



**INSTITUTIONAL  
MONEY MARKET FUNDS**

**US Treasury Money Market Fund**

**Prime Money Market Fund**

**Annual Report**

**August 31, 2008**



# SSgA Funds

## Institutional Money Market Funds

Annual Report

August 31, 2008

### Table of Contents

	Page
President's Letter . . . . .	3
US Treasury Money Market Fund . . . . .	5
Prime Money Market Fund . . . . .	9
Notes to Schedules of Investments . . . . .	14
Statements of Assets and Liabilities . . . . .	15
Statements of Operations . . . . .	16
Statements of Changes in Net Assets . . . . .	17
Financial Highlights . . . . .	18
Notes to Financial Statements . . . . .	20
Report of Independent Registered Public Accounting Firm . . . . .	26
Tax Information . . . . .	27
Basis for Approval of Advisory Contracts . . . . .	28
Shareholder Requests for Additional Information . . . . .	29
Disclosure of Information about Fund Trustees and Officers . . . . .	30
Fund Management and Service Providers . . . . .	34

“SSgA®” is a registered trademark of State Street Corporation and is licensed for use by the SSgA Funds.

This report is prepared from the books and records of the Funds and it is submitted for the general information of shareholders. This information is for distribution to prospective investors only when preceded or accompanied by a SSgA Funds Prospectus containing more complete information concerning the investment objective and operations of the Funds, charges and expenses. The Prospectus should be read carefully before an investment is made.

Performance quoted represents past performance and past performance does not guarantee future results. Current performance may be higher or lower than the performance quoted. For the most recent month end performance information, visit [www.ssgafunds.com](http://www.ssgafunds.com). Investment in the Funds poses investment risks, including the possible loss of principal. The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or another governmental agency. Although a money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.

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# SSgA Funds

## Letter from the President of SSgA Funds Management, Inc.

### *Dear Shareholder,*

We are pleased to provide you with the August 31, 2008, Annual Report for the SSgA Prime Money Market Fund and the SSgA US Treasury Money Market Fund (the “Funds”). This report provides the Funds’ investment performance and financial statements as of August 31, 2008. As you review your overall investment strategy, we hope you find this information helpful.

Over the past fiscal year and continuing to the present day, the short term markets have experienced unprecedented illiquidity, placing stress on the core principles of all money market funds. During this timeframe, the market has seen the routing of the asset backed commercial paper markets through dissolution of the structured investment vehicles (“SIVs”), the downfall of monoline insurers and auction rate securities, and collapses and massive mergers of venerable institutions in the banking and investment banking industry. These events spawned multiple programs from the Federal Reserve and the U.S. Treasury to support the financial markets and money market funds in particular. Indeed, State Street Global Advisors (“SSgA”), which includes SSgA Funds Management, Inc. (“SSgA FM”), the Funds’ adviser, participated in a number of industry discussions aimed at finding solutions to help alleviate the liquidity issues impacting the money market fund industry. In an effort to reassure investors, the SSgA Prime Money Market Fund has announced participation in one such program, the U.S Treasury’s Temporary Guarantee Program for Money Market Funds, which provides a guarantee to shareholders of the price of the Funds’ shares for shareholders in the Funds as of September 19, 2008. More information about the Treasury’s program is available on the U.S. Treasury’s website at <http://www.ustreas.gov>.

Throughout these events, the Funds have remained focused on providing stability, liquidity and competitive yields through all market environments and mitigating exposure risks by investing in high quality issuers and counterparties. As one of the largest cash managers in the world,\* SSgA and SSgA FM, have a long-standing commitment to professional cash management and rigorous, independent credit analysis. With a worldwide team of 55 cash investment managers and a dedicated 13-member short-term credit research team, SSgA has committed significant resources to its cash management and will continue to adhere to its disciplined investment process.

The past year has been difficult as investors everywhere struggled with volatile and uncertain market conditions, which has put a damper on investor confidence. We would like to thank you for your ongoing support of the SSgA Funds. We look forward to continue sharing the benefit of our experience with you and delivering quality products and services.

