWEALTH REAL ESTATE SECURITIES FUND**

The Commonwealth Real Estate Securities Fund's net asset value (NAV) as of October 31, 2014, was \$14.35 per share compared to \$12.55 per share on October 31, 2013. For the twelve month period covered by this Annual Report, the Commonwealth Real Estate Securities Fund posted 14.34% cumulative total return. The MSCI US REIT Index returned 19.19% for the same period.<sup>1</sup> Our investments do not attempt to track any index, but rather we undertake investments on the basis of fundamental research. We also invest a portion of the Fund's assets in fixed income investments and acknowledge this process may mitigate some meaningful comparisons to indexes that do not have such investments represented within them. Additionally, indexes are unmanaged, expressed in terms of U.S. dollars and do not reflect the deduction of fees or taxes associated with ownership of a mutual fund such as investment management and fund accounting fees, nor do they reflect the deduction of taxes associated with the ownership of a mutual fund. The performance returns of the Fund do reflect the deduction of fees for these services.

In our view, REIT fundamentals in the U.S. remained attractive for many reasons, fair valuation, abundant inventory, positive economic growth, and flexible balance sheets. Businesses which had initially delayed hiring decisions and facility expansions have started leasing offices, warehouses and R&D facilities. The sharp increase in wireless data and cloud computing has helped specialized REITs focusing on these type of properties. Well-managed REITs have been able to replace higher interest rate debt and/or floating credit facilities with lower cost debt. The lower cost of capital has allowed REITs that typically sign long-term leases — such as the single-tenant triple-net REIT sector — to lock in a higher spread between cost of capital and revenue per square foot. The above factors have contributed to most of the REIT sectors outperforming the S&P 500 Index.

There are other considerations as well during the period covered by this year's report:

- The Fund's investments in the lodging industry, including InterContinental Hotels Group PLC, Marriott International, Inc. and Ryman Hospitality Properties all positively contributed to the Fund's performance.
- The Fund's investments in Apartment REITs generally contributed to the Fund's performance, with the exception of Campus Crest Communities which negatively contributed to the Fund's performance.
- The Fund's investment in the retail industry, Kingfisher PLC, negatively impacted the Fund's performance.
- In the commercial real estate space, investors continue to focus on high-quality assets in prime locations. However a growing number of investors are expanding into secondary and tertiary markets in search of higher yields, given the continued low interest rates. Interest rates have remained well below historical averages, and there is risk that they will increase. Rising rates could be viewed as a major headwind for REIT performance and valuations. However, higher interest rates would take some time to show up in REIT financial metrics. At present, we do not see reasons to be making material changes and believe the practice of holding the course longer term is the best process to follow.

- The U.S. economy appears well poised to sustain positive economic growth in the coming year. There are several reasons for the expected better macroeconomic performance. These include, among others, lower energy costs, easing of credit for business and real estate lending, and more upbeat consumer and business confidence.

**Investment Risks**

*Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including high-grade fixed income securities. The net asset values per share of a Fund will fluctuate as the value of these securities in the portfolio changes.*

*The Fund's investments in debt and/or fixed income securities also contain risk factors. The value of these securities tends to fluctuate inversely with changes in interest rates. Changes in an issuer's financial strength or creditworthiness also can affect the value of the securities it issues. Convertible and preferred stocks, which have some characteristics of both equity and fixed income securities, also contain, to varying degrees, depending on their structure, the associated risks of each.*

*The Fund's expenses, as with any mutual fund, detract from the Fund's performance. The Fund's asset levels have a direct effect on the expenses indirectly paid by shareholders. To the extent the Fund's assets decline and the expenses of the Fund rise or do not decrease proportionately, performance will be negatively impacted.*

*The Fund's investments in REITs involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. Equity REITs may be affected by changes in the value of the underlying property owned by the REITs, while mortgage REITs may be affected by the quality of any credit extended.*

*Investments in the Fund are subject to the risks related to direct investment in real estate, such as real estate risk, regulatory risks, concentration risk, and diversification risk*

*By itself the Fund does not constitute a complete investment plan and should be considered a long-term investment for investors who can afford to weather change in the value of their investments.*

*Investors should refer to the Fund's Prospectus for a more complete description of risks associated with investing in the Fund.*

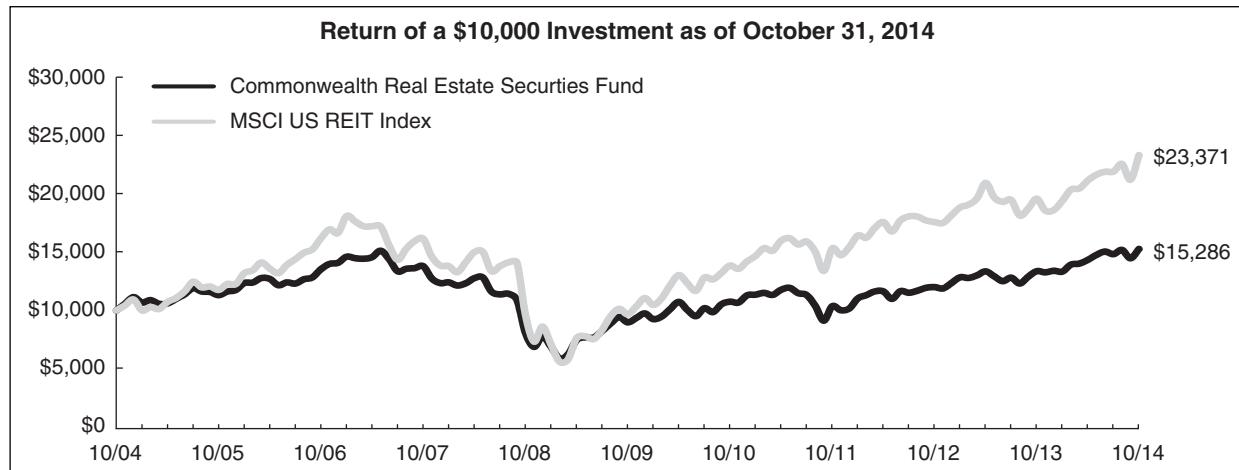
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<sup>1</sup> For additional information, please refer to the Glossary of Terms following the Performance Overview section.

**PERFORMANCE OVERVIEW – October 31, 2014 (Unaudited)**

**COMMONWEALTH REAL ESTATE SECURITIES FUND**

*Comparison of Change in Value of a \$10,000 Investment in the Commonwealth Real Estate Securities Fund and the MSCI US REIT Index.*



The above graph is a hypothetical \$10,000 investment in the Commonwealth Real Estate Securities Fund from 10/31/04 to 10/31/14, and represents the reinvestment of dividends and distributions in the Fund.

	Average Annual Total Return as of September 30, 2014			Average Annual Total Return as of October 31, 2014			Total Fund Operating Expense Ratio <sup>1</sup>
	1 Year	5 Year	10 Year	1 Year	5 Year	10 Year	
Commonwealth Real Estate Securities Fund	12.30%	8.97%	4.13%	14.34%	11.25%	4.33%	3.35%
MSCI US REIT Index	13.26%	15.96%	8.41%	19.19%	19.31%	8.86%	—

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns which may be lower or higher. The above graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than the original cost. To obtain performance information current to the most recent month end, please call 888-345-1898.

<sup>1</sup> The above expense ratio is from the Fund's Prospectus, dated February 28, 2014. Additional information pertaining to the Fund's expense ratios as of October 31, 2014 can be found in the financial highlights. Excluding the indirect costs of investing in acquired funds, total fund operating expenses would be 3.33%.

The Fund's performance is measured against the MSCI US REIT Index which is an unmanaged free float-adjusted market capitalization weighted index that is comprised of equity REITs that are included in the MSCI US Investable Market 2500 Index, with the exception of specialty equity REITs that do not generate a majority of their revenue and income from real estate rental and leasing operations. The index represents approximately 85% of the US REIT universe. MSCI started calculating and maintaining the MSCI US REIT Index on June 20, 2005. Prior to this date the MSCI US REIT Index (then known as the Morgan Stanley REIT Index) was calculated and maintained by the AMEX. This index is expressed in terms of U.S. dollars, and does not reflect the deduction of fees or taxes with a mutual fund, such as investment management and fund accounting fees. The performance of the Fund reflects the deduction of fees for these services. Investors cannot invest directly in an index.

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## Glossary of Terms (Unaudited)

**Australian All Ordinaries Index ("AAOI")** — is a capitalization-weighted index. The index is made up of the largest 500 companies as measured by market capitalization that are listed on the Australian Stock Exchange.

**Consumer Price Index ("CPI")** — is a measure of changes in the price level of a market basket of consumer goods and services purchased by households.

**Dow Jones Africa Titans 50 Index ("DJAFKT")** — a float-adjusted market capitalization index that is designed to measure the stock performance of 50 leading companies that are headquartered or generate the majority of their revenues in Africa.

**Gross Domestic Product (GDP)** — is a measure of the market value of the goods and services produced by labor and property within the United States and/or other foreign countries.

**MSCI Emerging Markets Index ("MSCIEM")** — is a float-adjusted market capitalization index that is designed to measure equity market performance within global emerging markets. The Emerging Markets Index currently consists of the following 23 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

**MSCI US REIT Index** — is an unmanaged free float-adjusted market capitalization weighted index that is comprised of equity REITs that are included in the MSCI US Investable Market 2500 Index, with the exception of specialty equity REITs that do not generate a majority of their revenue and income from real estate rental and leasing operations. The index represents approximately 85% of the US REIT universe. MSCI started calculating and maintaining the MSCI US REIT Index on June 20, 2005. Prior to this date the MSCI US REIT Index (then known as the Morgan Stanley REIT Index) was calculated and maintained by the AMEX.

**MSCI World Index** — is an unmanaged free float-adjusted market capitalization index that is designed to measure global developed market equity performance. Currently the MSCI World Index consists of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States.

**NZX 50 Index** — is a modified market capitalization weighted index. This index consists of the top 50 companies by free float adjusted market capitalization that are listed on the New Zealand Stock Exchange.

**Tokyo Stock Price Index ("TOPIX")** — is an unmanaged capitalization-weighted index of all companies listed on the First Section of the Tokyo Stock Exchange.

**PORTFOLIO COMPOSITION – October 31, 2014\* (Unaudited)**

<b>COMMONWEALTH AUSTRALIA/NEW ZEALAND FUND</b>		<b>COMMONWEALTH JAPAN FUND</b>	
<b>Industry or Security Type</b>	<b>Percent of Total Investments</b>	<b>Industry or Security Type</b>	<b>Percent of Total Investments</b>
Commercial Services	21.9%	Transportation	21.4%
Healthcare – Services	12.0%	Short-Term Investments	8.5%
Transportation	8.9%	Healthcare – Products	8.0%
Electric	8.7%	Auto Parts & Equipment	5.9%
Oil & Gas	8.2%	Real Estate	4.9%
Diversified Financial Services	6.0%	Insurance	4.8%
Retail	5.3%	Engineering & Construction	4.8%
Media	4.0%	Electronics	4.2%
Insurance	3.7%	Equity Fund	3.7%
REITS	3.6%	Machinery – Diversified	3.2%
Home Furnishings	3.0%	Distribution/Wholesale	3.0%
Telecommunications	2.7%	Beverages	3.0%
Bonds – New Zealand	2.6%	Cosmetics/Personal Care	2.8%
Healthcare – Products	2.6%	REITS	2.7%
Engineering & Construction	2.1%	Auto Manufacturers	2.5%
Mining	1.7%	Banks	2.2%
Electronics	1.0%	Retail	2.2%
Short-Term Investments	0.8%	Leisure Time	2.1%
Metal Fabricate/Hardware	0.6%	Hand/Machine Tools	2.1%
Holding Companies – Diversified	0.6%	Computers	1.9%
Coal	0.0%	Electric	1.8%
	100.0%	Entertainment	1.5%
		Chemicals	1.1%
		Food	0.9%
		Diversified Financial Services	0.8%
			100.0%

<b>AFRICA FUND</b>	
<b>Country or Security Type</b>	<b>Percent of Total Investments</b>
South Africa	65.4%
Exchange Traded Funds – Africa Region	12.4%
Exchange Traded Funds – South Africa	10.2%
Exchange Traded Funds – Nigeria	4.2%
Egypt	2.4%
Short-Term Investments	2.3%
United Kingdom	2.2%
Sovereign Bonds – South Africa	0.8%
Guernsey	0.1%
	100.0%

\* Portfolio composition is subject to change.

**PORTFOLIO COMPOSITION – October 31, 2014\* (Unaudited)**

<b>COMMONWEALTH GLOBAL FUND</b>		<b>COMMONWEALTH REAL ESTATE SECURITIES FUND</b>	
<b>Country or Security Type</b>	<b>Percent of Total Investments</b>	<b>Industry or Security Type</b>	<b>Percent of Total Investments</b>
United States	38.6%	REITS – Office Property	10.8%
United Kingdom	12.9%	REITS – Hotels	10.4%
Switzerland	7.0%	REITS – Apartments	9.9%
Israel	4.5%	Building Materials	9.4%
Preferred Stocks	3.8%	Lodging	7.7%
South Korea	3.5%	Real Estate	7.6%
Mexico	3.3%	REITS – Diversified	6.0%
Ireland	3.1%	Telecommunications	4.9%
Short-Term Investments	3.0%	REITS – Health Care	4.7%
Japan	2.8%	REITS – Storage	3.9%
Netherlands	2.1%	Banks	2.9%
Germany	2.1%	Home Builders	2.8%
India	1.9%	Engineering & Construction	2.8%
Spain	1.9%	Short – Term Investments	2.7%
Singapore	1.8%	REITS – Shopping Centers	2.2%
France	1.5%	REITS – Warehouse/Industries	2.2%
Brazil	1.3%	REITS – Regional Malls	2.1%
Chile	1.3%	Retail	2.0%
South Africa	0.9%	Exchange Traded Funds – China	1.9%
Canada	0.8%	REITS – Single Tenant	1.6%
Australia	0.7%	Savings & Loans	1.5%
Call Options	0.7%		
Norway	0.5%		
	100.0%		100.0%

\* Portfolio composition is subject to change.

