

SECURITIES AND EXCHANGE COMMISSION

FORM N-30B-2

Periodic and interim reports mailed to investment company shareholders (other than annual and semi-annual reports mailed to shareholders pursuant to Rule 30e-1)

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FILER

SMITH BARNEY SHEARSON INCOME TRUST

CIK: **880366** | State of Incorporation: **MA** | Fiscal Year End: **1130**
Type: **N-30B-2** | Act: **40** | File No.: **811-06444** | Film No.: **95557272**

Mailing Address	Business Address
<i>TWO WORLD TRADE CENTER NEW YORK NY 10048</i>	<i>TWO WORLD TRADE CENTER NEW YORK NY 10048 2124648068</i>

[GRAPHIC]
SMALL BOX ABOVE FUND NAME
SHOWING A ROUND, EAGLE
SYMBOL LAYING ON THE
AMERICAN FLAG.

SEMI- SMITH BARNEY
ANNUAL LIMITED
REPORT MATURITY
TREASURY
FUND

.....
MAY 31, 1995

[LOGO]

Limited Maturity Treasury Fund

DEAR SHAREHOLDER:

We are pleased to provide you with the semi-annual report and portfolio of investments for Smith Barney Limited Maturity Treasury Fund for the period ended May 31, 1995. Reflecting the improvement in the fixed income markets that began in late 1994, Class A shares earned a total return of 10.26% for this six-month period. Class C shares, a newly-available class of shares, earned a total return of 9.93% for the period between November 7, 1994 and May 31, 1995. Additional performance data for each class of shares during this and previous reporting periods is available in the "Financial Highlights" section of this report.

ECONOMIC AND MARKET UPDATE

After implementing tighter monetary policy by raising the Federal funds rate 300 basis points (three percentage points) over a 13-month period beginning in February 1994, the Federal Reserve Board has succeeded in slowing the rate of economic growth. Growth continued to

slow during the second quarter of 1995 with the decline in consumption expenditures intensifying. The retail sector of the economy appears even softer and most retail chains seem to have little pricing power. Even the automobile industry, which enjoyed a very strong 1994, has encountered weaker sales in 1995. Individuals financed a large portion of their purchases with debt throughout 1994 and as a result individuals' debt levels are becoming a source of concern. This is acting as a drag on consumption expenditures and could continue to hamper consumption trends for the rest of 1995 as consumers try to bring their debt levels down to more manageable levels. The industrial side of the economy has benefited from strong overseas demand but this also appears to be moderating based upon recent economic statistics on industrial production. In summary, while we still are not anticipating a recession, we believe an economic slowdown exists that will present more of a challenge to corporate profitability, especially in those sectors of the economy that depend on consumer consumption. Although unemployment rates are relatively low, the corporate sector continues to trim costs and cut payrolls.

After initially rising for most of 1994 as the Federal Reserve raised short-term interest rates, longer-term interest rates declined since November as it became apparent that the Federal Reserve was successfully slowing the rate

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of economic growth and keeping inflation under control. More recently, the market has been anticipating lower short-term rates while interest rates on longer-term maturities remain unchanged or slightly higher.

PORTFOLIO STRATEGY

During 1994, securities with shorter average maturities

outperformed the broader market. In 1995, intermediate-term Treasuries have lagged the performance of the broader market. We anticipate that the economy will slowly grow at a pace of 1 1/2 to 3%, and that the inflation rate will be low at 2 to 3%. We consequently plan to keep the portfolio's duration (which is a measure of the price sensitivity of a bond to a change in yield) between three and a half and four years and do not anticipate any significant changes in the portfolio.

We look forward to reporting to you in the Fund's annual report to investors. Should you have any questions about your investment in the Fund or how other Smith Barney mutual funds may be useful in helping you reach your financial goals, please speak with your Smith Barney Financial Consultant.