Sincerely,



James Ross  
President  
SSgA Funds

\* Institutional Investor 2008 America’s Top 300 Money Managers (July/August 2008)

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# SSgA US Treasury Money Market Fund

Shareholder Expense Example — August 31, 2008 (Unaudited)

## Fund Expenses

The following disclosure provides important information regarding each Fund's Expense Example, which appears on each Fund's individual page in this Annual Report. Please refer to this information when reviewing the Expense Example for a Fund.

## Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs; and (2) ongoing costs, including advisory and administrative fees; distribution (12b-1) and/or service fees; and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to 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 indicated, which for this Fund is from March 1, 2008 to August 31, 2008.

## Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, 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 first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

## Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the 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 the ongoing costs of investing in the Fund and other funds. To do so, 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. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" 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.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value March 1, 2008	\$1,000.00	\$1,000.00
Ending Account Value August 31, 2008	\$1,009.10	\$1,024.18
Expenses Paid During Period *	\$ 0.96	\$ 0.97

\* Expenses are equal to the Fund's expense ratio of 0.19% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period). Includes amounts waived and/or reimbursed by the investment advisor. Without the waiver and/or reimbursement, expenses would have been higher.

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## US Treasury Money Market Fund

### Schedule of Investments — August 31, 2008

Amounts in thousands (except share amounts)

	Principal Amount (\$) or Share	Rate %	Date of Maturity	Value \$
<b>United States Treasury - 31.4%</b>				
United States Treasury Bills	500,000	1.180	09/04/08	499,951
United States Treasury Bills	500,000	1.401	09/11/08	499,805
United States Treasury Bills	500,000	1.615	09/18/08	<u>499,619</u>
<b>Total United States Treasury</b> (amortized cost \$1,499,375)				<u>1,499,375</u>
<b>Total Investments - 31.4%</b> (amortized cost \$1,499,375)				<u>1,499,375</u>
<b>Repurchase Agreements - 68.7%</b>				
Agreement with ABN AMRO and The Bank of New York, Inc. (Tri-Party) of \$180,000 dated August 29, 2008 at 1.990% to be repurchased at \$180,040 on September 2, 2008, collateralized by: \$153,764 par United States Treasury Obligations, valued at \$183,600				
				180,000
Agreement with BNP Paribas and The Bank of New York, Inc. (Tri-Party) of \$180,000 dated August 29, 2008 at 2.010% to be repurchased at \$180,040 on September 2, 2008, collateralized by: \$184,693 par United States Treasury Obligations, valued at \$183,600				
				180,000
Agreement with Credit Suisse First Boston and JP Morgan Chase & Co. (Tri-Party) of \$180,000 dated August 29, 2008 at 2.030% to be repurchased at \$180,041 on September 2, 2008, collateralized by: \$137,768 par United States Treasury Obligations, valued at \$183,607				
				180,000
Agreement with Deutsche Bank AG and The Bank of New York, Inc. (Tri-Party) of \$887,563 dated August 29, 2008 at 2.020% to be repurchased at \$887,762 on September 2, 2008, collateralized by: \$744,940 par United States Treasury Obligations, valued at \$905,314				
				887,563
Agreement with Fortis Securities, Inc. and The Bank of New York, Inc. (Tri-Party) of \$180,000 dated August 29, 2008 at 2.010% to be repurchased at \$180,040 on September 2, 2008, collateralized by: \$161,727 par United States Treasury Obligations, valued at \$183,600				
				180,000
Agreement with Greenwich Capital Markets, Inc. and JP Morgan Chase & Co. (Tri-Party) of \$180,000 dated August 29, 2008 at 2.020% to be repurchased at \$180,040 on September 2, 2008, collateralized by: \$216,613 par United States Treasury Obligations, valued at \$183,603				
				180,000
Agreement with HSBC Securities, Inc. and JP Morgan Chase & Co. (Tri-Party) of \$950,000 dated August 29, 2008 at 2.000% to be repurchased at \$950,211 on September 2, 2008, collateralized by: \$1,102,479 par United States Treasury Obligations, valued at \$969,004				
				950,000
Agreement with ING Financial Markets LLC and JP Morgan Chase & Co. (Tri-Party) of \$180,000 dated August 29, 2008 at 2.020% to be repurchased at \$180,040 on September 2, 2008, collateralized by: \$183,850 par United States Treasury Obligations, valued at \$183,602				
				180,000
Agreement with JPMorgan Chase Securities and JPMorgan Chase & Co. (Tri-Party) of \$180,000 dated August 29, 2008 at 1.980% to be repurchased at \$180,040 on September 2, 2008, collateralized by: \$185,405 par United States Treasury Obligations, valued at \$183,603				
				180,000