**SCHEDULE OF INVESTMENTS – October 31, 2014**

**Commonwealth Australia/New Zealand Fund**

	<b>Shares</b>	<b>Value</b>		<b>Shares</b>	<b>Value</b>
<b>AUSTRALIA (20.2%)</b>					
<b>COMMON STOCKS (20.2%)</b>					
<i>COMMERCIAL SERVICES (0.7%)</i>					
Silver Chef, Ltd.	5,263	\$ 27,510			
Slater & Gordon, Ltd.	20,514	<u>110,296</u>			
		<u>137,806</u>			
<i>DIVERSIFIED FINANCIAL SERVICES (0.7%)</i>					
FlexiGroup, Ltd.	45,000	<u>141,763</u>			
<i>ELECTRIC (2.3%)</i>					
AGL Energy, Ltd.	35,531	424,909			
ERM Power, Ltd.	32,494	<u>52,040</u>			
		<u>476,949</u>			
<i>HEALTHCARE-PRODUCTS (1.3%)</i>					
Cochlear, Ltd.	4,000	<u>258,571</u>			
<i>HEALTHCARE-SERVICES (2.1%)</i>					
Sonic Healthcare, Ltd.	26,324	<u>432,711</u>			
<i>INSURANCE (3.6%)</i>					
Insurance Australia Group, Ltd.	40,000	229,497			
QBE Insurance Group, Ltd.	49,839	<u>505,670</u>			
		<u>735,167</u>			
<i>MINING (1.6%)</i>					
PanAust, Ltd.	223,292	<u>335,999</u>			
<i>OIL &amp; GAS (3.1%)</i>					
Santos, Ltd.	29,549	335,430			
Woodside Petroleum, Ltd.	8,518	<u>300,798</u>			
		<u>636,228</u>			
<i>RETAIL (2.3%)</i>					
Wesfarmers, Ltd.	12,278	<u>476,902</u>			
<i>TRANSPORTATION (2.5%)</i>					
Asciano, Ltd.	93,333	<u>514,958</u>			
		<u>4,147,054</u>			
<b>TOTAL AUSTRALIAN COMMON STOCKS (Cost \$3,571,559)</b>					
<b>NEW ZEALAND (76.6%)</b>					
<b>COMMON STOCKS (74.0%)</b>					
<i>COAL (0.0%)</i>					
Pike River Coal, Ltd. (1) (2)	1,145,295	<u>—</u>			
<i>COMMERCIAL SERVICES (20.8%)</i>					
Marsden Maritime Holdings, Ltd.	81,425	171,368			
Mowbray Collectables, Ltd. (2) (3)	1,021,593	<u>338,434</u>			
Port of Tauranga, Ltd.	50,000	<u>634,500</u>			
South Port New Zealand, Ltd.	1,027,930	<u>3,124,894</u>			
		<u>4,269,196</u>			
<i>DIVERSIFIED FINANCIAL SERVICES (5.1%)</i>					
Heartland New Zealand, Ltd.	1,348,137	<u>1,050,851</u>			
<b>NEW ZEALAND (76.6%) - Continued</b>					
<b>COMMON STOCKS (74.0%) - Continued</b>					
<i>ELECTRIC (6.1%)</i>					
Contact Energy, Ltd.	90,000	\$ 434,952			
Infratil, Ltd.	220,777	493,044			
Mighty River Power, Ltd.	150,000	<u>329,722</u>			
		<u>1,257,718</u>			
<i>ELECTRONICS (1.0%)</i>					
ikeGPS Group, Ltd. (2)	300,000	<u>201,107</u>			
<i>ENGINEERING &amp; CONSTRUCTION (2.0%)</i>					
Airwork Holdings, Ltd.	50,000	120,820			
Opus International Consultants, Ltd.	250,000	<u>292,306</u>			
		<u>413,126</u>			
<i>HEALTHCARE-PRODUCTS (1.3%)</i>					
Ebos Group, Ltd.	34,993	<u>261,036</u>			
<i>HEALTHCARE-SERVICES (9.6%)</i>					
Abano Healthcare Group, Ltd.	61,900	330,513			
Metlifecare, Ltd.	173,011	581,243			
Ryman Healthcare, Ltd.	180,000	<u>1,064,931</u>			
		<u>1,976,687</u>			
<i>HOLDING COMPANIES-DIVERSIFIED (0.6%)</i>					
Hellaby Holdings, Ltd.	50,000	<u>116,143</u>			
<i>HOME FURNISHINGS (3.0%)</i>					
Scott Technology, Ltd.	507,409	<u>605,141</u>			
<i>MEDIA (3.9%)</i>					
Sky Network Television, Ltd.	159,745	<u>791,939</u>			
<i>METAL FABRICATE/HARDWARE (0.6%)</i>					
Steel & Tube Holdings, Ltd.	50,000	<u>116,533</u>			
<i>OIL &amp; GAS (4.9%)</i>					
New Zealand Oil & Gas, Ltd.	761,734	436,413			
New Zealand Refining Co., Ltd./The (2)	435,157	<u>576,637</u>			
		<u>1,013,050</u>			
<i>REITS (3.5%)</i>					
Vital Healthcare Property Trust	600,553	<u>716,226</u>			
<i>RETAIL (2.8%)</i>					
Briscoe Group, Ltd.	183,520	407,695			
Smiths City Group, Ltd.	417,503	<u>175,736</u>			
		<u>583,431</u>			
<i>TELECOMMUNICATIONS (2.6%)</i>					
TeamTalk, Ltd.	415,473	<u>534,360</u>			

See accompanying notes to financial statements.

**SCHEDULE OF INVESTMENTS – October 31, 2014**

**Commonwealth Australia/New Zealand Fund**

	<b>Shares</b>	<b>Value</b>		<b>Shares</b>	<b>Value</b>
<b>NEW ZEALAND (76.6%) - Continued</b>			<b>SHORT-TERM INVESTMENTS (0.8%)</b>		
<b>COMMON STOCKS (74.0%) - Continued</b>			Federated Government Obligations Fund, 0.01% (7)	170,039	\$ 170,039
<b>TRANSPORTATION (6.2%)</b>			<b>TOTAL SHORT-TERM INVESTMENTS (Cost \$170,039)</b>		170,039
Freightways, Ltd.	173,540	\$ 771,048			
Mainfreight, Ltd.	40,000	494,817			
		<u>1,265,865</u>			
<b>TOTAL NEW ZEALAND COMMON STOCKS (Cost \$11,303,050)</b>		<u>15,172,409</u>			
			<b>TOTAL INVESTMENTS (97.6%) (Cost \$15,508,808)</b>		20,015,357
<b>CORPORATE BONDS (2.6%)</b>			<b>OTHER ASSETS IN EXCESS OF LIABILITIES (2.4%)</b>		485,681
Credit Agricole SA, 5.04%, 12/29/49 (4) (5) (6)	890,000	<u>525,855</u>	<b>NET ASSETS (100.0%)</b>		<u>\$20,501,038</u>
<b>TOTAL CORPORATE BONDS (Cost \$464,160)</b>		<u>525,855</u>			
<b>TOTAL NEW ZEALAND (Cost \$11,767,210)</b>		<u>15,698,264</u>			

- (1) Security is being fair valued in accordance with the Trust's fair valuation policies.
- (2) Non-income producing.
- (3) Affiliated Investment. See Note 5 of the Notes to Financial Statements.
- (4) Callable.
- (5) Variable rate security. The rate reflected in the Schedule of Investments is the rate in effect at October 31, 2014.
- (6) Principal amount shown is in New Zealand Dollars; value shown in U.S. Dollars.
- (7) Rate disclosed is the seven day yield as of October 31, 2014.

See accompanying notes to financial statements.

**SCHEDULE OF INVESTMENTS – October 31, 2014**

**Africa Fund**

	<b>Shares</b>	<b>Value</b>	<b>Shares</b>	<b>Value</b>
<b>COMMON STOCKS (70.0%)</b>			<b>COMMON STOCKS (70.0%) - Continued</b>	
<i>EGYPT (2.4%)</i>			<i>UNITED KINGDOM (2.2%)</i>	
Global Telecom Holding GDR (1)	20,000	\$ 60,060	SABMiller PLC ADR	500 \$ 28,320
<i>GUERNSEY (0.1%)</i>			Tullow Oil PLC ADR	7,000 27,300 <u>55,620</u>
Agriterra, Ltd. (1)	210,000	3,091		
<i>SOUTH AFRICA (65.3%)</i>			<b>TOTAL COMMON STOCKS</b> <b>(Cost \$1,718,945)</b>	<u>1,735,646</u>
African Bank Investments, Ltd. (2)	18,666	—	<b>EXCHANGE TRADED FUNDS (26.7%)</b>	
Anglo American Platinum, Ltd. (1)	800	25,238	Global X Nigeria Index ETF	7,700 103,257
AngloGold Ashanti, Ltd. ADR (1)	1,000	8,270	iShares MSCI South Africa Index Fund	3,700 253,043
Astral Foods, Ltd.	4,000	54,967	Market Vectors Africa Index ETF	10,340 305,547 <u>661,847</u>
Barloworld, Ltd.	4,300	37,336		
Bidvest Group, Ltd.	2,167	59,602		
Capitec Bank Holdings, Ltd.	2,850	75,179		
Clientele, Ltd.	50,000	74,797		
Combined Motor Holdings, Ltd.	15,000	16,319		
Compu-Clearing Outsourcing, Ltd.	20,000	10,118		
Coronation Fund Managers, Ltd.	6,500	56,279		
Crookes Brothers, Ltd.	8,000	54,217		
Discovery, Ltd.	9,000	81,866		
Eqstra Holdings, Ltd. (1)	25,000	11,741		
Exxaro Resources, Ltd.	2,000	20,853		
FirstRand, Ltd.	14,300	61,194		
Gold Fields, Ltd. ADR	5,000	15,950		
Grindrod, Ltd.	35,000	71,715		
Howden Africa Holdings, Ltd. (1)	11,000	41,887		
Imperial Holdings, Ltd. ADR	1,200	20,556		
Invicta Holdings, Ltd.	4,000	36,715		
ISA Holdings, Ltd. (1)	103,000	7,097		
Mediclinic International, Ltd.	5,700	50,903		
MTN Group, Ltd. ADR	2,600	57,798		
Murray & Roberts Holdings, Ltd.	9,000	18,482		
Naspers, Ltd. N Shares	400	49,779		
Nedbank Group, Ltd.	3,000	65,343		
Pinnacle Holdings, Ltd.	20,700	22,859		
PSG Group, Ltd.	10,400	108,434		
RCL Foods, Ltd.	27,559	39,950		
Sasol, Ltd. ADR	1,600	80,304		
Shoprite Holdings, Ltd. ADR	1,800	26,226		
Sovereign Food Investments, Ltd.	30,000	22,303		
Standard Bank Group, Ltd. ADR	4,800	60,240		
Steinhoff International Holdings, Ltd.	13,222	67,610		
Tiger Brands, Ltd.	700	21,045		
Value Group, Ltd.	30,000	11,940		
Vodacom Group, Ltd.	3,000	36,401		
Wilson Bayly Holmes-Ovcon, Ltd.	3,000	35,362		
		<u>1,616,875</u>		
				<b>Principal</b>
			<b>SOVEREIGN BONDS (0.8%)</b>	
			<i>SOUTH AFRICA (0.8%)</i>	
			South Africa Government Bond, 8.00%, 12/21/18 (3)	200,000 18,759
			<b>TOTAL SOVEREIGN BONDS</b> <b>(Cost \$26,458)</b>	<u>18,759</u>
				<b>Shares</b>
			<b>SHORT-TERM INVESTMENTS (2.3%)</b>	
			Federated Government Obligations Fund, 0.01% (4)	58,073 58,073
			<b>TOTAL SHORT-TERM INVESTMENTS</b> <b>(Cost \$58,073)</b>	<u>58,073</u>
			<b>TOTAL INVESTMENTS (99.8%)</b> <b>(Cost \$2,459,602)</b>	<u>2,474,325</u>
			<b>OTHER ASSETS IN EXCESS OF LIABILITIES (0.2%)</b>	3,750
			<b>NET ASSETS (100.0%)</b>	<u>\$2,478,075</u>
			(1) Non-income producing.	
			(2) Security is being fair valued in accordance with the Trust's fair valuation policies.	
			(3) Principal amount shown in South African Rand; value shown in U.S. Dollars.	
			(4) Rate disclosed is the seven day yield as of October 31, 2014. ADR — American Depository Receipt GDR — Global Depository Receipt PLC — Public Limited Company	

See accompanying notes to financial statements.

**SCHEDULE OF INVESTMENTS – October 31, 2014**

**Commonwealth Japan Fund**

	<b>Shares</b>	<b>Value</b>		<b>Shares</b>	<b>Value</b>
<b>COMMON STOCKS (87.4%)</b>					
<i>AUTO MANUFACTURERS (2.5%)</i>					
Toyota Motor Corp. ADR	1,000	<u>\$121,350</u>			
<i>AUTO PARTS &amp; EQUIPMENT (5.9%)</i>					
NGK Spark Plug Co., Ltd.	6,000	153,572			
Sumitomo Rubber Industries, Ltd.	10,000	<u>134,788</u>			
		<u>288,360</u>			
<i>BANKS (2.2%)</i>					
Mizuho Financial Group, Inc.	30,000	53,416			
Nishi-Nippon City Bank, Ltd.	20,000	<u>53,773</u>			
		<u>107,189</u>			
<i>BEVERAGES (3.0%)</i>					
Coca-Cola West Co., Ltd.	4,000	56,123			
Kirin Holdings Co., Ltd.	7,000	<u>88,992</u>			
		<u>145,115</u>			
<i>CHEMICALS (1.1%)</i>					
JSR Corp.	3,000	<u>52,882</u>			
<i>COMPUTERS (1.9%)</i>					
INES Corp.	5,000	40,552			
Otsuka Corp.	1,500	<u>54,618</u>			
		<u>95,170</u>			
<i>COSMETICS/PERSONAL CARE (2.8%)</i>					
Unicharm Corp.	6,000	<u>137,467</u>			
<i>DISTRIBUTION/WHOLESALE (3.0%)</i>					
Marubeni Corp.	16,000	100,850			
Yamae Hisano Co., Ltd.	5,200	<u>44,674</u>			
		<u>145,524</u>			
<i>DIVERSIFIED FINANCIAL SERVICES (0.8%)</i>					
Kyushu Leasing Service Co., Ltd.	13,000	<u>38,772</u>			
<i>ELECTRIC (1.7%)</i>					
Tohoku Electric Power Co., Inc.	7,000	<u>85,564</u>			
<i>ELECTRONICS (4.2%)</i>					
Hamamatsu Photonics K.K.	1,500	67,037			
Hoya Corp.	4,000	<u>139,150</u>			
		<u>206,187</u>			
<i>ENGINEERING &amp; CONSTRUCTION (4.8%)</i>					
Kajima Corp.	33,000	144,545			
Taihei Dengyo Kaisha, Ltd.	6,000	47,754			
Takada Corp.	6,000	<u>41,345</u>			
		<u>233,644</u>			
<i>ENTERTAINMENT (1.5%)</i>					
Sankyo Co., Ltd.	2,000	<u>71,756</u>			
<b>COMMON STOCKS (87.4%) - Continued</b>					
<i>FOOD (0.9%)</i>					
Maxvalu Kyushu Co., Ltd.	3,000	<u>\$ 44,923</u>			
<i>HAND/MACHINE TOOLS (2.0%)</i>					
Meidensha Corp.	28,000	<u>100,209</u>			
<i>HEALTHCARE-PRODUCTS (8.0%)</i>					
Asahi Intecc Co., Ltd.	6,000	269,753			
Terumo Corp.	5,000	<u>121,611</u>			
		<u>391,364</u>			
<i>INSURANCE (4.8%)</i>					
Dai-ichi Life Insurance Co., Ltd.	11,000	161,585			
T & D Holdings, Inc.	6,000	<u>75,157</u>			
		<u>236,742</u>			
<i>LEISURE TIME (2.1%)</i>					
Shimano, Inc.	800	<u>104,411</u>			
<i>MACHINERY-DIVERSIFIED (3.2%)</i>					
Fanuc Corp.	700	119,154			
Torishima Pump Manufacturing Co., Ltd.	5,000	<u>37,258</u>			
		<u>156,412</u>			
<i>REAL ESTATE (4.9%)</i>					
Mitsui Fudosan Co., Ltd.	3,000	93,679			
Sumitomo Realty & Development Co., Ltd.	4,000	<u>145,809</u>			
		<u>239,488</u>			
<i>REITs (2.6%)</i>					
Fukuoka REIT Corp.	70	<u>129,749</u>			
<i>RETAIL (2.2%)</i>					
Sugi Holdings Co., Ltd.	2,500	<u>107,167</u>			
<i>TRANSPORTATION (21.3%)</i>					
Daiichi Koutsu Sangyo Co., Ltd.	3,600	31,409			
East Japan Railway Co.	1,500	115,446			
Hankyu Hanshin Holdings, Inc.	22,000	127,505			
Kawasaki Kisen Kaisha, Ltd.	30,000	66,771			
Keikyu Corp.	13,000	106,361			
Keio Corp.	18,000	134,610			
Kintetsu World Express, Inc.	2,000	68,106			
Mitsui OSK Lines, Ltd.	18,000	55,446			
Nippon Express Co., Ltd.	15,000	64,634			
Nishi-Nippon Railroad Co., Ltd.	10,000	39,528			
Tobu Railway Co., Ltd.	18,000	89,579			
Yamato Holdings Co., Ltd.	7,000	<u>147,042</u>			
		<u>1,046,437</u>			
<b>TOTAL COMMON STOCKS (Cost \$2,968,038)</b>					
		<b>4,285,882</b>			

See accompanying notes to financial statements.