Sincerely,

Heath B. McLendon
CHAIRMAN OF THE BOARD

James E. Conroy
VICE PRESIDENT AND
INVESTMENT OFFICER

JULY 18, 1995

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Smith Barney
Limited Maturity Treasury Fund

PORTFOLIO OF INVESTMENTS (UNAUDITED)
MAY 31, 1995

<TABLE>
<CAPTION>

MARKET VALUE
FACE VALUE
(NOTE 1)

<C> <S>
<C>

U.S. TREASURY SECURITIES -- 98.2%

U.S. TREASURY NOTES:

\$13,000,000	4.750% due 2/15/97
\$ 12,765,740	
4,000,000	4.750% due 10/31/98
3,847,320	
12,500,000	6.875% due 7/31/99
12,877,875	
5,000,000	5.875% due 2/15/04
4,855,400	

U.S. TREASURY STRIP:

30,000,000	6.170% due 2/15/00
22,662,900	

TOTAL INVESTMENTS (Cost \$56,138,035*)	98.2%
57,009,235	
OTHER ASSETS AND LIABILITIES (NET)	0.8
1,074,130	

NET ASSETS	100.0%
\$58,083,365	

<FN>

* Aggregate cost for Federal tax purposes.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney
Limited Maturity Treasury Fund

STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
MAY 31, 1995

<TABLE>

<S> <C>

<C>

ASSETS:

Investments, at value (Cost \$56,138,035)

(Note 1)

See accompanying schedule

\$57,009,235

Cash	
1,102,225	
Interest receivable	
569,804	
Unamortized organization costs (Note 7)	
19,067	
Other assets	
59,498	

TOTAL ASSETS	
58,759,829	

LIABILITIES:

Payable for Fund shares redeemed	\$ 437,162
Dividends payable	174,015
Investment advisory fee payable (Note 2)	21,315
Administration fee payable (Note 2)	12,180
Service fee payable (Note 3)	7,480
Transfer agent fees payable (Note 2)	5,610
Custodian fees payable (Note 2)	3,215
Accrued Trustees' fees and expenses (Note 2)	250
Distribution fee payable (Note 3)	12
Accrued expenses and other payables	15,225

TOTAL LIABILITIES	
676,464	

NET ASSETS
\$58,083,365

NET ASSETS consist of:

Undistributed net investment income	\$
28,662	
Accumulated net realized loss on investments sold	
(3,000,169)	
Unrealized appreciation of investments	
871,200	
Par value	
7,647	
Paid-in capital in excess of par value	
60,176,025	

TOTAL NET ASSETS
\$58,083,365

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney
Limited Maturity Treasury Fund

STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED) (CONTINUED)

MAY 31, 1995

<TABLE>

<S>

<C>

NET ASSET VALUE:

CLASS A SHARES

NET ASSET VALUE per share+

(\$58,011,356 DIVIDED BY 7,637,067

shares of beneficial interest

outstanding)

\$7.60

MAXIMUM OFFERING PRICE PER SHARE (\$7.60
DIVIDED BY 0.98)

(based on sales charge of 2.00% of the
offering price on May 31, 1995)

\$7.76

CLASS C SHARES

NET ASSET VALUE and offering price per
share+

(\$72,009 DIVIDED BY 9,480 shares of

beneficial interest outstanding)

\$7.60

<FN>

+ Redemption price per share is equal to Net Asset Value
less any applicable
contingent deferred sales charge.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney
Limited Maturity Treasury Fund

STATEMENT OF OPERATIONS (UNAUDITED)

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FOR THE SIX
MONTHS ENDED MAY 31, 1995

<TABLE>

<S> <C>

<C>

INVESTMENT INCOME:

Interest
\$ 2,020,764

EXPENSES:

Investment advisory fee (Note 2)
\$112,687
Administration fee (Note 2)
64,392
Service fee (Note 3)
48,294
Transfer agent fees (Notes 2 and 4)
32,293
Legal and audit fees
17,519
Custodian fees (Note 2)
9,389
Amortization of organization costs (Note 7)
6,021
Trustees' fees and expenses (Note 2)
4,315
Distribution fee (Note 3)
68
Other
33,820
Fees waived by investment adviser and
administrator (Note 2)
(39,193)

TOTAL EXPENSES
289,605

NET INVESTMENT INCOME

1,731,159

REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS (NOTES 1
AND 5):

Net realized loss on investments sold during the
period

(1,311,445)

Net unrealized appreciation of investments
during the period

5,678,981

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS

4,367,536

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS

\$6,098,695

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney
Limited Maturity Treasury Fund

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

SIX MONTHS

ENDED YEAR

5/31/95 ENDED

(UNAUDITED) 11/30/94

<S>

<C> <C>

Net investment income \$

1,731,159 \$ 2,824,927

Net realized loss on investment during the period

(1,311,445) (1,688,724)

Net unrealized appreciation/(depreciation) of

investments during the period		
5,678,981	(4,164,125)	