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## US Treasury Money Market Fund

### Schedule of Investments, continued — August 31, 2008

Amounts in thousands (except share amounts)

	Value \$
Agreement with UBS Securities, LLC and JP Morgan Chase & Co. (Tri-Party) of \$180,000 dated August 29, 2008 at 2.010% to be repurchased at \$180,040 on September 2, 2008, collateralized by: \$236,722 par United States Treasury Obligations, valued at \$183,602	<u>180,000</u>
<b>Total Repurchase Agreements</b> (identified cost \$3,277,563)	<u>3,277,563</u>
<b>Total Investments and Repurchase Agreements - 100.1%</b> (cost \$4,776,938) (†)	4,776,938
<b>Other Assets and Liabilities, Net - (0.1%)</b>	<u>(7,866)</u>
<b>Net Assets - 100.0%</b>	<u><u>4,769,072</u></u>

### Presentation of Portfolio Holdings — August 31, 2008

Categories	% of Net Assets
United States Treasury	31.4
Repurchase Agreements	<u>68.7</u>
Total Investments and Repurchase Agreements	100.1
Other Assets and Liabilities, Net	<u>(0.1)</u>
	<u><u>100.0</u></u>

See accompanying notes which are an integral part of the financial statements.

# SSgA Prime Money Market Fund

Shareholder Expense Example — August 31, 2008 (Unaudited)

## Fund Expenses

The following disclosure provides important information regarding each Fund's Expense Example, which appears on each Fund's individual page in this Annual Report. Please refer to this information when reviewing the Expense Example for a Fund.

## Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs; and (2) ongoing costs, including advisory and administrative fees; distribution (12b-1) and/or service fees; and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to 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 indicated, which for this Fund is from March 1, 2008 to August 31, 2008.

## Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, 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 first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

## Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the 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 the ongoing costs of investing in the Fund and other funds. To do so, 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. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" 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.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value March 1, 2008	\$1,000.00	\$1,000.00
Ending Account Value August 31, 2008	\$1,014.00	\$1,024.13
Expenses Paid During Period *	\$ 1.01	\$ 1.02

\* Expenses are equal to the Fund's expense ratio of 0.20% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period). Includes amounts waived and/or reimbursed by the investment advisor. Without the waiver and/or reimbursement, expenses would have been higher.

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## Prime Money Market Fund

### Schedule of Investments — August 31, 2008

Amounts in thousands (except share amounts)