**SCHEDULE OF INVESTMENTS – October 31, 2014**

**Commonwealth Japan Fund**

	<b>Shares</b>	<b>Value</b>		<b>Shares</b>	<b>Value</b>
<b>EXCHANGE TRADED FUNDS (3.7%)</b>			<b>TOTAL INVESTMENTS (99.6%)</b>		
iShares MSCI Japan Index Fund	15,000	\$ 180,900	(Cost \$3,555,621)		\$4,883,731
<b>TOTAL EXCHANGE TRADED FUNDS (Cost \$170,634)</b>		180,900			18,613
<b>SHORT-TERM INVESTMENTS (8.5%)</b>			<b>OTHER ASSETS IN EXCESS OF LIABILITIES (0.4%)</b>		
Federated Government Obligations Fund, 0.01% (1)	416,949	416,949			
<b>TOTAL SHORT-TERM INVESTMENTS (Cost \$416,949)</b>		416,949			\$4,902,344

(1) Rate disclosed is the seven day yield as of October 31, 2014.  
 ADR — American Depository Receipt  
 REIT — Real Estate Investment Trusts

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See accompanying notes to financial statements.

**SCHEDULE OF INVESTMENTS – October 31, 2014**

**Commonwealth Global Fund**

	<b>Shares</b>	<b>Value</b>	<b>Shares</b>	<b>Value</b>
<b>COMMON STOCKS (92.0%)</b>			<b>COMMON STOCKS (92.0%) - Continued</b>	
<i>AUSTRALIA (0.7%)</i>			<i>SWITZERLAND (7.0%)</i>	
Alumina, Ltd. ADR (1)	20,000	<u>\$113,800</u>	Nestle SA ADR	7,750 \$ 568,307
<i>BRAZIL (1.3%)</i>			Roche Holding AG ADR	16,000 588,960 <u>1,157,267</u>
Vale SA ADR	22,000	<u>221,980</u>		
<i>CANADA (0.8%)</i>			<i>UNITED KINGDOM (12.8%)</i>	
Encana Corp.	3,700	68,931	BG Group PLC ADR	10,000 168,300
Power Financial Corp.	2,000	<u>58,320</u>	BP PLC ADR	5,000 217,300
		<u>127,251</u>	British Sky Broadcasting Group PLC ADR	4,000 227,480
<i>CHILE (1.3%)</i>			Centrica PLC ADR	14,000 271,460
Cia Cervecerias Unidas SA ADR	10,000	<u>213,100</u>	Diageo PLC ADR	2,000 235,940
<i>FRANCE (1.5%)</i>			InterContinental Hotels Group PLC ADR	8,615 327,456
Arkema SA ADR	4,130	<u>253,970</u>	Old Mutual PLC ADR	13,125 327,469
<i>GERMANY (2.0%)</i>			Standard Chartered PLC	10,000 150,500
Siemens AG ADR	3,000	<u>338,220</u>	Vodafone Group PLC ADR	6,295 209,120 <u>2,135,025</u>
<i>INDIA (1.9%)</i>				
HDFC Bank, Ltd. ADR	6,000	<u>314,580</u>	<i>UNITED STATES (38.4%)</i>	
<i>IRELAND (3.1%)</i>			AGCO Corp.	5,000 221,550
Pentair PLC	7,760	<u>520,308</u>	Amazon.com, Inc. (1)	900 274,914
<i>ISRAEL (4.5%)</i>			Big 5 Sporting Goods Corp.	16,000 196,960
NICE Systems, Ltd. ADR	10,000	<u>406,800</u>	Calpine Corp. (1)	10,000 228,200
Teva Pharmaceutical Industries, Ltd. ADR (2)	6,000	<u>338,820</u>	Conmed Corp.	12,720 534,113
		<u>745,620</u>	DENTSPLY International, Inc.	8,700 441,699
<i>JAPAN (2.8%)</i>			eBay, Inc. (1)	4,000 210,000
Nidec Corp. ADR	28,000	<u>466,760</u>	Goodrich Petroleum Corp. (1)	20,000 164,800
<i>MEXICO (3.3%)</i>			Huntington Bancshares, Inc.	20,000 198,200
Grupo Televisa SA ADR	15,000	<u>542,100</u>	Integrated Silicon Solution, Inc.	22,000 298,760
<i>NETHERLANDS (2.1%)</i>			ITC Holdings Corp.	6,000 237,660
Unilever NV	9,000	<u>348,570</u>	J.C. Penney Co., Inc. (1)	22,000 167,420
<i>NORWAY (0.5%)</i>			Johnson Controls, Inc.	6,000 283,500
Gjensidige Forsikring ASA ADR	5,000	<u>90,500</u>	KVH Industries, Inc. (1)	30,000 387,600
<i>SINGAPORE (1.7%)</i>			LifePoint Hospitals, Inc. (1)	4,500 315,000
DBS Group Holdings, Ltd. ADR	5,000	<u>289,650</u>	Miller Industries, Inc.	14,000 276,780
<i>SOUTH AFRICA (0.9%)</i>			National Oilwell Varco, Inc.	3,000 217,920
Shoprite Holdings, Ltd. ADR	10,000	<u>145,700</u>	New York Community Bancorp, Inc.	10,000 159,500
<i>SOUTH KOREA (3.5%)</i>			Norfolk Southern Corp.	4,000 442,560
POSCO ADR	4,800	343,488	Northwest Natural Gas Co.	5,000 234,650
Samsung Electronics Co., Ltd. GDR	400	<u>230,000</u>	Starwood Hotels & Resorts Worldwide, Inc. (2)	500 38,330
		<u>573,488</u>	Synchrony Financial (1)	8,000 216,160
<i>SPAIN (1.9%)</i>			Ultra Petroleum Corp. (1) (2)	10,000 228,000
Banco Santander SA ADR	35,642	<u>312,580</u>	Verizon Communications, Inc.	4,071 204,568
			Wells Fargo & Co.	4,000 212,360 <u>6,391,204</u>
			<b>TOTAL COMMON STOCKS (Cost \$10,957,383)</b>	<u>15,301,673</u>

See accompanying notes to financial statements.

**SCHEDULE OF INVESTMENTS – October 31, 2014**

**Commonwealth Global Fund**

	<u>Shares</u>	<u>Value</u>		<u>Shares</u>	<u>Value</u>
<b>PREFERRED STOCKS (3.7%)</b>			<b>SHORT-TERM INVESTMENTS (3.0%)</b>		
<i>UNITED STATES (3.7%)</i>			Federated Government Obligations Fund, 0.01% (5)	499,264	\$ 499,264
HSBC USA, Inc., Series F, 3.50%, Callable 11/30/14 (3) (4)	18,000	\$ 395,100	<b>TOTAL SHORT-TERM INVESTMENTS (Cost \$499,264)</b>		499,264
HSBC USA, Inc., Series G, 4.00%, Callable 11/30/14 (3) (4)	10,000	231,300	<b>TOTAL INVESTMENTS (99.4%) (Cost \$12,038,032)</b>		16,539,862
<b>TOTAL PREFERRED STOCKS (Cost \$467,195)</b>		626,400	<b>OTHER ASSETS IN EXCESS OF LIABILITIES (0.6%)</b>		96,894
			<b>NET ASSETS (100.0%)</b>		<u>\$16,636,756</u>
			(1) Non-income producing.		
			(2) Subject to call options written		
			(3) Callable.		
			(4) Floating rate security. The rate reflected in the Schedule of Investments is the rate in effect at October 31, 2014.		
			(5) Rate disclosed is the seven day yield as of October 31, 2014.		
			ADR — American Depository Receipt		
			GDR — Global Depository Receipt		
			PLC — Public Limited Company		
<b>CALL OPTIONS (0.7%)</b>					
<i>UNITED STATES (0.7%)</i>					
iShares MSCI All Country Asia ETF, Strike Price: \$60.00, Expiration 12/20/2014 (1)	40	12,400			
iShares MSCI Emerging Markets ETF, Strike Price: \$40.00, Expiration 3/20/2015 (1)	75	22,500			
iShares MSCI Emerging Markets ETF, Strike Price: \$42.50, Expiration 6/19/2015 (1)	75	16,425			
iShares MSCI Japan ETF, Strike Price: \$11.00, Expiration 1/17/2015 (1)	180	19,440			
iShares Russell 2000 ETF, Strike Price: \$108.00, Expiration 1/17/2015 (1)	20	19,760			
iShares Russell 2000 ETF, Strike Price: \$113.00, Expiration 1/15/2016 (1)	20	22,000			
<b>TOTAL CALL OPTIONS (Premium \$114,190)</b>		112,525			

See accompanying notes to financial statements.

**SCHEDULE OF INVESTMENTS – October 31, 2014**

**Commonwealth Real Estate Securities Fund**

	<b>Shares</b>	<b>Value</b>	<b>Shares</b>	<b>Value</b>
<b>COMMON STOCKS (96.0%)</b>			<b>COMMON STOCKS (96.0%) - Continued</b>	
<b>BANKS (2.9%)</b>			<b>REITS-DIVERSIFIED (6.0%)</b>	
Lloyds Banking Group PLC ADR (1)	21,000	\$103,320	British Land Co. PLC ADR	9,000 \$ 105,300
Regions Financial Corp.	18,000	<u>178,740</u>	Vornado Realty Trust	1,207 132,142
		<u>282,060</u>	Washington Real Estate Investment Trust	6,000 169,560
<b>BUILDING MATERIALS (9.5%)</b>			Weyerhaeuser Co.	5,000 <u>169,300</u>
Cemex SAB de CV ADR (1)	25,582	314,658		<u>576,302</u>
CRH PLC ADR	3,000	67,230	<b>REITS-HEALTH CARE (4.8%)</b>	
James Hardie Industries NV ADR	5,000	266,650	HCP, Inc.	2,000 87,940
Lafarge SA ADR	5,000	87,250	Health Care REIT, Inc.	2,500 177,775
Martin Marietta Materials, Inc.	1,430	<u>167,196</u>	Ventas, Inc.	2,750 <u>188,403</u>
		<u>902,984</u>		<u>454,118</u>
<b>ENGINEERING &amp; CONSTRUCTION (2.8%)</b>			<b>REITS-HOTELS (10.5%)</b>	
Grupo Aeroportuario del Sureste SAB de CV ADR	1,300	175,084	Host Hotels & Resorts, Inc.	15,317 357,039
Kajima Corp. ADR	2,000	<u>89,560</u>	LaSalle Hotel Properties	11,000 431,310
		<u>264,644</u>	Pebblebrook Hotel Trust	5,000 <u>213,000</u>
				<u>1,001,349</u>
<b>HOME BUILDERS (2.8%)</b>			<b>REITS-OFFICE PROPERTY (10.9%)</b>	
MDC Holdings, Inc.	5,000	122,100	Alexandria Real Estate Equities, Inc.	2,000 166,000
Toll Brothers, Inc. (1)	4,500	<u>143,775</u>	BioMed Realty Trust, Inc.	6,000 130,320
		<u>265,875</u>	Boston Properties, Inc.	2,500 316,875
<b>LODGING (7.7%)</b>			Douglas Emmett, Inc.	3,000 84,390
InterContinental Hotels Group PLC ADR	5,414	205,786	SL Green Realty Corp.	3,000 <u>347,100</u>
Marriott International, Inc., Class A (2)	5,035	381,401		<u>1,044,685</u>
Ryman Hospitality Properties	3,024	<u>149,235</u>	<b>REITS-REGIONAL MALLS (2.1%)</b>	
		<u>736,422</u>	Simon Property Group, Inc.	500 89,605
<b>REAL ESTATE (7.7%)</b>			Tanger Factory Outlet Centers, Inc.	3,000 <u>107,310</u>
Alto Palermo SA ADR	11,500	253,000		<u>196,915</u>
Gafisa SA ADR	12,000	25,680	<b>REITS-SHOPPING CENTERS (2.2%)</b>	
IRSA Inversiones y Representaciones SA ADR	6,000	88,380	Acadia Realty Trust	4,985 155,532
Lend Lease Group ADR	1,900	26,467	Westfield Corp. ADR	4,000 <u>56,080</u>
WP Carey, Inc.	5,000	<u>338,600</u>		<u>211,612</u>
		<u>732,127</u>	<b>REITS-SINGLE TENANT (1.6%)</b>	
<b>REITS-APARTMENTS (10.0%)</b>			National Retail Properties, Inc.	4,000 <u>152,480</u>
AvalonBay Communities, Inc.	1,347	209,916	<b>REITS-STORAGE (3.9%)</b>	
Boardwalk Real Estate Investment Trust	1,500	93,930	Extra Space Storage, Inc.	6,400 <u>372,224</u>
Campus Crest Communities, Inc.	11,000	69,740	<b>REITS-WAREHOUSE/INDUSTRIES (2.2%)</b>	
Equity Residential	5,700	396,492	EastGroup Properties, Inc.	3,000 <u>206,580</u>
Essex Property Trust, Inc.	900	<u>181,584</u>	<b>RETAIL (2.0%)</b>	
		<u>951,662</u>	Kingfisher PLC ADR	20,000 <u>192,200</u>
<b>SAVINGS &amp; LOANS (1.5%)</b>			<b>SAVINGS &amp; LOANS (1.5%)</b>	
			Harleysville Savings Financial Corp.	8,675 <u>146,174</u>

See accompanying notes to financial statements.