Net increase/(decrease) in net assets resulting from operations		
6,098,695	(3,027,922)	
Distributions to shareholders from net investment income:		
Class A		
(1,729,454)	(2,796,965)	
Class C		
(1,705)	(7)	
Distributions to shareholders from net realized gain on investments:		
Class A		
--	(2,172,569)	
Net increase/(decrease) in net assets from Fund share transactions (Note 6):		
Class A		
(20,830,357)	30,450,611	
Class C		
10,404	56,653	

Net increase/(decrease) in net assets		
(16,452,417)	22,509,801	
NET ASSETS:		
Beginning of period		
74,535,782	52,025,981	

End of period (including undistributed net investment income of \$28,662 and \$28,662, respectively)		\$
58,083,365	\$74,535,782	

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney
Limited Maturity Treasury Fund

FINANCIAL HIGHLIGHTS

FOR A CLASS A SHARE OUTSTANDING THROUGHOUT EACH PERIOD.

<TABLE>
<CAPTION>

YEAR ENDED	YEAR ENDED	PERIOD ENDED	SIX MONTHS ENDED	
			5/31/95	
			(UNAUDITED)	
11/30/94	11/30/93	11/30/92*	<C>	<C>
Net Asset Value, beginning of period			\$ 7.08	\$
8.14	\$ 7.88	\$ 7.90		

Income from investment operations:				
Net investment income+			0.20	
0.34	0.38	0.37		
Net realized and unrealized gain/(loss) on investments			0.52	
(0.73)	0.35	(0.02)		

Total from investment operations			0.72	
(0.39)	0.73	0.35		
Less distributions:				
Distributions from net investment income			(0.20)	
(0.34)	(0.38)	(0.37)		
Distributions from net realized capital gains			--	
(0.33)	(0.09)	--		

Total distributions			(0.20)	
(0.67)	(0.47)	(0.37)		

Net Asset Value, end of period			\$ 7.60	\$
7.08	\$ 8.14	\$ 7.88		

Total return++			10.26%	
(5.12)%	9.49%	4.54%		

Ratios/supplemental data:				
Net assets, end of period (in 000's)			\$ 58,011	\$
74,479	\$ 52,026	\$ 44,967		

Ratio of operating expenses to average net assets+++			0.90%**
0.99%	0.79%	0.65%**	
Ratio of net investment income to average net assets			5.38%**
4.59%	4.58%	4.96%**	
Portfolio turnover rate			0%
152%	104%	188%	

<FN>

* The Fund commenced operations on December 31, 1991. Those shares in existence prior to November 7, 1994 were designated as Class A shares.

** Annualized.

+ Net investment income per share before waiver of fees by investment adviser and administrator for the six months ended May 31, 1995 and the years ended November 30, 1994 and 1993 and waiver of fees by the investment adviser, sub-investment adviser, administrator and custodian for the period ended November 30, 1992 were \$0.19, \$0.33, \$0.36 and \$0.33, respectively.

++ Total return represents aggregate total return for the periods indicated and does not reflect any applicable sales charges.

+++ Annualized operating expense ratios before waiver of fees by investment adviser and administrator for the six months ended May 31, 1995 and the years ended November 30, 1994 and 1993 and waiver of fees by investment adviser, sub-investment adviser, administrator and custodian for the period ended November 30, 1992 were 1.02%, 1.08%, 1.04% and 1.19%, respectively.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

Smith Barney
Limited Maturity Treasury Fund

FINANCIAL HIGHLIGHTS

FOR A CLASS C SHARE OUTSTANDING THROUGHOUT EACH PERIOD.

<TABLE>
<CAPTION>

	SIX MONTHS ENDED
PERIOD	5/31/95
ENDED	(UNAUDITED)
11/30/94*	
<S>	<C>
<C>	
Net Asset Value, beginning of period	\$7.08
\$7.09	

Income from investment operations:	
Net investment income+	0.19
0.01	
Net realized and unrealized gain/(loss) on investments	0.51
(0.01)	

Total from investment operations	0.70
0.00	
Less distributions:	
Distributions from net investment income	(0.18)
(0.01)	

Total distributions	(0.18)
(0.01)	

Net Asset Value, end of period	\$7.60
\$7.08	

Total return++ 9.93%
(0.02)%

Ratios/supplemental data:

Net assets, end of period (in 000's) \$ 72 \$
57

Ratio of operating expenses to average net
assets+++ 1.22%**
1.19%**

Ratio of net investment income to average
net assets 5.06%**
4.42%**

Portfolio turnover rate 0%
152%

<FN>

* The Fund commenced offering Class C shares on November
7, 1994.