	Principal Amount (\$) or Shares	Rate %	Date of Maturity	Value \$
<b>Corporate Bonds and Notes - 15.7%</b>				
Bank of America Corp. (next reset date 11/25/08) (Ê)	100,000	3.011	08/25/09	100,000
General Electric Capital Corp. (Ê)	225,000	2.512	09/24/09	225,000
Goldman Sachs Group, Inc. Master Note (next reset date 09/22/08) (Ê)(B)(λ)	100,000	3.171	02/20/09	100,000
Goldman Sachs Group, Inc. Promissory Note (B)(λ)	200,000	3.230	12/02/08	200,000
HBOS PLC (Ê)(λ)	100,000	2.463	09/08/08	100,000
HBOS Treasury Services PLC (next reset date 09/02/08) (Ê)(λ)	55,000	2.534	09/30/08	55,000
JPMorgan Chase & Co. (Ê)	145,000	2.461	09/02/08	145,000
Lloyds TSB Group PLC (Ê)(λ)	250,000	2.451	09/05/08	250,000
Merrill Lynch & Co., Inc. (Ê)	80,000	2.541	09/03/08	80,000
Morgan Stanley (Ê)	80,000	2.541	09/03/08	80,000
Morgan Stanley (Ê)	50,000	2.617	09/15/08	50,000
National Australia Bank, Ltd. (Ê)(λ)	95,000	2.463	09/05/08	95,000
Nordea Bank AB (Ê)(λ)	63,000	2.483	09/10/08	63,000
Procter & Gamble International Funding SCA (next reset date 11/19/08) (Ê)	51,000	2.879	02/19/09	51,000
Svenska Handelsbanken AB (Ê)(λ)	100,000	2.454	09/12/08	100,000
Svenska Handelsbanken AB (Ê)(λ)	100,000	2.461	09/19/08	100,000
Toyota Motor Credit Corp. (next reset date 09/02/08) (Ê)	110,000	2.200	02/02/09	110,000
UniCredito Italiano SpA (Ê)(λ)	35,000	2.497	09/12/08	35,000
Wells Fargo & Co. (Ê)	90,000	2.616	09/17/08	90,000
Wells Fargo & Co. (next reset date 09/03/08) (Ê)	100,000	2.521	10/02/08	100,000
Westpac Banking Corp. (Ê)(λ)	100,000	2.451	09/05/08	100,000
Westpac Banking Corp. (Ê)(λ)	82,000	2.466	09/15/08	82,000
<b>Total Corporate Bonds and Notes</b>				<u>2,311,000</u>
(amortized cost \$2,311,000)				
<b>Domestic Certificates of Deposit - 2.7%</b>				
Citibank	250,000	2.740	11/04/08	250,000
JPMorgan Chase & Co.	150,000	2.770	12/19/08	150,000
<b>Total Domestic Certificates of Deposit</b>				<u>400,000</u>
(amortized cost \$400,000)				
<b>Domestic Commercial Paper - 8.8%</b>				
Bank of America Corp.	400,000	2.712	11/05/08	398,041
Bank of America Corp.	200,000	2.865	12/09/08	198,424
General Electric Capital Corp.	200,000	2.830	12/18/08	198,302
General Electric Capital Corp.	150,000	2.650	12/19/08	148,796
JPMorgan Chase & Co.	350,000	2.730	11/05/08	348,275
<b>Total Domestic Commercial Paper</b>				<u>1,291,839</u>
(amortized cost \$1,291,839)				
<b>Eurodollar Certificates of Deposit - 4.1%</b>				
ING Bank N.V.	200,000	2.790	10/16/08	200,000
ING Bank N.V.	400,000	2.890	11/10/08	400,000
<b>Total Eurodollar Certificates of Deposit</b>				<u>600,000</u>
(amortized cost \$600,000)				
<b>United States Government Agencies - 0.8%</b>				
Federal Home Loan Bank System (Ê)	125,000	2.604	11/13/08	125,000
<b>Total United States Government Agencies</b>				<u>125,000</u>
(amortized cost \$125,000)				

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## Prime Money Market Fund

### Schedule of Investments, continued — August 31, 2008

Amounts in thousands (except share amounts)