**SCHEDULE OF INVESTMENTS – October 31, 2014**

**Commonwealth Real Estate Securities Fund**

	<b>Shares</b>	<b>Value</b>		<b>Shares</b>	<b>Value</b>
<b>COMMON STOCKS (96.0%) - Continued</b>					
<b>TELECOMMUNICATIONS (4.9%)</b>					
American Tower Corp., Class A	2,500	\$ 243,750			
SBA Communications Corp., Class A(1)	2,000	224,660			
		468,410			
<b>TOTAL COMMON STOCKS</b>		9,158,823			
<b>6,267,912</b>					
<b>EXCHANGE TRADED FUNDS (1.9%)</b>					
Guggenheim China Real Estate ETF	8,500	181,730			
<b>TOTAL EXCHANGE TRADED FUNDS</b>		181,730			
<b>(Cost \$144,153)</b>					
<b>SHORT-TERM INVESTMENTS (2.7%)</b>					
Federated Government Obligations Fund, 0.01% (3)			257,295	\$ 257,295	
<b>TOTAL SHORT-TERM INVESTMENTS</b>					
<b>(Cost \$257,295)</b>					257,295
<b>TOTAL INVESTMENTS (100.6%)</b>					9,597,848
<b>(Cost \$6,669,360)</b>					
<b>LIABILITIES IN EXCESS OF OTHER</b>					
<b>ASSETS (-0.6%)</b>					(60,628)
<b>NET ASSETS (100.0%)</b>					<u>\$9,537,220</u>

(1) Non-income producing.

(2) Subject to call options written

(3) Rate disclosed is the seven day yield as of October 31, 2014.

ADR — American Depository Receipt

PLC — Public Limited Company

REIT — Real Estate Investment Trusts

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See accompanying notes to financial statements.

**STATEMENTS OF ASSETS AND LIABILITIES – October 31, 2014**

	Commonwealth Australia/New Zealand Fund	Africa Fund	Commonwealth Japan Fund	Commonwealth Global Fund	Commonwealth Real Estate Securities Fund
<b>ASSETS:</b>					
Unaffiliated investments at value (Cost \$14,667,295, \$2,459,602, \$3,555,621, \$12,038,032 and \$6,669,360 respectively)	\$19,676,923	\$2,474,325	\$4,883,731	\$16,539,862	\$9,597,848
Affiliated investments at value (Cost \$841,513, \$0, \$0, \$0 and \$0 respectively)	<u>338,434</u>	—	—	—	—
Total Investments at value (Cost \$15,508,808, \$2,459,602, \$3,555,621, \$12,038,032 and \$6,669,360 respectively)	20,015,357	2,474,325	4,883,731	16,539,862	9,597,848
Foreign currency at value (Cost \$610,680, \$111,091, \$17,552, \$0 and \$0 respectively)	601,971	111,362	16,054	—	—
Interest and dividends receivable	134,386	529	16,928	57,110	19,735
Receivable for shares of beneficial interest issued	301	—	—	40	—
Receivable for investments sold	491,085	—	—	441,760	—
Due from adviser	—	11,238	3,025	—	—
Prepaid expenses	9,992	5,158	9,718	13,338	8,326
Total Assets	<u>21,253,092</u>	<u>2,602,612</u>	<u>4,929,456</u>	<u>17,052,110</u>	<u>9,625,909</u>
<b>LIABILITIES:</b>					
Payable for investments purchased	641,097	109,994	—	215,939	—
Payable for options written (Premiums received \$0, \$0, \$0, \$31,129 and \$24,899 respectively)	—	—	—	102,925	35,500
Payable for shares of beneficial interest redeemed	<u>5,761</u>	—	—	—	—
Accrued expenses and other payables:					
Management fees	12,936	—	3,025	10,178	5,777
Administration	12,243	1,277	2,427	9,189	4,880
Distribution	8,758	1,027	2,154	26,118	13,916
Accounting and transfer agent	12,607	6,012	7,853	7,759	5,647
Trustee	8,362	872	1,658	6,276	3,333
Compliance	3,960	413	787	2,972	1,578
Custodian	2,669	413	599	1,403	748
Other	43,661	4,529	8,609	32,595	17,310
Total Liabilities	<u>752,054</u>	<u>124,537</u>	<u>27,112</u>	<u>415,354</u>	<u>88,689</u>
<b>NET ASSETS</b>	<u><u>\$20,501,038</u></u>	<u><u>\$2,478,075</u></u>	<u><u>\$4,902,344</u></u>	<u><u>\$16,636,756</u></u>	<u><u>\$9,537,220</u></u>
<b>NET ASSET VALUE, OFFERING PRICE &amp; REDEMPTION PRICE PER SHARE:(a)</b>					
(1,634,618, 248,897, 1,609,211, 991,475 and 664,608, shares of beneficial interest outstanding, respectively.)	<u>\$ 12.54</u>	<u>\$ 9.96</u>	<u>\$ 3.05</u>	<u>\$ 16.78</u>	<u>\$ 14.35</u>
<b>NET ASSETS CONSIST OF:</b>					
Paid-in-beneficial interest	\$14,584,791	\$2,491,098	\$4,376,016	\$10,976,553	\$7,119,449
Accumulated net investment income (loss)	154,299	(5,430)	(101,317)	(59,838)	(11,936)
Accumulated net realized gains (losses) from investments, option contracts and foreign currency transactions	1,265,821	(23,437)	(698,340)	1,290,007	(488,180)
Net unrealized appreciation on investments, option contracts and foreign currency translations	<u>4,496,127</u>	<u>15,844</u>	<u>1,325,985</u>	<u>4,430,034</u>	<u>2,917,887</u>
<b>NET ASSETS</b>	<u><u>\$20,501,038</u></u>	<u><u>\$2,478,075</u></u>	<u><u>\$4,902,344</u></u>	<u><u>\$16,636,756</u></u>	<u><u>\$9,537,220</u></u>

(a) Subject to certain exceptions, a 2% redemption fee is imposed upon shares redeemed within 14 calendar days of their purchase. See Note 3 in the Notes to the Financial Statements. Par value \$0.01, unlimited shares authorized.

See accompanying notes to financial statements.

**STATEMENTS OF OPERATIONS – October 31, 2014**

	Commonwealth Australia/New Zealand Fund	Africa Fund	Commonwealth Japan Fund	Commonwealth Global Fund	Commonwealth Real Estate Securities Fund
<b>INVESTMENT INCOME:</b>					
Interest income	\$ 39,917	\$ 1,599	\$ 17	\$ 68	\$ 17
Dividend income, unaffiliated investments	1,000,985	52,389	65,161	450,795	291,573
Foreign tax withholding	(123,689)	(5,437)	(9,300)	(28,558)	(1,605)
Total Investment Income	<u>917,213</u>	<u>48,551</u>	<u>55,878</u>	<u>422,305</u>	<u>289,985</u>
<b>EXPENSES:</b>					
Management fees (Note 4)	164,443	28,775	32,954	123,690	65,987
Legal fees	46,015	4,665	8,947	44,359	17,969
Administration fees	146,960	15,283	29,069	110,360	58,520
Accounting and transfer agent fees	79,007	38,967	50,916	47,561	34,861
Distribution fees	54,814	5,755	10,985	41,230	21,996
Custodian fees	12,354	2,177	2,823	6,140	3,142
Miscellaneous fees	10,033	2,951	4,545	7,181	4,005
Audit fees	28,552	2,978	5,660	21,430	11,380
Trustee fees and expenses	32,777	3,555	6,672	25,446	13,550
Consulting services fees	429	39	80	298	153
Compliance fees	44,603	4,642	8,772	33,398	17,713
Insurance fees	20,303	1,653	3,633	12,819	6,852
State registration and filing fees	17,999	17,732	17,708	20,093	18,118
Printing and postage fees	16,102	1,907	3,551	13,509	7,137
Interest expense	616	—	59	—	—
Total Expenses	<u>675,007</u>	<u>131,079</u>	<u>186,374</u>	<u>507,514</u>	<u>281,383</u>
Waiver of fees and reimbursement of expenses (Note 4)	—	(85,040)	(32,954)	—	—
Net Expenses	<u>675,007</u>	<u>46,039</u>	<u>153,420</u>	<u>507,514</u>	<u>281,383</u>
Net Investment Income (Loss)	<u>242,206</u>	<u>2,512</u>	<u>(97,542)</u>	<u>(85,209)</u>	<u>8,602</u>
<b>REALIZED/UNREALIZED GAIN (LOSS)</b>					
Net realized gain (loss) on unaffiliated investments	1,334,362	(16,349)	67,632	1,260,281	256,425
Net realized gain from written option contracts	—	—	—	29,811	31,874
Net realized loss on foreign currency transactions	(107,865)	(6,977)	(9,066)	—	—
Total Net Realized Gain (Loss)	<u>1,226,497</u>	<u>(23,326)</u>	<u>58,566</u>	<u>1,290,092</u>	<u>288,299</u>
Net change in unrealized appreciation (depreciation) on:					
Unaffiliated investments	(1,793,496)	(37,580)	19,293	(716,646)	897,513
Affiliated investments	(84,066)	—	—	—	—
Purchased option contracts	—	—	—	(6,905)	—
Written option contracts	—	—	—	(75,754)	(11,340)
Foreign currency translations	(6,122)	2,441	(2,136)	—	—
Total Net Change in Unrealized Appreciation (Depreciation)	<u>(1,883,684)</u>	<u>(35,139)</u>	<u>17,157</u>	<u>(799,305)</u>	<u>886,173</u>
Net Realized/Unrealized Gain (Loss)	<u>(657,187)</u>	<u>(58,465)</u>	<u>75,723</u>	<u>490,787</u>	<u>1,174,472</u>
Net Increase (Decrease) In Net Assets Resulting From Operations	<u>\$ (414,981)</u>	<u>\$ (55,953)</u>	<u>\$ (21,819)</u>	<u>\$ 405,578</u>	<u>\$1,183,074</u>

See accompanying notes to financial statements.

**STATEMENTS OF CHANGES IN NET ASSETS**

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	Commonwealth Australia/New Zealand Fund		Africa Fund	
	Year Ended October 31, 2014	Year Ended October 31, 2013	Year Ended October 31, 2014	Year Ended October 31, 2013
<b>OPERATIONS:</b>				
Net investment income (loss)	\$ 242,206	\$ 381,412	\$ 2,512	\$ 41,173
Net realized gain (loss)	1,226,497	595,726	(23,326)	(5,348)
Net change in unrealized appreciation (depreciation)	(1,883,684)	1,609,781	(35,139)	20,664
Change in net assets resulting from operations	<u>(414,981)</u>	<u>2,586,919</u>	<u>(55,953)</u>	<u>56,489</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS:</b>				
Net investment income	(386,365)	(310,746)	(28,879)	(23,882)
Return of capital	—	—	(7,221)	—
Net realized gains	(409,419)	—	—	—
Change in net assets from distributions	<u>(795,784)</u>	<u>(310,746)</u>	<u>(36,100)</u>	<u>(23,882)</u>
<b>CAPITAL TRANSACTIONS:</b>				
Proceeds from shares issued	2,241,082	5,593,414	703,722	1,010,351
Dividends reinvested	749,628	293,827	35,996	23,784
Cost of shares redeemed	(5,045,507)	(6,744,671)	(268,584)	(324,033)
Redemption fees	245	259	236	10
Change in net assets resulting from shares of beneficial interest transactions	(2,054,552)	(857,171)	471,370	710,112
Net increase (decrease) in net assets	<u>(3,265,317)</u>	<u>1,419,002</u>	<u>379,317</u>	<u>742,719</u>
<b>NET ASSETS:</b>				
Beginning of year	23,766,355	22,347,353	2,098,758	1,356,039
End of year	<u>\$20,501,038</u>	<u>\$23,766,355</u>	<u>\$2,478,075</u>	<u>\$2,098,758</u>
Accumulated net investment income (loss)	<u>\$ 154,299</u>	<u>\$ 339,703</u>	<u>\$ (5,430)</u>	<u>\$ 27,914</u>
<b>SHARE TRANSACTIONS:</b>				
Issued	176,045	441,193	69,689	99,797
Reinvested	62,365	23,811	3,670	2,267
Redeemed	(397,451)	(525,991)	(26,699)	(32,362)
Change in shares	<u>(159,041)</u>	<u>(60,987)</u>	<u>46,660</u>	<u>69,702</u>

See accompanying notes to financial statements.

**STATEMENTS OF CHANGES IN NET ASSETS**

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Commonwealth Japan Fund		Commonwealth Global Fund		Commonwealth Real Estate Securities Fund	
Year Ended October 31, 2014	Year Ended October 31, 2013	Year Ended October 31, 2014	Year Ended October 31, 2013	Year Ended October 31, 2014	Year Ended October 31, 2013
\$ (97,542)	\$ (131,308)	\$ (85,209)	\$ (119,445)	\$ 8,602	\$ (15,338)
58,566	8,588	1,290,092	618,883	288,299	69,072
17,157	897,776	(799,305)	2,225,380	886,173	832,470
(21,819)	<u>775,056</u>	<u>405,578</u>	<u>2,724,818</u>	<u>1,183,074</u>	<u>886,204</u>
—	—	—	—	—	—
—	—	—	—	—	—
—	—	(598,622)	—	—	—
—	—	(598,622)	—	—	—
1,265,724	2,350,149	1,316,104	1,226,946	623,072	891,528
—	—	577,724	—	—	—
(785,620)	(2,698,114)	(1,023,056)	(1,304,026)	(630,837)	(1,239,436)
10	3	—	4	—	26
480,114	(347,962)	870,772	(77,076)	(7,765)	(347,882)
458,295	<u>427,094</u>	<u>677,728</u>	<u>2,647,742</u>	<u>1,175,309</u>	<u>538,322</u>
4,444,049	4,016,955	15,959,028	13,311,286	8,361,911	7,823,589
\$4,902,344	<u>\$ 4,444,049</u>	<u>\$16,636,756</u>	<u>\$15,959,028</u>	<u>\$9,537,220</u>	<u>\$ 8,361,911</u>
\$ (101,317)	<u>\$ (116,555)</u>	<u>\$ (59,838)</u>	<u>\$ (90,445)</u>	<u>\$ (11,936)</u>	<u>\$ (70,834)</u>
417,833	824,264	77,621	80,691	46,687	74,384
—	—	35,184	—	—	—
(253,193)	(961,246)	(60,074)	(84,299)	(48,243)	(102,417)
164,640	<u>(136,982)</u>	<u>52,731</u>	<u>(3,608)</u>	<u>(1,556)</u>	<u>(28,033)</u>

See accompanying notes to financial statements.

**FINANCIAL HIGHLIGHTS**

**Commonwealth Australia/New Zealand Fund**

Selected data for a share outstanding throughout each of the years indicated:

	For the year ended <u>10/31/14</u>	For the year ended <u>10/31/13</u>	For the year ended <u>10/31/12</u>	For the year ended <u>10/31/11</u>	For the year ended <u>10/31/10</u>
<b>Net Asset Value, Beginning of Year</b>	\$ 13.25	\$ 12.05	\$ 10.76	\$ 10.74	\$ 9.84
<b>Change in net assets from operations:</b>					
Net investment income	0.15	0.21	0.14	0.12	0.08
Net realized and unrealized gain (loss) from investments	(0.40)	1.15	1.27	0.07(a)	0.82
Total from investment activities	(0.25)	1.36	1.41	0.19	0.90
<b>Distributions</b>					
Net investment income	(0.22)	(0.16)	(0.12)	(0.17)	—
Net realized gains	(0.24)	—	—	—	—
Total distributions	(0.46)	(0.16)	(0.12)	(0.17)	—
Redemption fees	—(b)	—(b)	—(b)	—(b)	—(b)
<b>Net Asset Value, End of Year</b>	<b>\$ 12.54</b>	<b>\$ 13.25</b>	<b>\$ 12.05</b>	<b>\$ 10.76</b>	<b>\$ 10.74</b>
<b>Total return</b>					
Net assets at end of year (000's)	\$20,501	\$23,766	\$22,347	\$21,412	\$24,975
<b>Ratios/Supplemental Data:</b>					
Ratio of net expenses to average net assets	3.08%	3.17%	3.32%	3.08%	3.24%
Ratio of net investment income to average net assets	1.11%	1.59%	1.26%	1.20%	1.05%
Portfolio turnover rate	16%	18%	8%	22%	12%

- (a) The amount of net gain from securities (both realized and unrealized) per share, does not accord with the amounts reported in the Statements of Operations due to the timing of purchases and redemptions of Fund shares during the year.
- (b) Value is less than \$0.005 per share.