** Annualized.

+ Net investment income per share before waiver of fees
by investment adviser
and administrator for the six months ended May 31, 1995
and the period ended
November 30, 1994 were \$0.18 and \$0.01, respectively.

++ Total return represents aggregate total return for the
periods indicated and
does not reflect any applicable sales charge.

+++ Annualized operating expense ratios before waiver of
fees by investment
adviser and administrator for the six months ended May
31, 1995 and the
period ended November 30, 1994 were 1.34% and 1.19%,
respectively.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney
Limited Maturity Treasury Fund

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

1. SIGNIFICANT ACCOUNTING POLICIES

Smith Barney Income Trust (the "Trust") was organized as a "Massachusetts business trust" under the laws of the Commonwealth of Massachusetts on October 17, 1991. The Trust is registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company. The Trust consists of the following four funds: Smith Barney Limited Maturity Treasury Fund (the "Fund"), Smith Barney Limited Maturity Municipals Fund, Smith Barney Intermediate Maturity California Municipals Fund and Smith Barney Intermediate Maturity New York Municipals Fund. Effective November 7, 1994, the Fund began offering Class C and Class Y shares and all existing shares were designated Class A shares. As of May 31, 1995, no Class Y shares have been sold. Class A shares are sold with a front-end sales charge. Class C shares may be subject to a contingent deferred sales charge ("CDSC") upon redemption. Class Y shares are available to investors making an initial investment of at least \$5 million and are not subject to any sales charges, distribution or service fees. All classes of shares have identical rights and privileges except with respect to the effect of the respective sales charges, the distribution and/or service fees borne by each class, expenses allocable exclusively to each class, voting rights on matters affecting a single class and the exchange privilege of each class. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements.

PORTFOLIO VALUATION: Securities are valued at market value or, in the absence of market value, at fair value as determined by or under the

direction of the Board of Trustees. Short-term investments that mature within 60 days or less are valued at amortized cost.

SECURITIES TRANSACTIONS AND INVESTMENT INCOME: Securities transactions are recorded as of the trade date. Securities purchased or sold on a when-issued or delayed delivery basis may be settled a month or more after the trade date. Interest income is recorded on the accrual basis. Realized gains and losses from securities sold are recorded on the identified cost basis.

DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS: Dividends from net investment income are determined on a class level. It is the policy of the Fund to

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Smith Barney
Limited Maturity Treasury Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

declare dividends from net investment income daily and to pay such dividends on the last business day of the Smith Barney Inc. ("Smith Barney") statement month. Distributions of any net realized capital gains are declared and paid annually, after the end of the fiscal year. Additional distributions of net investment income and capital gains for the Fund may be made at the discretion of the Board of Trustees in order to avoid the application of a 4.00% nondeductible excise tax on certain undistributed amounts of net investment income and capital gains. To the extent net realized capital gains can be offset by capital losses and loss carryforwards, it is the policy of the Fund not to distribute such gains.

Income distributions and capital gain distributions on a Fund level are determined in accordance with income tax regulations which

may differ from generally accepted accounting principles. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund as a whole.

FEDERAL INCOME TAXES: The Trust intends that the Fund separately qualify as a regulated investment company, if such qualification is in the best interest of its shareholders, by complying with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and by distributing substantially all of its earnings to its shareholders. Therefore, no Federal income tax provision is required.

2. INVESTMENT ADVISORY AGREEMENT, ADMINISTRATION AGREEMENT AND OTHER TRANSACTIONS

The Fund has entered into an investment advisory agreement (the "Advisory Agreement") with Smith Barney Mutual Funds Management Inc. ("SBMFM"). SBMFM (formerly known as Smith Barney Advisers, Inc.), is a wholly owned subsidiary of Smith Barney Holdings Inc. ("Holdings"), which in turn is a wholly owned subsidiary of Travelers Group Inc. Under the Advisory Agreement, the Fund pays a monthly fee at the annual rate of 0.35% of the value of its average daily net assets.

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Smith Barney
Limited Maturity Treasury Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

The Fund has entered into an administration agreement (the "Administration Agreement") with SBMFM. Under the Administration Agreement,

the Fund pays a monthly fee at the annual rate of 0.20% of the value of its average daily net assets.