	Principal Amount (\$) or Shares	Rate %	Date of Maturity	Value \$
<b>Yankee Certificates of Deposit - 50.3%</b>				
Australia and New Zealand Banking Group Ltd.	150,000	2.720	11/26/08	150,000
Banco Bilbao Vizcaya Argentaria	400,000	2.805	10/09/08	400,002
Banco Bilbao Vizcaya Argentaria	150,000	2.755	11/25/08	150,002
Bank of Nova Scotia	300,000	2.720	09/10/08	300,000
Bank of Nova Scotia	200,000	2.750	10/10/08	200,000
Bank of Nova Scotia	150,000	2.750	10/14/08	150,000
Bank of Scotland PLC	250,000	3.030	11/03/08	250,000
Barclays Bank PLC	500,000	2.880	11/10/08	500,000
Barclays Bank PLC	150,000	2.750	11/06/08	150,000
BNP Paribas SA	500,000	2.710	09/12/08	500,000
Calyon NY	300,000	2.780	09/12/08	300,000
Calyon NY	300,000	2.800	10/09/08	300,000
Commonwealth Bank of Australia	200,000	2.690	09/12/08	200,000
Dexia Bank	250,000	2.855	10/15/08	250,002
Dexia Bank	400,000	2.840	11/28/08	400,005
Fortis Bank	400,000	2.700	09/12/08	400,000
Lloyds TSB Group PLC	350,000	2.730	10/10/08	350,000
Rabobank	350,000	2.690	09/12/08	350,000
Rabobank	150,000	2.730	10/02/08	150,000
Rabobank	200,000	2.680	10/24/08	200,000
Royal Bank of Canada	445,000	2.800	12/19/08	445,000
Royal Bank of Scotland	350,000	2.690	09/22/08	350,001
Societe Generale	300,000	3.050	09/02/08	300,000
Societe Generale	200,000	2.850	09/10/08	200,000
Societe Generale	150,000	2.720	09/26/08	150,000
Svenska Handelsbanken AB	300,000	2.750	10/24/08	300,002
<b>Total Yankee Certificates of Deposit</b>				<u>7,395,014</u>
(amortized cost \$7,395,013)				
<b>Total Investments - 82.4%</b>				<u>12,122,852</u>
(amortized cost \$12,122,852)				
<b>Repurchase Agreements - 17.5%</b>				
Agreement with Bank of America and The Bank of New York, Inc. (Tri-Party) of \$974,928 dated August 29, 2008, at 2.140% to be repurchased at \$975,160 on September 2, 2008, collateralized by: \$1,448,032 par various United States Government Agency Mortgage Obligations, valued at \$994,427				974,928
Agreement with Barclays Capital Inc. and The Bank of New York, Inc. (Tri-Party) of \$47,000 dated August 29, 2008, at 2.120% to be repurchased at \$47,011 on September 2, 2008, collateralized by: \$47,550 par various United States Government Bonds and Notes, valued at \$47,941				47,000
Agreement with Deutsche Bank AG and The Bank of New York, Inc. (Tri-Party) of \$62,437 dated August 28, 2008, at 2.020% to be repurchased at \$62,451 on September 2, 2008, collateralized by: \$77,954 par various United States Treasury Obligations, valued at \$63,685				62,437

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## Prime Money Market Fund

### Schedule of Investments, continued — August 31, 2008

Amounts in thousands (except share amounts)

	Value \$
Agreement with Deutsche Bank AG and The Bank of New York, Inc. (Tri-Party) of \$500,000 dated August 29, 2008, at 2.140% to be repurchased at \$500,119 on September 2, 2008, collateralized by: \$624,271 par various United States Government Agency Mortgage Obligations, valued at \$510,001	500,000
Agreement with HSBC Securities, Inc. and JP Morgan Chase & Co. (Tri-Party) of \$500,000 dated August 29, 2008, at 2.140% to be repurchased at \$500,119 on September 2, 2008, collateralized by: \$534,567 par various United States Government Agency Mortgage Obligations, valued at \$510,001	500,000
Agreement with JP Morgan Chase Securities, Inc. and JP Morgan Chase & Co. (Tri-Party) of \$500,000 dated August 29, 2008, at 2.140% to be repurchased at \$500,119 on September 2, 2008, collateralized by: \$569,829 par various United States Government Agency Mortgage Obligations, valued at \$510,002	<u>500,000</u>
<b>Total Repurchase Agreements</b> (identified cost \$2,584,365)	<u>2,584,365</u>
<b>Total Investments and Repurchase Agreements - 99.9%</b> (cost \$14,707,217) (†)	14,707,217
<b>Other Assets and Liabilities, Net - 0.1%</b>	<u>10,635</u>
<b>Net Assets - 100.0%</b>	<u><u>14,717,852</u></u>

### Presentation of Portfolio Holdings — August 31, 2008

Categories	% of Net Assets
Corporate Bonds and Notes	15.7
Domestic Certificates of Deposit	2.7
Domestic Commercial Paper	8.8
Eurodollar Certificates of Deposit	4.1
United States Government Agencies	0.8
Yankee Certificates of Deposit	50.3
Repurchase Agreements	<u>17.5</u>
Total Investments and Repurchase Agreements	99.9
Other Assets and Liabilities, Net	<u>0.1</u>
	<u><u>100.0</u></u>

See accompanying notes which are an integral part of the financial statements.

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## Institutional Money Market Funds

Notes to Schedules of Investments — August 31, 2008

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- (Ê) Adjustable or floating rate security. Rate shown reflects rate in effect at period end.
- (†) The identified cost for federal income tax purposes.
- (ß) Illiquid security.
- (λ) Restricted Security (144A). Security may have contractual restriction on resale, may have been offered in a private placement transaction, and may not be registered under the Securities Act 1933.