See accompanying notes to financial statements.

## FINANCIAL HIGHLIGHTS

### Africa Fund

Selected data for a share outstanding throughout each of the periods indicated:

	<b>For the year ended <u>10/31/14</u></b>	<b>For the year ended <u>10/31/13</u></b>	<b>For the period ended <u>10/31/12(a)</u></b>
<b>Net Asset Value, Beginning of Period</b>	<u>\$10.38</u>	<u>\$10.23</u>	<u>\$10.00</u>
<b>Change in net assets from operations:</b>			
Net investment income	0.01	0.22	0.08
Net realized and unrealized gain (loss) from investments	<u>(0.25)</u>	<u>0.09</u>	<u>0.15</u>
Total from investment activities	<u>(0.24)</u>	<u>0.31</u>	<u>0.23</u>
<b>Distributions</b>			
Net investment income	(0.14)	(0.16)	—
Return of capital	<u>(0.04)</u>	<u>—</u>	<u>—</u>
Total distributions	<u>(0.18)</u>	<u>(0.16)</u>	<u>—</u>
Redemption fees	—(b)	—(b)	—
<b>Net Asset Value, End of Period</b>	<u><u>\$ 9.96</u></u>	<u><u>\$10.38</u></u>	<u><u>\$10.23</u></u>
<b>Total return</b>	<u><u>(2.32)%</u></u>	<u><u>3.02%</u></u>	<u><u>2.30%(c)</u></u>
Net assets at end of period (000's)	<u><u>\$2,478</u></u>	<u><u>\$2,099</u></u>	<u><u>\$1,356</u></u>

### Ratios/Supplemental Data:

Ratio of net expenses to average net assets	2.00%(g)	—%(d)	0.70%(e)(f)
Ratio of gross expenses before reimbursement	5.69%	6.13%	8.32%(e)
Ratio of net investment income to average net assets	0.11%	2.28%	1.32%(e)
Portfolio turnover rate	4%	7%	—%(c)

(a) Reflects operations for the period from November 7, 2011 (inception date) to October 31, 2012.

(b) Value is less than \$0.005 per share.

(c) Not annualized for periods less than one year.

(d) The ratio of net expenses are the combined result of \$22,542 in contractual waivers representing (1.25)% and \$88,266 in voluntary reimbursements representing (4.88)%. Please refer to Note 4, Related Party Transactions and Other Arrangements, in the Notes to Financial Statements.

(e) Annualized for periods less than one year.

(f) The ratio of net expenses are the combined result of \$9,801 in contractual waivers representing (1.25)% and \$49,962 in voluntary reimbursements representing (6.37)%. Please refer to Note 4, Related Party Transactions and Other Arrangements, in the Notes to Financial Statements.

(g) The ratio of net expenses are the combined result of \$28,775 in contractual waivers representing (1.25)% and \$56,265 in voluntary reimbursements representing (2.44)%. Please refer to Note 4, Related Party Transactions and Other Arrangements, in the Notes to Financial Statements.

See accompanying notes to financial statements.

**FINANCIAL HIGHLIGHTS**

**Commonwealth Japan Fund**

Selected data for a share outstanding throughout each of the years indicated:

	For the year ended <u>10/31/14</u>	For the year ended <u>10/31/13</u>	For the year ended <u>10/31/12</u>	For the year ended <u>10/31/11</u>	For the year ended <u>10/31/10</u>
<b>Net Asset Value, Beginning of Year</b>	\$ 3.08	\$ 2.54	\$ 2.70	\$ 2.80	\$ 2.69
<b>Change in net assets from operations:</b>					
Net investment loss	(0.05)	(0.10)	(0.07)	(0.09)	(0.07)
Net realized and unrealized gain (loss) from investments	0.02	0.64	(0.09)	(0.01)(a)	0.18
Total from investment activities	(0.03)	0.54	(0.16)	(0.10)	0.11
Redemption fees	—(b)	—(b)	—(b)	—(b)	—(b)
<b>Net Asset Value, End of Year</b>	<u>\$ 3.05</u>	<u>\$ 3.08</u>	<u>\$ 2.54</u>	<u>\$ 2.70</u>	<u>\$ 2.80</u>
<b>Total return</b>	(0.97)%	21.26%	(5.93)%	(3.57)%	4.09%
Net assets at end of year (000's)	\$4,902	\$4,444	\$4,017	\$3,794	\$4,017
<b>Ratios/Supplemental Data:</b>					
Ratio of net expenses to average net assets	3.49%(c)	4.40%	4.84%	3.91%	4.24%
Ratio of gross expenses before reimbursement	4.24%	4.40%	4.84%	3.91%	4.24%
Ratio of net investment loss to average net assets	(2.22)%	(3.03)%	(3.01)%	(2.52)%	(2.45)%
Portfolio turnover rate	9%	23%	20%	62%	10%

(a) The amount of net gain from securities (both realized and unrealized) per share, does not accord with the amounts reported in the Statements of Operations due to the timing of purchases and redemptions of Fund shares during the year.

(b) Value is less than \$0.005 per share.

(c) The ratio of net expenses are the result of \$32,954 in voluntary waivers representing (0.75)%. Please refer to Note 4, Related Party Transactions and Other Arrangements, in the Notes to Financial Statements.

See accompanying notes to financial statements.

**FINANCIAL HIGHLIGHTS**

**Commonwealth Global Fund**

Selected data for a share outstanding throughout each of the years indicated:

	For the year ended <u>10/31/14</u>	For the year ended <u>10/31/13</u>	For the year ended <u>10/31/12</u>	For the year ended <u>10/31/11</u>	For the year ended <u>10/31/10</u>
<b>Net Asset Value, Beginning of Year</b>	\$ 17.00	\$ 14.13	\$ 15.24	\$ 15.44	\$ 13.40
<b>Change in net assets from operations:</b>					
Net investment loss	(0.08)	(0.12)	(0.12)	(0.07)	(0.12)
Net realized and unrealized gain (loss) from investments	0.50	2.99	0.54	(0.13)(a)	2.16
Total from investment activities	0.42	2.87	0.42	(0.20)	2.04
<b>Distributions</b>					
Net realized gains	(0.64)	—	(1.53)	—	—
Total distributions	(0.64)	—	(1.53)	—	—
Redemption fees	—	—(b)	—(b)	—(b)	—(b)
<b>Net Asset Value, End of Year</b>	<u>\$ 16.78</u>	<u>\$ 17.00</u>	<u>\$ 14.13</u>	<u>\$ 15.24</u>	<u>\$ 15.44</u>
<b>Total return</b>	<u>2.56%</u>	<u>20.31%</u>	<u>3.47%</u>	<u>(1.30)%</u>	<u>15.22%</u>
Net assets at end of year (000's)	\$16,637	\$15,959	\$13,311	\$13,285	\$16,574

**Ratios/Supplemental Data:**

Ratio of net expenses to average net assets	3.08%	3.12%	3.31%	3.05%	3.02%
Ratio of net investment loss to average net assets	(0.52)%	(0.81)%	(0.85)%	(0.38)%	(0.85)%
Portfolio turnover rate	27%	14%	11%	18%	10%

(a) The amount of net gain from securities (both realized and unrealized) per share, does not accord with the amounts reported in the Statements of Operations due to the timing of purchases and redemptions of Fund shares during the year.

(b) Value is less than \$0.005 per share.

See accompanying notes to financial statements.

**FINANCIAL HIGHLIGHTS**

**Commonwealth Real Estate Securities Fund**

Selected data for a share outstanding throughout each of the years indicated:

	For the year ended <u>10/31/14</u>	For the year ended <u>10/31/13</u>	For the year ended <u>10/31/12</u>	For the year ended <u>10/31/11</u>	For the year ended <u>10/31/10</u>
<b>Net Asset Value, Beginning of Year</b>	\$12.55	\$11.27	\$ 9.72	\$10.09	\$ 8.42
<b>Change in net assets from operations:</b>					
Net investment income (loss)	0.02	(0.02)	(0.13)	(0.16)	(0.09)
Net realized and unrealized gain (loss) from investments	1.78	1.30	1.68	(0.21)(a)	1.76
Total from investment activities	1.80	1.28	1.55	(0.37)	1.67
Redemption fees	—	—(b)	—(b)	—(b)	—
<b>Net Asset Value, End of Year</b>	<u>\$14.35</u>	<u>\$12.55</u>	<u>\$11.27</u>	<u>\$ 9.72</u>	<u>\$10.09</u>
<b>Total return</b>	14.34%	11.36%	15.95%	(3.67)%	19.83%
Net assets at end of year (000's)	\$9,537	\$8,362	\$7,824	\$7,294	\$9,063

**Ratios/Supplemental Data:**

Ratio of net expenses to average net assets	3.20%	3.33%	3.53%	3.29%	3.22%
Ratio of net investment income (loss) to average net assets	.10%	(0.18)%	(1.20)%	(1.48)%	(0.89)%
Portfolio turnover rate	16%	4%	5%	7%	21%

(a) The amount of net gain from securities (both realized and unrealized) per share, does not accord with the amounts reported in the Statements of Operations due to the timing of purchases and redemptions of Fund shares during the year.

(b) Value is less than \$0.005 per share.

See accompanying notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014**

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**Note 1 – Organization**

Commonwealth International Series Trust (the “Trust”) was organized as a Massachusetts business trust on May 8, 1986, and is registered under the Investment Company Act of 1940, as amended (the “Act”), as a diversified open-end management investment company. The Trust currently consists of five diversified series: the Commonwealth Australia/New Zealand Fund (the “Australia/New Zealand Fund”), the Africa Fund (the “Africa Fund”), the Commonwealth Japan Fund (the “Japan Fund”), the Commonwealth Global Fund (the “Global Fund”) and the Commonwealth Real Estate Securities Fund (the “Real Estate Securities Fund”) (each a “Fund” and collectively the “Funds”).

**Note 2 – Investment Objectives**

Each Fund’s investment objective is to provide long-term capital appreciation and current income. Under normal market conditions, each Fund (other than the Global Fund) invests at least 80% of its assets in the country or asset class specified in its name (i.e. Australia/New Zealand, Africa, Japan or Real Estate).

**Note 3 – Significant Accounting Policies**

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of the financial statements for the Funds. The policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”).

**A) Valuation of Securities** – Each Fund’s assets and liabilities are valued normally on the basis of market quotations or official closing prices or, if there is no recent last sales price available, reference is made to the last mean quotation in the principal market in which the securities are normally traded. Equity securities that are traded on the NASDAQ National Market System, for which quotations are readily available, are valued at the official closing price. Options are valued at the last quoted sales price. If there is no such reported sale on the valuation date, long positions are valued at the most recent bid price, and short positions are valued at the most recent ask price. Debt securities are priced either by using a market quotation or an independent pricing service. The pricing service may use one or more pricing models. Generally, debt instruments with maturities of less than 60 days (short-term debt) are valued at amortized cost or original cost plus interest, which approximates current value. Investments in open-end investment companies are valued at net asset value. If Fund management determines that market quotations or official closing prices are not readily available or do not accurately reflect the fair value for a security, the fair value of the security or securities will be determined in accordance with procedures established by the Board of Trustees (the “Board”). Fair value prices are generally provided by an independent fair value pricing service. The Funds have instituted a policy whereby the value of certain equity securities listed or traded on foreign security exchanges may be valued by an independent fair value pricing service on any day when certain conditions are met. The Australia/New Zealand Fund, Africa Fund and Japan Fund have retained an independent fair value pricing service to assist in the fair valuing of these foreign securities. The service utilizes statistical data based on historical performance of securities, markets, and other data in developing factors used to estimate a fair value. In the Australia/New Zealand Fund and Japan Fund, the measure is based on a comparison between the S&P 500 Futures, Tokyo close to New York close. In the Africa Fund, the measure is based on a comparison between the S&P 500 Futures, London close to New York close.

**B) Fair Value Measurements** – The Funds’ investments have been categorized by tiers dependent upon the various “inputs” used to determine the fair value of the Funds’ investments. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical assets.
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayments speeds, credit risk, etc.).
- Level 3 – significant unobservable inputs (including management’s own assumptions in determining the fair value of investments).

A description of the valuation techniques applied to the Funds’ major categories of assets and liabilities measured at fair value on a recurring basis follows:

*Common stocks, preferred stocks, exchange traded funds and short term investments.* Securities traded on a national exchange (or reported on the NASDAQ national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are generally categorized in Level 1 of the fair value hierarchy. Investments in other open-end registered investment companies are valued at net asset value. Short term investments may be valued using amortized cost which approximates fair value. Securities traded on inactive markets, valued by reference to similar instruments or whose inputs are observable and timely would be categorized in Level 2 of the fair value hierarchy.

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

*Corporate and Sovereign Bonds.* The fair value of corporate bonds may be estimated using recently executed transactions, market price quotations (where observable), bond spreads, and/or credit default swap spreads adjusted for any basis difference between cash and derivative instruments. Domestically held corporate bonds are generally categorized in Level 2 of the fair value hierarchy; in instances where prices, spreads, or any of the other aforementioned key inputs are unobservable, they would be categorized in Level 3 of the fair value hierarchy.

*Written/Purchased options.* Listed derivatives that are actively traded are valued based on quoted prices from the exchange and are generally categorized in Level 1 of the fair value hierarchy.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Funds' net assets as of October 31, 2014:

Security Type	<b>Australia/New Zealand Fund</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks*	\$18,981,029	\$338,434	\$ —	\$19,319,463
Corporate Bonds	525,855	—	—	525,855
Short Term Investments	170,039	—	—	170,039
<b>Total</b>	<b>\$19,676,923</b>	<b>\$338,434</b>	<b>\$ —</b>	<b>\$20,015,357</b>

Security Type	<b>Africa Fund</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks*	\$1,735,646	\$ —	\$ —	\$1,735,646
Exchange Traded Funds	661,847	—	—	661,847
Sovereign Bonds	18,759	—	—	18,759
Short Term Investments	58,073	—	—	58,073
<b>Total</b>	<b>\$2,474,325</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$2,474,325</b>

Security Type	<b>Japan Fund</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total**</b>
Common Stocks*	\$4,285,882	\$ —	\$ —	\$4,285,882
Exchange Traded Funds	180,900	—	—	180,900
Short Term Investments	416,949	—	—	416,949
<b>Total</b>	<b>\$4,883,731</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$4,883,731</b>

Security Type	<b>Global Fund</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks*	\$14,974,204	\$327,469	\$ —	\$15,301,673
Preferred Stocks*	626,400	—	—	626,400
Call Options	100,125	12,400	—	112,525
Short Term Investments	499,264	—	—	499,264
<b>Total</b>	<b>\$16,199,993</b>	<b>\$339,869</b>	<b>\$ —</b>	<b>\$16,539,862</b>

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

Security Type	Real Estate Securities Fund			
	Level 1	Level 2	Level 3	Total
Common Stocks*	\$8,975,333	\$183,490	\$ —	\$9,158,823
Exchange Traded Funds	181,730	—	—	181,730
Short Term Investments	257,295	—	—	257,295
Total	\$9,414,358	\$183,490	\$ —	\$9,597,848

\* All sub-categories within Common Stocks and Preferred Stocks represent Level 1 evaluation status. For a detailed breakout by industry or country, please refer to the Schedules of Investments.