The Fund and SBMFM have also entered into a sub-administration agreement (the "Sub-Administration Agreement") with Boston Advisors, an indirect wholly owned subsidiary of Mellon Bank Corporation ("Mellon"). Under the Sub-Administration Agreement, SBMFM pays Boston Advisors a portion of its administration fee at a rate agreed upon from time to time between SBMFM and Boston Advisors.

From time to time, SBMFM may voluntarily waive a portion of its advisory and/or administrative fees otherwise payable to it. For the six months ended May 31, 1995, SBMFM voluntarily waived advisory fees of \$24,941 and administration fees of \$14,252.

For the six months ended May 31, 1995, Smith Barney, Inc. ("Smith Barney") received \$2,438 from investors representing commissions (sales charges) on sales of Class A shares.

A CDSC is generally payable by Class C shareholders and may be payable by certain Class A shareholders in connection with the redemption of shares within one year after the date of purchase. For the six months ended May 31, 1995, \$109,299 in CDSC were paid to Smith Barney by Class A shareholders.

No officer, trustee or employee of Smith Barney or any of its affiliates receives any compensation from the Trust for serving as a Trustee or officer of the Trust. The Trust pays each Trustee who is not an officer, director or employee of Smith Barney or any of its affiliates \$4,000 per annum plus \$500 per meeting attended and each Trustee emeritus who is not an officer, director or employee of Smith Barney or any of its affiliates \$2,000 per annum plus \$250 per meeting attended. The Fund reimburses each such Trustee for

travel and
out-of-pocket expenses incurred to attend such meetings.

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Smith Barney
Limited Maturity Treasury Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

Boston Safe Deposit and Trust Company, an indirect wholly owned subsidiary of Mellon, serves as the Trust's custodian. The Shareholder Services Group, Inc., a subsidiary of First Data Corporation, serves as the Trust's transfer agent.

3. DISTRIBUTION PLAN

Smith Barney acts as distributor of the Fund's shares pursuant to a distribution agreement with the Trust and sells shares of the Fund through Smith Barney or its affiliates.

Pursuant to Rule 12b-1 under the 1940 Act, the Trust has adopted a service and distribution plan (the "Plan"). Under this Plan, the Fund compensates Smith Barney for servicing shareholder accounts for Class A and Class C shareholders and covers expenses incurred in distributing Class C shares. Smith Barney is paid an annual service fee with respect to Class A and Class C shares of the Fund at the annual rate of 0.15% of the value of the average daily net assets of each respective class of shares. Smith Barney is also paid an annual distribution fee with respect to Class C shares at the annual rate of 0.20% of the value of the average daily net assets of that class. For the six months ended May 31, 1995, the Fund incurred service fees of \$48,243 and \$51 for Class A and Class C shares, respectively. For the six months ended May 31, 1995, the Fund incurred distribution fees of \$68 for Class C shares.

Under its terms, the Plan shall remain in effect from year to year, provided that such continuance is approved annually by vote of the Trust's Trustees, including a majority of those Trustees who are not "interested persons" of the Trust and who have no direct or indirect financial interest in the operation of the Plan.

4. EXPENSE ALLOCATION

Expenses of the Fund not directly attributable to the operations of any class of shares are prorated among the classes based upon the relative net assets of each class. Operating expenses directly attributable to a class of shares are charged to that class' operations. In addition to the above service and

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Smith Barney
Limited Maturity Treasury Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

distributions fees, class specific operating expense for the six months ended May 31, 1995, included transfer agent fees of \$32,219 and \$74 for Class A and Class C shares, respectively.

5. SECURITIES TRANSACTIONS

Proceeds of U.S. government securities, excluding short-term investments, for the six months ended May 31, 1995, were \$21,120,946. There were no purchases for the six months ended May 31, 1995.

At May 31, 1995, the aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost amounted to \$1,354,080, and the aggregate gross unrealized depreciation for all securities in which there

was an excess of tax cost over value amounted to \$482,880.