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## Institutional Money Market Funds

### Statements of Assets and Liabilities — August 31, 2008

Amounts in thousands	US Treasury Money Market Fund	Prime Money Market Fund
<b>Assets</b>		
Investments, at identified cost	\$ 1,499,375	\$ 12,122,852
Investments at amortized cost which approximates value	1,499,375	12,122,852
Repurchase agreements at cost which approximates value	3,277,563	2,584,365
Receivables:		
Interest	549	43,545
Fund shares sold	—	1
Prepaid expenses	59	160
<b>Total assets</b>	<b>4,777,546</b>	<b>14,750,923</b>
<b>Liabilities</b>		
Payables:		
Fund shares redeemed	—	1
Accrued fees to affiliates	835	2,709
Other accrued expenses	55	141
Dividends	7,584	30,220
<b>Total liabilities</b>	<b>8,474</b>	<b>33,071</b>
<b>Net Assets</b>	<b>\$ 4,769,072</b>	<b>\$ 14,717,852</b>
<b>Net Assets Consist of:</b>		
Undistributed (overdistributed) net investment income	\$ 60	\$ 80
Accumulated net realized gain (loss)	352	410
Shares of beneficial interest	4,769	14,717
Additional paid-in capital	4,763,891	14,702,645
<b>Net Assets</b>	<b>\$ 4,769,072</b>	<b>\$ 14,717,852</b>

#### **Net Asset Value**, offering and redemption price per share:

Net asset value per share*	\$ 1.00	\$ 1.00
Net assets	\$ 4,769,072,374	\$ 14,717,851,963
Shares outstanding (\$.001 par value)	4,768,722,978	14,717,425,278

\* Net asset value per share equals net assets divided by shares of beneficial interest outstanding.

See accompanying notes which are an integral part of the financial statements.

# SSgA

## Institutional Money Market Funds

### Statements of Operations — For the Period Ended August 31, 2008

Amounts in thousands	US Treasury Money Market Fund	Prime Money Market Fund
<b>Investment Income</b>		
Interest	\$ 91,357	\$ 609,021
<b>Expenses</b>		
Advisory fees	5,111	23,119
Administrative fees	1,042	4,714
Custodian fees	434	1,828
Distribution fees	514	2,840
Transfer agent fees	42	97
Professional fees	55	177
Registration fees	70	21
Shareholder servicing fees	871	3,963
Trustees' fees	82	352
Insurance fees	31	423
Printing fees	15	56
Miscellaneous	28	101
Expenses before reductions	8,295	37,691
Expense reductions	(1,705)	(7,725)
Net expenses	6,590	29,966
Net investment income (loss)	84,767	579,055
<b>Net Realized and Unrealized Gain (Loss)</b>		
Net realized gain (loss) on investments	355	411
<b>Net Increase (Decrease) in Net Assets from Operations</b>	<u>\$ 85,122</u>	<u>\$ 579,466</u>

See accompanying notes which are an integral part of the financial statements.

# SSgA

## Institutional Money Market Funds

### Statements of Changes In Net Assets — For the Periods Ended August 31,

Amounts in thousands	US Treasury Money Market Fund		Prime Money Market Fund	
	2008	2007	2008	2007
<b>Increase (Decrease) in Net Assets</b>				
<b>Operations</b>				
Net investment income (loss)	\$ 84,767	\$ 66,207	\$ 579,055	\$ 640,331
Net realized gain (loss)	355	3	411	8
Net increase (decrease) in net assets from operations	85,122	66,210	579,466	640,339
<b>Distributions</b>				
From net investment income	(84,771)	(66,207)	(579,059)	(640,322)
From net realized gain	—	—	—	(76)
Net increase (decrease) in net assets from distributions	(84,771)	(66,207)	(579,059)	(640,398)
<b>Share Transactions</b>				
Net increase (decrease) in net assets from share transactions	2,407,758	908,867	241,007	3,480,388
<b>Total Net Increase (Decrease) in Net Assets</b>	2,408,109	908,870	241,414	3,480,329
<b>Net Assets</b>				
Beginning of period	2,360,963	1,452,093	14,476,438	10,996,109
End of period	\$ 4,769,072	\$ 2,360,963	\$ 14,717,852	\$ 14,476,438
Undistributed (overdistributed) net investment income included in net assets	\$ 60	\$ 64	\$ 80	\$ 83

See accompanying notes which are an integral part of the financial statements.