\*\* There were no Level 2 or 3 securities held as of October 31, 2014.

Due to the halt in trading of the South Africa Bank security held in the Africa Fund, management has determined the fair value of this holding to be \$0 as of October 31, 2014. The following is a reconciliation of Level 3 securities held in the Funds as of October 31, 2014:

Fund	Beginning balance November 1, 2013	Transfers into Level 3 during the period	Transfers out of Level 3 during the period	Purchases	(Sales)	Change in unrealized appreciation/(depreciation) during the period fo Level 3 investments	Total realized gain/(loss)	Ending balance October 31, 2014
Africa Fund								
South Africa	\$17,180	\$—	\$—	\$6,690	\$—	\$(23,870)	\$—	\$—

The following is a summary of other financial instruments that are derivative instruments not reflected in the Schedules of Investments, such as futures, written options, forwards and swap contracts, which are shown below at the net unrealized appreciation/depreciation on the investments. Please refer to Note 7 – Financial Instruments with Off-Balance Sheet Risk for additional information.

Fund	Other Financial Instruments at value			
	Level 1	Level 2	Level 3	Total
Global Fund				
Written Options	\$ —	\$(102,925)	\$ —	\$(102,925)
Real Estate Securities Fund				
Written Options	\$ —	\$ (35,500)	\$ —	\$ (35,500)

It is the Funds' policy to recognize transfers into and out of all Levels at the end of the reporting period. As described in Note 3 – Significant Accounting Policies under A) *Valuation of Securities*, certain equity securities listed or traded on foreign exchanges may be valued by an independent fair value pricing service on any day when certain conditions are met. During the year ended October 31, 2014, there were several instances where these conditions were met, and as a result, foreign securities in the Australia/New Zealand Fund, Africa Fund and the Japan Fund were fair valued. On October 31, 2013 and October 31, 2014, conditions were not met requiring securities to be fair valued and therefore, categorized in Level 1.

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

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The Commonwealth Australia/New Zealand Fund held an equity security at October 31, 2013 that in the absence of trading activity was valued at the mean between the bid and ask price and categorized as Level 2. On October 31, 2014 that security was valued based on an exchange traded closing price and was classified as Level 1. The Commonwealth Japan Fund held an equity security at October 31, 2013 that in the absence of trading activity was valued at the mean between the bid and ask price and categorized as Level 2. On October 31, 2014 that security was valued based on an exchange traded closing price and was classified as Level 1. The Commonwealth Global Fund held an equity security at October 31, 2013 that was valued based on an exchange traded closing price and was classified as Level 1. On October 31, 2014, due to the absence of trading activity, the security was valued at the mean between the bid and ask price and categorized as Level 2. The Commonwealth Real Estate Securities Fund held a Real Estate Investment Trust (REIT) at October 31, 2013 that was valued based on an exchange traded closing price and was classified as Level 1. On October 31, 2014, due to the absence of trading activity, the security was valued at the mean between the bid and ask price and categorized as Level 2. The following is a reconciliation of transfers between category levels from October 31, 2013 to October 31, 2014:

	Australia/ New Zealand Fund	Japan Fund	Global Fund	Real Estate Securities Fund
Transfers into Level 1	\$ 605,141	\$ 38,772	\$ —	\$ —
Transfers out of Level 1	\$ —	\$ —	\$(327,469)	\$(93,930)
Net Transfers in (out) of Level 1	<u>\$ 605,141</u>	<u>\$ 38,772</u>	<u>\$(327,469)</u>	<u>\$(93,930)</u>
Transfers into Level 2	\$ —	\$ —	\$ 327,469	\$ 93,930
Transfers out of Level 2	<u>\$(605,141)</u>	<u>\$(38,772)</u>	<u>\$ —</u>	<u>\$ —</u>
Net Transfers in (out) of Level 2	<u><u>\$(605,141)</u></u>	<u><u>\$(38,772)</u></u>	<u><u>\$ 327,469</u></u>	<u><u>\$ 93,930</u></u>

**C) Currency Translation** – For purposes of determining each Fund's net asset value, all assets and liabilities initially expressed in foreign currency values are converted into U.S. dollar values at the prevailing market rate on each U.S. business day. The cost of securities is determined by using an exchange rate provided by an independent third party. Income is translated at approximate rates prevailing when accrued. The Funds do not isolate that portion of gains and losses on investments which is due to changes in foreign exchange rates from that which is due to changes in the market prices of the investments. Such fluctuations are included with the net realized and unrealized gains and losses from investments.

**D) Allocations of Expenses** – Expenses directly attributable to a Fund are charged directly to that Fund, while expenses which are attributable to more than one Fund, or the Trust, are allocated among the respective Funds based upon relative net assets or some other reasonable method.

**E) Accounting for Investments** – Security transactions are accounted for on the trade date. Realized gains and losses on security transactions are based on the identified cost basis for both financial statement and Federal income tax purposes. Dividend income and distributions to shareholders are recorded on the ex-dividend date or as soon as known if after the ex-dividend date. Discounts and premiums on bonds purchased are amortized over the life of the bonds (which may include maturity or call date). Interest income and estimated expenses are accrued daily.

**F) Federal Income Taxes** – It is each Fund's policy to comply with the requirements of Subchapter M of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all investment company taxable income and net capital gain to shareholders in a manner which results in no tax cost to the Funds. Therefore, no federal income tax provision is required.

Dividends or interest on foreign securities may be subject to the withholding of the country of domicile's income tax by tax treaty provisions or otherwise. Generally, there are no foreign taxes applicable to the Funds' capital gains realized on foreign securities in their country of domicile.

Accounting for Uncertainty in Income Taxes (the "Income Tax Statement") requires an evaluation of tax positions taken (or expected to be taken) in the course of preparing a fund's tax returns to determine whether these positions meet a "more-likely-than-not" standard that, based on the technical merits, have a more than fifty percent likelihood of being sustained by a taxing authority upon examination. A tax position that meets the "more-likely-than-not" recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The Funds recognize interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statements of Operations.

The Income Tax Statement requires management of the Funds to analyze all open tax years, fiscal years 2011 – 2013, or expected to be taken in the Funds' 2014 tax returns as defined by IRS statute of limitations for all major jurisdictions, including federal tax authorities and certain state tax authorities. As of and during the year ended October 31, 2014, the Funds did not have a liability for any unrecognized tax benefits. The Funds have no examinations in progress and are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

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**G) Distributions to Shareholders** – The Funds distribute net investment income, if any, and net realized gains (net of any capital loss carryovers) annually. Income and capital gain distributions are determined in accordance with income tax regulations which may differ from GAAP. These differences are primarily due to differing treatments for foreign currency transactions and deferrals of certain losses.

**H) Redemption Fees** – Redemption fees are applicable to certain redemptions of shares within fourteen calendar days of purchase. The redemption fee is imposed to discourage abusive trading activity, which can have disruptive effects on the Funds' portfolio management and can increase the Funds' expenses. The redemption fees are intended to offset, at least partially, portfolio transaction and administrative costs associated with short-term trading. The shareholder will be charged a fee equal to 2.00% of the amount redeemed and will be charged when shares are sold, exchanged or involuntarily redeemed. In determining the applicability of the redemption fee, shares held for the longest period of time will be treated as being sold first and shares held for the shortest period of time as being sold last. For the year ended October 31, 2014, the Australia/New Zealand Fund, Africa Fund and Japan Fund had contributions to capital due to redemption fees in the amount of \$245, \$236 and \$10, respectively.

**I) Option Accounting Principles** – A Fund may purchase or write put or call options on futures contracts, individual securities, currencies or stock indices to hedge against fluctuations in securities prices and currency exchange rates and to adjust its risk exposure relative to the benchmark. The Fund may use these derivatives for any purpose consistent with its investment objective, such as hedging, obtaining market exposure, and generating premium income.

When a Fund writes an option, the premium received is recorded as a liability. Each day the option contract liability is valued in accordance with the procedures for security valuation discussed above. When an offsetting option is purchased (a closing transaction) or the option contract expires, the Fund realizes a gain or loss and the liability related to such option contract is eliminated. When a call option is exercised, the Fund realizes a gain or loss from the sale of the underlying security and the proceeds of the sale are increased by the premiums originally received.

When a Fund purchases an option, the premium paid is recorded as an asset. Each day the option contract is valued in accordance with the procedures for security valuation discussed above. When an offsetting option is written (a closing transaction) or the option contract expires, the Fund realizes a gain or loss and the asset representing such option contract is eliminated. When a call option is exercised, the Fund purchases the underlying security and the cost basis of such purchase is increased by the premium originally paid.

**J) Forward Currency Contracts** – Forward currency transactions may be undertaken to hedge against possible variations in the foreign exchange rates between the U.S. dollar and foreign currencies. A forward currency contract is an agreement between two parties to buy or sell a currency at a set price on a future date. Forward contracts are marked-to-market daily and the change in the market value is recorded by the Fund as an unrealized gain or loss. When a contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The Funds could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably. Other risks of forward currency transactions include failing to achieve expected benefit, markets moving in a direction that the Funds did not expect, a Fund's inability to be able to close out its position in the hedging instrument, and political and social unrest and the possibility of negative governmental actions. During and as of year-ended October 31, 2014, the Funds held no foreign currency contracts.

**K) Use of Estimates** – The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates and these differences could be material.

**Note 4 – Related Party Transactions and Other Arrangements**

**A) Investment Advisor** – The Trust, on behalf of each Fund, has retained FCA Corp. as the Funds' investment advisor (the "Advisor"). Under each Fund's Investment Advisory Agreement, the Advisor is paid a monthly fee (the "Management Fee"), calculated daily and payable monthly, equal to an annual rate of 0.75% of the average net assets of each Fund other than the Africa Fund for which it receives 1.25% of the average daily net assets of the Fund. The Advisor has contractually agreed to waive the Management Fee of 1.25% for the Africa Fund through February 28, 2015. The Advisor may not terminate this arrangement prior to February 28, 2015 unless the investment advisory agreement is terminated. The Africa Fund has agreed to repay the Advisor for amounts waived by the Advisor pursuant to the fee waiver agreement to the extent that such repayment occurs within three years of the date of any such waiver and such repayment does not cause the Africa Fund's total fund operating expenses to exceed 3.30%. For the year ended October 31, 2014, the Advisor waived Management Fees in the Africa Fund in the amount of \$28,775 which is subject to recoupment and in the Japan Fund in the amount of \$32,954, which is not subject to recoupment. For the year ended October 31, 2014, the Advisor chose to voluntarily reimburse beyond its contractual agreement in the Africa Fund in the amount of \$56,265, an amount which is also

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

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not subject to recoupment. As of October 31, 2014, the Africa Fund has \$9,801 subject to recoupment through October 31, 2015, \$22,542 through October 31, 2016 and an additional \$28,775 through October 31, 2017.

Certain officers of the Trust are also officers of FCA.

**B) Administration, Fund Accounting and Transfer Agent** – UMB Fund Services, Inc. (“UMB”) serves as the administrator, transfer agent and fund accountant to the Funds. For these services UMB receives fees computed at an annual rate of the daily net assets of the Funds, subject to a minimum annual contractual fee. An officer of the Trust also is an employee of UMB, but is paid no fees directly by the Funds for serving as an officer of the Trust.

**C) Distribution** – UMB Distribution Services, LLC, serves as the principal underwriter for the shares of each Fund of the Trust and receives an annual contractual fee. UMB Distribution Services, LLC is an affiliate of UMB.

Each Fund has adopted a Service and Distribution Plan (each a “Plan”) pursuant to Rule 12b-1 under the Act, whereby up to 0.35% of the Fund’s assets may be used to reimburse the Distributor for costs and expenses incurred in connection with the distribution and marketing of shares of the Fund and the servicing of Fund shareholders. Distribution and marketing expenses include, among other things, printing of prospectuses, marketing literature, and costs of personnel involved with the promotion and distribution of the Fund’s shares. These amounts are disclosed on the Statements of Operations under Distribution fees. While the plans permit each Fund to pay up to 0.35% of its average daily net assets to reimburse for certain expenses in connection with the distribution of its shares, the Board of Trustees has currently authorized each Fund to pay out only 0.25% under its Plan. If the Trustees’ intention changes on this matter, the Funds will amend or supplement their prospectus. Out of the foregoing amount, each Fund is permitted to pay up to an aggregate of 0.25% of its average daily net assets to reimburse for certain shareholder services.

**D) Legal Counsel** – The Law Offices of John H. Lively and Associates, Inc., a member firm of The 1940 Act Law Group™, serves as legal counsel to the Trust. John H. Lively, Secretary of the Trust, is the owner of the Law Offices of John H. Lively & Associates, Inc., but he receives no special compensation from the Trust or the Funds for serving as an officer of the Trust.

### Note 5 – Investments in Affiliated Issuers

A company is considered an affiliate of a Fund under the 1940 Act if the Fund’s holdings in that company represent 5% or more of the outstanding voting shares of that company. The Australia/New Zealand Fund’s holding below is shown in its Schedule of Investments. Further detail on this holding during the year ended October 31, 2014 appears below:

Security Held	Percentage of Ownership	Shares 10/31/13	Shares 10/31/14	Value 10/31/13	Cost of Purchases	Cost of Sales	Change in Appreciation/ Depreciation	Value 10/31/14	Dividend Income	Realized Gain (Loss)
Mowbray Collectables Ltd.	8.01%	821,593	1,021,593	\$339,305	\$83,195	—	\$(84,066)	\$338,434	\$ —	\$ —

### Note 6 – Purchases and Sales of Securities

Purchases and sales of investment securities (excluding short-term securities) by the Funds for the year ended October 31, 2014 were as follows:

	Purchases	Sales
Australia/New Zealand Fund	\$3,325,745	\$6,198,834
Africa Fund	690,786	83,464
Japan Fund	635,686	372,346
Global Fund	4,918,375	4,307,506
Real Estate Securities Fund	1,355,421	1,504,585

### Note 7 – Financial Instruments with Off-Balance Sheet Risk

In the ordinary course of trading activities, certain of the Funds trade and hold certain fair-valued derivative contracts. Such contracts include forward currency contracts, where the Funds would be obligated to buy currency at specified prices, and written put and call options, where the Funds would be obligated to purchase or sell securities at specified prices (i.e., the options are exercised by the counterparties). The maximum payout for the put option contracts is limited to the number of contracts written and the related strike prices, respectively. The maximum payout for uncovered

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

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written call option contracts is limited only by how high the underlying rises above the strike price. Maximum payout amounts could be offset by the subsequent sale, if any, of assets obtained via the execution of a payout event.