6. SHARES OF BENEFICIAL INTEREST

The Trust may issue an unlimited number of shares of beneficial interest, which are divided into three classes (Class A, Class C and Class Y) with a \$.001 par value. Changes in shares of beneficial interest in the Fund were as follows:

<TABLE>

<CAPTION>

MONTHS ENDED CLASS A SHARES: 5/31/95 Amount	YEAR ENDED		SIX	
	Shares	11/30/94 Amount	Shares	Amount
<S>	<C>	<C>	<C>	<C>

Sold			37,924	\$
269,421	1,073,997	\$ 8,159,579		
Issued in exchange for shares of Smith Barney Shearson Worldwide Prime Assets Fund (Note 9)			--	
--	6,833,657	49,994,241		
Issued as reinvestment of dividends			208,974	
1,510,762	574,504	4,360,726		
Redeemed			(3,126,040)	
(22,610,540)	(4,354,640)	(32,063,935)		

Net increase/(decrease)			(2,879,142)	\$
(20,830,357)	4,127,518	\$ 30,450,611		

</TABLE>

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Smith Barney
Limited Maturity Treasury Fund

NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

<TABLE>
<CAPTION>

SIX

MONTHS ENDED		PERIOD ENDED			
5/31/95		11/30/94*		Shares	
Amount	Shares	Amount			

<S>					
<C>		<C>		<C>	
Sold				1,791	\$
12,698	8,010	\$	56,653		
Issued as reinvestment of dividends				207	
1,502	--	--			
Redeemed				(528)	
(3,796)	--	--			

Net increase				1,470	\$
10,404	8,010	\$	56,653		

<FN>

* The Fund began offering Class C shares on November 7, 1994. Those shares in existence prior to November 7, 1994, were designated Class A shares.

</TABLE>

As of May 31, 1995, no Class Y shares had been sold.

7. ORGANIZATION COSTS

The Fund bears all cost in connection with its organization including the fees and expenses of registering and qualifying its shares for distribution under Federal and state securities regulations. All such costs are being amortized on the straight-line basis over a period of five years from commencement of operations of the Fund. In the event that any of the initial shares of the Fund are redeemed during such amortization period, the Fund will

be reimbursed for any unamortized organization costs in the same proportion as the number of shares redeemed bears to the number of initial shares held at the time of redemption.

8. CAPITAL LOSS CARRYFORWARD

As of November 30, 1994, the Fund had available for Federal tax purposes an unused capital loss carryforward of \$1,477,350 expiring in the year 2002.

9. REORGANIZATION

On July 15, 1994, the Fund (the "Acquiring Fund") acquired the assets and certain liabilities of Smith Barney Shearson Worldwide Prime Assets Fund (the "Acquired Fund"), in exchange for shares of the Acquiring Fund,

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Smith Barney
Limited Maturity Treasury Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

pursuant to a plan of reorganization approved by the Acquired Fund's shareholders on July 5, 1994. Total shares issued by the Acquiring Fund, the total net assets of the Acquired Fund and the Acquiring Fund are as follows:

<TABLE>
<CAPTION>

NET	TOTAL NET	SHARES	TOTAL
OF	ASSETS OF	ISSUED BY	ASSETS
ACQUIRING	ACQUIRED	ACQUIRING	
ACQUIRED	ACQUIRING	FUND	
FUND	FUND	FUND	
FUND	FUND		
<S>	<C>	<C>	<C>

<C>

Smith Barney Shearson
The Fund Worldwide Prime Assets Fund 6,833,657
\$49,994,241 \$45,562,581

</TABLE>

The total net assets of the Acquired Fund before acquisition included unrealized depreciation of \$11,138. The total net assets of the Acquiring Fund immediately after the acquisition were \$95,556,822.

10. SUBSEQUENT EVENT

On December 20, 1994, the Board of Trustees of the Trust approved the reorganization of the Fund with and into the Smith Barney Funds, Inc. -- Short-Term U.S. Treasury Securities Portfolio (the "Short-Term U.S. Treasury Portfolio"). Subject to the approval of the Fund's shareholders, the reorganization will take place on or about July 21, 1995, or such later date as may be agreed upon by the Fund and the Short-Term U.S. Treasury Portfolio.

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LIMITED
MATURITY
TREASURY
FUND

TRUSTEES
Herbert Barg
Alfred J. Bianchetti
Martin Brody
Dwight B. Crane
Burt N. Dorsett
Elliot S. Jaffe
Stephen E. Kaufman
Joseph J. McCann
Heath B. McLendon
Cornelius C. Rose, Jr.

OFFICERS

Heath B. McLendon
CHAIRMAN OF THE BOARD
AND INVESTMENT OFFICER

Jessica M. Bibliowicz
PRESIDENT

Lewis E. Daidone
SENIOR VICE PRESIDENT
AND TREASURER

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