The financial instruments contain varying degrees of off-balance sheet risk whereby changes in the market value of securities underlying the financial instruments may be in excess of the amounts recognized in the Statements of Assets and Liabilities. A Fund, as writer of an option, bears the market risk of an unfavorable change in the price of the security underlying the written option. The risk associated with purchasing an option is that the Fund pays a premium whether or not the option is exercised. Additionally, each Fund bears the risk of loss of premium and change in market value should the counterparty not perform under the contract. A call option gives the holder the right to buy the underlying stock from the writer at a specified price within a fixed period of time. Therefore, the securities held by the Fund against which options are written may not be traded and are held in escrow by the custodian.

The following is a summary of the written option activity:

<b>Contracts</b>	<b>Commonwealth Global</b>		<b>Real Estate Securities Fund</b>	
	<b>Number of Contracts</b>	<b>Premiums Received</b>	<b>Number of Contracts</b>	<b>Premiums Received</b>
Outstanding @ 10/31/2013	150	\$ 99,988	180	\$ 36,689
Call options written	709	213,683	50	24,899
Call options expired	(120)	(14,520)	(135)	(26,430)
Call options exercised	—	—	—	—
Call options closed	(624)	(268,022)	(45)	(10,259)
Outstanding @ 10/31/2014	115	\$ 31,129	50	\$ 24,899

At October 31, 2014, the **Global Fund** had the following outstanding written options:

<b>Contracts</b>	<b>Type</b>	<b>Expiration Date</b>	<b>Exercise Price</b>	<b>Number of Contracts</b>	<b>Unrealized Appreciation/(Depreciation)</b>	
					<b>Value</b>	<b>Unrealized Appreciation/(Depreciation)</b>
Starwood Hotels and Resorts	Call	1/17/2015	\$65.55	5	\$ 6,025	\$ (2,285)
Teva Pharmaceutical	Call	1/17/2015	42.50	60	86,400	(70,921)
Ultra Petroleum Corp	Call	1/17/2015	22.00	50	10,500	1,410
Total				115	\$102,925	\$(71,796)

At October 31, 2014, the **Real Estate Securities Fund** had the following outstanding written options:

<b>Contracts</b>	<b>Type</b>	<b>Expiration Date</b>	<b>Exercise Price</b>	<b>Number of Contracts</b>	<b>Unrealized Appreciation/(Depreciation)</b>	
					<b>Value</b>	<b>Unrealized Appreciation/(Depreciation)</b>
Marriott Intl, Inc.	Call	1/15/2016	\$77.50	50	\$35,500	\$(10,601)
Total				50	\$35,500	\$(10,601)

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

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**Note 8 – Derivatives**

The Funds' use of derivatives for the year ended October 31, 2014 was limited to options. The derivative instruments outstanding as of October 31, 2014, as disclosed in the Statements of Assets and Liabilities, and the amounts of realized and changes in unrealized gains and losses on derivative instruments during the year, as disclosed in the Statements of Operations, serve as indicators of the volume of derivative activity for the Funds. Following is a summary of how these derivatives are treated in the financial statements and their impact on the Funds.

Fund/Financial Instrument Type	Statements of Assets and Liabilities		Statements of Operations		
	Location of Asset/Liability Derivatives	Value	Location of Gain (Loss) on Derivatives Recognized	Amount of Realized Gain (Loss)	Amount of Unrealized Gain (Loss)
<b>Global Fund</b>					
Equity Contracts	Unaffiliated investments at value (purchased options)	\$ 112,525	Net realized gain from written option contracts	\$29,811	\$ —
Equity Contracts	Payable for options written (written options)	(102,925)	Net change in unrealized appreciation (depreciation) on purchased option contracts	—	(6,905)
Equity Contracts			Net change in unrealized appreciation (depreciation) on written option contracts	—	(75,754)
<b>Real Estate Securities Fund</b>					
Equity Contracts	Payable for options written (written options)	(35,500)	Net realized gain from written option contracts	31,874	—
Equity Contracts			Net change in unrealized appreciation (depreciation) on written option contracts	—	(11,340)

*Disclosures about Offsetting Assets and Liabilities* requires an entity to disclose information about offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position. The guidance requires retrospective application for all comparative periods presented. As of October 31, 2014, there are no master netting arrangements related to the Funds. The Funds' Statements of Assets and Liabilities ("SAL") presents derivative instruments on a gross basis, therefore there are no net amounts and no offset amounts within the SAL to present below. Gross amounts of the derivative instruments, amounts related to financial instruments/cash collateral not offset in the SAL and net amounts are presented below:

Fund/Financial Instrument/ Statements of Assets and Liabilities Category	Gross Amounts Presented in Statements of Assets and Liabilities	Amounts not Offset in Statements of Assets and Liabilities		Net Amount
		Financial Instruments	Cash Collateral	
Global Fund				
Payable for options written	\$(102,925)	\$102,925	—	—
Real Estate Securities Fund				
Payable for options written	(35,500)	35,500	—	—

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

**Note 9 – Tax Matters**

As of October 31, 2014, the components of accumulated earnings (deficit) on a tax basis were as follows:

	Australia/New Zealand Fund	Africa Fund	Japan Fund	Global Fund	Real Estate Securities Fund
Undistributed ordinary income	\$ 173,913	\$ —	\$ —	\$ —	\$ —
Undistributed long-term capital gains	1,265,821	—	—	1,312,335	—
Tax accumulated earnings	1,439,734	—	—	1,312,335	—
Accumulated capital and other losses	—	(28,867)	(775,546)	(59,838)	(496,411)
Unrealized appreciation (depreciation) on investments	4,486,935	14,723	1,303,999	4,479,502	2,924,783
Unrealized appreciation (depreciation) on options written	—	—	—	(71,796)	(10,601)
Unrealized appreciation (depreciation) on foreign currency translations	(10,422)	1,121	(2,125)	—	—
Total accumulated earnings (deficit)	<u>\$ 5,916,247</u>	<u>\$(13,023)</u>	<u>\$ 526,328</u>	<u>\$ 5,660,203</u>	<u>\$ 2,417,771</u>

At October 31, 2014, the gross unrealized appreciation (depreciation) on investments, foreign currency translations and cost of securities on a tax basis for federal income tax purposes were as follows:

	Australia/New Zealand Fund	Africa Fund	Japan Fund	Global Fund	Real Estate Securities Fund
Gross unrealized appreciation	\$ 6,646,967	\$ 254,966	\$ 1,430,392	\$ 4,784,663	\$ 3,294,547
Gross unrealized depreciation	(2,160,032)	(240,243)	(126,393)	(305,161)	(369,764)
Net unrealized appreciation on investments	<u>\$ 4,486,935</u>	<u>\$ 14,723</u>	<u>\$ 1,303,999</u>	<u>\$ 4,479,502</u>	<u>\$ 2,924,783</u>
Tax cost of investments	<u>\$ 15,528,422</u>	<u>\$ 2,459,602</u>	<u>\$ 3,579,732</u>	<u>\$ 12,060,360</u>	<u>\$ 6,673,065</u>

The difference between cost amounts for financial statement and federal income tax purposes is due primarily to wash sale loss deferrals, foreign currency translations and passive foreign investment companies (“PFICs”).

The tax character of distributions paid during the tax periods ended October 31, 2014 and 2013 were as follows:

	Australia/New Zealand Fund		Africa Fund		Global Fund	
	Year Ended October 31, 2014	Year Ended October 31, 2013	Year Ended October 31, 2014	Period Ended October 31, 2013	Year Ended October 31, 2014	Year Ended October 31, 2013
<b>Distributions paid from:</b>						
Ordinary Income	\$386,365	\$310,746	\$28,879	\$23,882	\$ —	\$ —
Net long-term capital gains	\$409,419	\$ —	\$ —	\$ —	\$598,622	\$ —
Tax return of capital	\$ —	\$ —	\$ 7,221	\$ —	\$ —	\$ —
<b>Total distributions paid</b>	<b>\$795,784</b>	<b>\$310,746</b>	<b>\$36,100</b>	<b>\$23,882</b>	<b>\$598,622</b>	<b>\$ —</b>

For the tax years ended October 31, 2014 and 2013, the Japan and Real Estate Securities Funds did not pay any distributions.

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

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As of October 31, 2014, the following Funds had net capital loss carryforwards which are available to offset future net capital gains, if any:

	<b>Africa Fund</b>		<b>Japan Fund</b>		<b>Real Estate Securities Fund</b>	
	<b>ST</b>	<b>LT</b>	<b>ST</b>	<b>LT</b>	<b>ST</b>	<b>LT</b>
For losses expiring October 31,						
2017	—	—	698,340	—	—	—
2018	—	—	—	—	484,475	—
Non-Expiring	9,140	14,297	—	—	—	—
	<b>\$ 9,140</b>	<b>\$14,297</b>	<b>\$698,340</b>	<b>\$ —</b>	<b>\$484,475</b>	<b>\$ —</b>

Capital loss carryovers are available to offset future realized capital gains and thereby reduce further taxable gain distributions. During the year ended October 31, 2014, the Japan Fund and Real Estate Fund utilized \$67,632 and \$261,090, respectively, of their capital loss carryovers.

As of October 31, 2014, the Africa, Japan, Global and Real Estate Securities Funds, respectively, had \$5,430, \$77,206, \$59,838 and \$11,936 of qualified late-year ordinary losses, which are deferred until fiscal year 2014 for tax purposes. Net late-year losses incurred after December 31, and within the taxable year are deemed to arise on the first day of the Funds' next taxable year.

**Note 10 – Revolving Credit Agreement**

The Trust has in place an Amended and Restated Revolving Credit Agreement (the “Agreement”) with its custodian, Fifth Third Bank N.A. (the “Bank”). Pursuant to the terms of the Agreement, the Bank makes available to the Trust, a line of credit facility under which the Bank may make loans to the Trust, on behalf of the Funds, from time to time. The Agreement provides a line of credit in an amount of up to \$3,500,000 (the “Committed Amount”) for the Trust with respect to all of the Funds. The Agreement further limits the amount that any Fund may borrow subject to the requirements specified by the Investment Company Act of 1940, as amended (the “1940 Act”), which generally permits a fund to borrow and pledge its shares to secure such borrowing, provided, that immediately thereafter there is asset coverage of at least 300% for all borrowings by a fund from a bank. If borrowings exceed this 300% asset coverage requirement by reason of a decline in net assets of a fund, the fund will reduce its borrowings within three days to the extent necessary to comply with the 300% asset coverage requirement. The 1940 Act also permits a fund to borrow for temporary purposes only in an amount not exceeding 5% of the value of its total assets at the time when the loan is made. The terms of the agreement include a non-refundable commitment fee in an amount equal to \$3,500. Effective August 2, 2014, the amended terms provide that any principal balance outstanding bears interest at the London Interbank Offered Rate (LIBOR) in effect at that time plus 1.90% (prior to August 2, 2014, the Federal Funds Rate plus 1.50% was charged) and any amounts not drawn will be assessed unused fees at the rate 0.40% (prior to August 2, 2014, 0.10% was charged).

The average amount of borrowings for the days which the Funds borrowed and the average interest rate on those borrowings by the Funds during the year ended October 31, 2014 were as follows:

	<b>Average Principal</b>	<b>Average Interest Rate</b>
Australia/New Zealand Fund	\$163,490	1.69%
Japan Fund	\$190,504	1.59%

During the year ended October 31, 2014 the Australia/New Zealand Fund and Japan fund paid \$616 and \$59 in interest on borrowings, respectively. There were no borrowings outstanding under the Agreement as of October 31, 2014. It is the Custodian's policy to utilize the line of credit for draws greater than \$50,000.

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

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**Note 11 – Reclassification of Capital Accounts**

The Funds have recorded reclassifications in their capital accounts. These reclassifications have no impact on the net asset value of the Funds and are designed generally to present undistributed net investment income and accumulated net realized gain (loss) on a tax basis which is considered to be more informative to the shareholder.

As of October 31, 2014, the Funds recorded the following reclassifications to increase (decrease) the capital accounts listed below:

	<b>Australia/New Zealand Fund</b>	<b>Africa Fund</b>	<b>Japan Fund</b>	<b>Global Fund</b>	<b>Real Estate Securities Fund</b>
Paid-in-beneficial interest	\$ —	\$ —	\$(121,846)	\$(115,816)	\$(50,295)
Accumulated net investment income (loss)	(41,245)	(6,977)	112,780	115,816	50,296
Accumulated net realized losses from investments, written options and foreign currency transactions	41,245	6,977	9,066	—	(1)

**Note 12 – Contractual Obligations**

Under the Funds' organizational documents, its Trustees and Officers are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In the normal course of business, the Funds enter into contracts that contain various representations and warranties and provide general indemnifications. The Funds' maximum exposure under these arrangements is dependent on future claims against the Funds and is presently unknown. Currently however, the Funds expect the risk of loss to be remote.

**Note 13 – Concentration of Market Risk**

The Australia/New Zealand Fund has a majority of its investments in securities issued by Australian and New Zealand issuers, the Africa Fund invests primarily in securities issued by African issuers and the Japan Fund invests primarily in securities of Japanese issuers. Investing in companies from specific geographic regions, such as Australia, New Zealand, Africa or Japan, may pose additional risks inherent to a region's economic and political situation. These events will not necessarily affect the U.S. economy or similar issuers located in the U.S. In addition, many of the investments in Australia, New Zealand, Africa or Japan are denominated in foreign currencies. As a result, changes in the values of these currencies compared to the U.S. dollar may affect (positively or negatively) the value of the Funds' investments. These events may happen separately from, and in response to, events that do not otherwise affect the values of the securities in the issuers' home countries.

The Africa Fund may be exposed to additional risks by focusing its investments on issuers in African countries that other funds invested in securities of issuers in a broader region may not be exposed to. The Fund is highly dependent on the state of economics of countries throughout Africa and, in particular Sub-Saharan countries. Changes in economics, tax policies, inflation rates, governmental instability, war or other political or economic factors may affect (positively or negatively) the Fund's investments.

A large portion of investments held by the Real Estate Securities Fund are considered investments in the real estate sector of the market, which may include REITs. Investing in REITs involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. Equity REITs may be affected by changes in the value of the underlying property owned by the REITs, while mortgage REITs may be affected by the quality of any credit extended. REITs are dependent upon management skills, are not diversified, are subject to heavy cash flow dependency, default by borrowers and self-liquidation. REITs are also subject to the possibilities of failing to qualify for tax-free pass through of income and maintaining their exemption from registration under the 1940 Act. Investing in a single market sector may be riskier than investing in a variety of market sectors.

**Note 14 – Legal Matters**

On October 22, 2010, Edward S. Weisfelner, as Trustee of the LB Creditor Trust (the "Creditor Trustee Plaintiff"), filed a suit in the Supreme Court of the State of New York in the County of New York (the "Creditor Trust Action") against, among numerous other defendants, the Trust's custodian (the "Custodian") as a record holder of shares of Lyondell Chemical Company ("Lyondell"). The action was removed to the United States District Court for the Southern District of New York and then referred to the United States Bankruptcy Court for the Southern District of New York. Among the shares alleged to have been held by the Custodian were 10,000 shares for which the Commonwealth Global Fund (the "Global Fund") was a beneficial shareholder. On December 19, 2011, the Creditor Trustee Plaintiff filed a Second Amended Complaint in the U.S. Bankruptcy Court,

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

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Southern District of New York, naming the Global Fund as a defendant. Generally, the Creditor Trustee Plaintiff's claim alleges that a merger transaction, which closed on December 20, 2007, in which the Global Fund and the other shareholders of Lyondell disposed of their positions in Lyondell which caused Lyondell to be insolvent and ultimately resulted in Lyondell filing for bankruptcy protection. Lyondell sought bankruptcy protection in cases filed on January 6, 2009 and April 24, 2009. The Creditor Trustee Plaintiff's claim further alleges that, under various theories under state law, the transaction constituted a fraudulent transfer. The Creditor Trustee Plaintiff is seeking to set aside and recover the entire amount of the transfer, which is alleged to be approximately \$5.9 billion. The Global Fund's proceeds from the transaction amounted to \$479,700. As of this date, the suit has only involved preliminary procedural filings, including a Motion to Dismiss the Creditor Trustee Plaintiff's Complaint filed on January 11, 2011. The Global Fund has joined in the response with several other defendants in the case seeking to dismiss the Creditor Trustee Plaintiff's claims.

Additionally, on December 23, 2010, Edward S. Weisfelner, as Trustee of the LB Litigation Trust (the "Litigation Trustee Plaintiff"), filed an adversary complaint (the "Litigation Trust Action") in the U.S. Bankruptcy Court, Southern District of New York against numerous defendants as record holders of shares of Lyondell. Generally, the Litigation Trust Action is identical to the Creditor Trust Action, with the exception that the Litigation Trustee Plaintiff's claim for intentional fraudulent transfers are based on federal law, whereas the Creditor Trustee Plaintiff's claims are based on state law. The Litigation Trustee Plaintiff is seeking to set aside the same transfers sought to be avoided by the Creditor Trustee Plaintiff in the Creditor Trust Action. On April 7, 2011, several defendants filed a Motion to Dismiss the complaint filed by the Litigation Trustee Plaintiff. On April 20, 2011, the Litigation Trustee Plaintiff filed an Amended Complaint in the Litigation Trust Action.

On January 14, 2014, the Bankruptcy Court issued a Decision and Order on Motions to Dismiss which granted, in part, and denied, in part, the Motion to Dismiss. Specifically, the Court denied the Motion to Dismiss as to the Creditor Trustee Plaintiff's constructive fraudulent transfer claim and granted the Motion as to the Creditor Trustee Plaintiff's intentional fraudulent transfer claim, but granted the Creditor Trustee Plaintiff the right to re-plead such claim. On April 9, 2014, the Creditor Trustee Plaintiff filed a Third Amended Complaint whereby it re-pled its intentional fraudulent transfer claim against the defendants. The Order entered by the Court on January 14, 2014 also granted the defendants' Motion to Dismiss the Litigation Trustee Plaintiff's intentional fraudulent transfer claim, but granted the Litigation Trustee Plaintiff the right to re-plead such claim. On April 9, 2014, the Litigation Trustee Plaintiff filed a Second Amended Complaint whereby it re-pled its intentional fraudulent transfer claim.

The Global Fund has not been named as a defendant in the Litigation Trust Action. However, in the Second Amended Complaint, the Litigation Trustee Plaintiff alleges a class under Federal Rule of Civil Procedure 23(a), 23(b)(1)(B) and 23(b)(3) consisting of all persons or entities who directly, or indirectly through one or more mediate transferors, received payments on account of their shares of Lyondell in connection with the merger transaction. On May 8, 2014, the Litigation Trustee Plaintiff filed a Motion for Class Certification (the "Class Certification Motion"), whereby it is seeking to certify a non-opt-out defendant class, or in the alternative, an opt-out class.

On July 30, 2014, the shareholder defendants filed their omnibus motion to dismiss the Plaintiffs' amended complaints. The motion to dismiss was deemed filed on behalf of all defendants. On September 15, 2014, the Plaintiffs filed their opposition brief to the omnibus motion to dismiss. On October 22, 2014, the shareholder defendants filed their reply brief in support of the motion to dismiss.

On November 24, 2014, the shareholder defendants filed their opposition to the Litigation Trustee Plaintiff's Class Certification Motion. The Litigation Trustee's reply brief in support of the Class Certification Motion is due December 29, 2014. Oral argument on the motion to dismiss and Class Certification Motion is scheduled for January 14 and 15, 2015. All discovery in the Creditor and Litigation Trust Actions is stayed until briefing of the Class Certification Motion has concluded. Discovery shall begin after the completion of all briefing on the Class Certification Motion. The parties shall meet and confer regarding a discovery schedule during the week of January 5, 2015. The Global Fund expects to continue participating in the defense of the aforementioned cases.

No estimate of the effect, if any, of these pending lawsuits on the Fund can be made at this time.

**NOTES TO FINANCIAL STATEMENTS – October 31, 2014 (Continued)**

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**Note 15 – Subsequent Events**

Within the financial statements, the Funds are required to recognize the effects of all subsequent events that provide additional evidence about conditions that existed as of the date of the Statements of Assets and Liabilities. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Funds are required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such an estimate cannot be made.

Income and capital gain distributions were made to the shareholders of certain Commonwealth Funds after October 31, 2014, meeting the criteria of a subsequent event. The record date of the distribution was December 16, 2014, with an ex-date of December 17, 2014 and a payable date of December 18, 2014. The Funds' distribution type and amount are listed as follows:

Fund Name	Distribution Type	Rate	Amount
Commonwealth Global Fund	Long-Term Capital Gain	\$1.3339	\$1,312,418.11
Commonwealth Australia/New Zealand Fund	Long-Term Capital Gain	\$0.7701	\$1,265,871.57
Commonwealth Australia/New Zealand Fund	Income	\$0.1058	\$ 173,911.46

There were no other events management was aware of that met the criteria of a subsequent event.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

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**To the Shareholders and the Board of Trustees of  
Commonwealth International Series Trust**

We have audited the accompanying statements of assets and liabilities of Commonwealth Australia/New Zealand Fund, Commonwealth Japan Fund, Commonwealth Global Fund and Commonwealth Real Estate Securities Fund, each a series of shares of beneficial interest of Commonwealth International Series Trust, including the schedules of investments, as of October 31, 2014, the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended. We have also audited the accompanying statement of assets and liabilities of the Africa Fund, a series of shares of beneficial interest of Commonwealth International Series Trust, including the schedule of investments, as of October 31, 2014, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended and the financial highlights for the two years then ended and for the period November 7, 2011 (commencement of operations) through October 31, 2012. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of October 31, 2014, by correspondence with the custodian and brokers, or by other appropriate audit procedures where replies were not received. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Commonwealth Australia/New Zealand Fund, Africa Fund, Commonwealth Japan Fund, Commonwealth Global Fund and Commonwealth Real Estate Securities Fund, as of October 31, 2014, the results of their operations for the year then ended and the changes in their net assets and their financial highlights for each of the periods presented above, in conformity with accounting principles generally accepted in the United States of America.

*BBD, LLP*

**BBD, LLP**

Philadelphia, Pennsylvania  
December 29, 2014

**ADDITIONAL INFORMATION – October 31, 2014 (Unaudited)**

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**Table of Shareholder Expenses**

As a shareholder of the Funds, you incur ongoing costs, including management fees, distribution and service fees, and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from May 1, 2014 through October 31, 2014.

**Actual Expenses**

The table below provides information about actual account values and actual expenses. You may use the information below, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the table under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

	<b>Beginning Account Value 5/1/14</b>	<b>Ending Account Value 10/31/14</b>	<b>Expense Paid During Period* 5/1/14 – 10/31/14</b>	<b>Expense Ratio During Period* 5/1/14 – 10/31/14</b>
Australia/New Zealand Fund	\$1,000.00	\$ 958.70	\$15.35	3.11%
Africa Fund	1,000.00	953.10	9.85	2.00%
Japan Fund	1,000.00	1,037.40	17.92	3.49%
Global Fund	1,000.00	965.50	15.26	3.08%
Real Estate Securities Fund	1,000.00	1,065.30	16.35	3.14%

**Hypothetical Example for Comparison Purposes**

The table below provides information about hypothetical account values and hypothetical expenses based on each Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads), or exchange fees. Therefore, the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	<b>Beginning Account Value 5/1/14</b>	<b>Ending Account Value 10/31/14</b>	<b>Expense Paid During Period* 5/1/14 – 10/31/14</b>	<b>Expense Ratio During Period* 5/1/14 – 10/31/14</b>
Australia/New Zealand Fund	\$1,000.00	\$1,009.20	\$15.75	3.11%
Africa Fund	1,000.00	1,014.90	10.16	2.00%
Japan Fund	1,000.00	1,007.40	17.66	3.49%
Global Fund	1,000.00	1009.50	15.60	3.08%
Real Estate Securities Fund	1,000.00	1,009.20	15.90	3.14%

\* Expenses are equal to the average account value times the Fund’s annualized expense ratio multiplied by 184 (the number of days in the most recent fiscal half-year) divided by 365 (the number of days in the fiscal year) to reflect the one-half year period.

**TAX INFORMATION UNAUDITED**

Pursuant to the foreign tax credit election under Section 853 of the Internal Revenue Code of 1986, the Australia/New Zealand Fund designates \$297,242 of income derived from foreign sources and \$123,689 of foreign taxes paid, for the year ended October 31, 2014.

Of the ordinary income distributions made by the Australia/New Zealand Fund during the year ended October 31, 2014, the proportionate share of income derived from foreign sources attributable to one share of stock, or the amount determined to be necessary, is \$0.1818 and the proportionate share of foreign taxes attributable to one share of stock is \$0.0757.

**ADDITIONAL INFORMATION – October 31, 2014 (Unaudited) – (Continued)**

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**Qualified Dividend Income**

Pursuant to Section 854 of the Internal Revenue Code of 1986, the Australia/New Zealand and Africa Funds, respectively, designate income dividends of 100.00% and 100.00% as qualified dividend income paid during the fiscal year ended October 31, 2014.

**Disclosure of Portfolio Holdings**

The Funds file their complete schedule of portfolio holdings with the Securities and Exchange Commission (the “Commission”) for the first and third quarters of each fiscal year on Form N-Q. The Funds’ Forms N-Q are available on the Commission’s website at <http://www.sec.gov>. The Funds’ Forms N-Q may be reviewed and copied at the Commission’s Public Reference Room in Washington, DC. Information on the operation of the Commission’s Public Reference Room may be obtained by calling 800-SEC-0330.

**Proxy Voting**

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available without charge, upon request, by calling 888-345-1898, and on the Commissions website at <http://www.sec.gov>.

Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended October 31 is available without charge, upon request, by calling 888-345-1898, and on the Commission’s website at <http://www.sec.gov>.

**TRUSTEES AND OFFICERS – October 31, 2014 (Unaudited)**

Overall responsibility for management of the Funds rests with the Board of Trustees. The names of the Trustees and Officers of the Funds, their addresses, ages and principal occupations during the past five years are provided in the tables below. Trustees who are deemed “interested persons,” as defined in the 1940 Act, are included in the table titled, “Interested Trustees.” Trustees who are not “interested persons” are referred to as Independent Trustees. The Funds’ Statement of Additional information includes additional information about the Funds’ Trustees and is available, without charge and upon request, by calling 888-345-1898.

Name, Address and Age	Position(s) With Fund	Term of Office and Length of Time Served	Principal Occupation(s) for the Last Five Years	Number of Portfolios in Complex Overseen by Trustee/Officer <sup>(3)</sup>	Other Directorships Held By Trustee/Officer
<b>INTERESTED TRUSTEES:</b>					
Robert Scharar <sup>(1)</sup> 791 Town & Country Blvd, Suite 250 Houston, TX 77024-3925 Age 66	President, Interested Trustee	Indefinite until Successor elected and qualified; since 2000	Investment manager/Attorney/CPA; President, FCA Corp (investment advisor), 1975 to present.	5	See Below <sup>(2)</sup>
<b>INDEPENDENT TRUSTEES:</b>					
John Akard, Jr. 791 Town & Country Blvd, Suite 250 Houston, TX 77024-3925 Age 48	Independent Trustee	Indefinite until Successor elected and qualified; since 2000	Owner, John Akard Jr. P.C. (and its predecessor) (law firm), 1996 to present; Of Counsel, Mason, Coplen & Banks, P.C. (law firm), 1999 to present.	5	None
Kathleen Kelly 791 Town & Country Blvd, Suite 250 Houston, TX 77024-3925 Age 62	Independent Trustee	Indefinite until Successor elected and qualified; since 2000	Honorary Consul, New Zealand Consulate, 1995 to 2014; Owner, International Protocol Advisors (consulting services), August 1992 to present.	5	None
Jack Ewing 791 Town & Country Blvd, Suite 250 Houston, TX 77024-3925 Age 75	Independent Trustee	Indefinite until Successor elected and qualified; since 2000	Adjunct Economics Professor, University of Houston-Downtown, 2005 to present; Adjunct Professor, Lonestar College, 2001 to 2012; Professor, Houston Community College, September 2000 to May 2011.	5	None

- (1) Robert Scharar is considered an “Interested person” of the Funds’ as defined in the 1940 Act, as amended, because he is an officer of the Trust and an officer of the Trust’s investment advisor.
- (2) Mr. Scharar is also an officer, director and/or manager of the following companies: NICO Holdings, Ltd. (Malawi), Africap, LLC, First Commonwealth Holdings Corporation, First Commonwealth Mortgage Trust, Holly Mortgage Trust, Ivy Realty Trust, Nashville Properties, Inc., subsidiary companies at some of the above, and other closely held entities.
- (3) The five (5) portfolios comprising the Trust include the five mutual funds covered by this annual report.

**TRUSTEES AND OFFICERS – October 31, 2014 (Unaudited)**

Name, Address and Age	Position(s) With Fund	Term of Office and Length of Time Served	Principal Occupation(s) for the Last Five Years	Number of Portfolios in Complex Overseen by Trustee/Officer	Other Directorships Held By Trustee/Officer
<b>OFFICERS:</b>					
Terrance P. Gallagher 803 W. Michigan St. Milwaukee, WI 53233 Age 56	Treasurer	Since 2010	Attorney/CPA, Executive Vice-President, UMB Fund Services, Inc. 2007 to present, Senior Vice-President, Director of Compliance, Unified Fund Services, 2005 – 2007	N/A	N/A
John H. Lively 11300 Tomahawk Creek Parkway, Ste. 310 Leawood, KS 66211 Age 45	Secretary	Since 2008	Attorney, The Law Offices of John H. Lively & Associates, Inc. (law firm), March 2010 to present; Attorney, Husch Blackwell Sanders LLP (law firm), March 2007 to February 2010; Managing Attorney, Raymond James Financial (financial services), September 2005 to March 2007	N/A	N/A
Bonnie Scott 791 Town & Country Blvd, Suite 250 Houston, TX 77024-3925 Age 65	Assistant Secretary	Since 2003	Administrator, FCA Corp (investment advisor), 1998 to present.	N/A	N/A
Stephen E. Fodo 2515 Golden Pond Drive Kingwood, TX 77345 Age 72	CCO	Since 2004	Independent Consultant from January 2000 to present. Advisory Director, Ingenero Inc., Engineering and Consulting Services, from January 2002 to present; Chief Financial Officer, Organic Fuels Holdings Inc., October 2007 to December 2008; Adjunct Professor, University of Phoenix, July 2003 to October 2008.	N/A	N/A