# SSgA

## Institutional Money Market Funds

### Financial Highlights — For the Periods Ended

For a Share Outstanding Throughout Each Period.

	\$ Net Asset Value, Beginning of Period	\$ Net Investment Income (Loss)(c)	\$ Net Realized and Unrealized Gain (Loss)	\$ Distributions from Net Investment Income
<b>US Treasury Money Market Fund</b>				
August 31, 2008	1.0000	.0249	.0027	(.0276)
August 31, 2007	1.0000	.0501	—(b)	(.0501)
August 31, 2006	1.0000	.0427	—(b)	(.0427)
August 31, 2005	1.0000	.0230	—	(.0230)
August 31, 2004	1.0000	.0087	—	(.0087)
<b>Prime Money Market Fund</b>				
August 31, 2008	1.0000	.0376	(.0005)	(.0371)
August 31, 2007	1.0000	.0517	—(b)	(.0517)
August 31, 2006	1.0000	.0438	—(b)	(.0438)
August 31, 2005	1.0000	.0239	—	(.0239)
August 31, 2004	1.0000	.0095	—	(.0095)

- (a) May reflect amounts waived and/or reimbursed by the investment advisor and for certain funds, custody credit arrangements. The custody credit arrangements had an impact of less than .005%.
- (b) Less than \$.0001 per share
- (c) Per share data are based on average shares outstanding.

See accompanying notes which are an integral part of the financial statements.

<b>\$ Distributions from Net Realized Gain</b>	<b>\$ Total Distributions</b>	<b>\$ Net Asset Value, End of Period</b>	<b>% Total Return</b>	<b>\$ Net Assets, end of period (000)</b>	<b>% Ratio of Expenses to Average Net Assets, Net<sup>(a)</sup></b>	<b>% Ratio of Expenses to Average Net Assets, Gross</b>	<b>% Ratio of Net Investment Income to Average Net Assets<sup>(a)</sup></b>
—	(.0276)	1.0000	2.80	4,769,072	.19	.24	2.49
—	(.0501)	1.0000	5.13	2,360,963	.20	.31	4.97
—	(.0427)	1.0000	4.36	1,452,093	.20	.36	4.25
—	(.0230)	1.0000	2.32	1,288,079	.20	.36	2.39
—	(.0087)	1.0000	.88	659,467	.20	.36	.86
—	(.0371)	1.0000	3.77	14,717,852	.19	.24	3.76
—(b)	(.0517)	1.0000	5.29	14,476,438	.20	.26	5.17
—	(.0430)	1.0000	4.47	10,996,109	.20	.27	4.39
—	(.0239)	1.0000	2.41	11,550,394	.20	.27	2.31
—	(.0095)	1.0000	.97	12,390,113	.20	.27	.96

See accompanying notes which are an integral part of the financial statements.

# SSgA

## Institutional Money Market Funds

### Notes to Financial Statements — August 31, 2008

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#### 1. Organization

The SSgA Funds (the “Investment Company”) is a series mutual fund, currently comprised of 26 investment portfolios, which are in operation as of August 31, 2008. These financial statements report on two funds of the Investment Company, the SSgA US Treasury Money Market Fund and SSgA Prime Money Market Fund, each, a “Fund” and collectively referred to as, the “Funds,” each of which has distinct investment objectives and strategies. Each Fund is an open-end management investment company, as defined in the Investment Company Act of 1940, as amended (the “1940 Act”). The Investment Company was organized as a Massachusetts business trust on October 3, 1987 and operates under a First Amended and Restated Master Trust Agreement, dated October 13, 1993, as amended (the “Agreement”). The Agreement permits the Board of Trustees (the “Board”) to issue an unlimited number of full and fractional shares of beneficial interest at a \$.001 par value.

#### 2. Significant Accounting Policies

The Funds’ financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”), which require the use of management estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. The following is a summary of the significant accounting policies consistently followed by each Fund in the preparation of its financial statements.

##### Security Valuation

As permitted in accordance with Rule 2a-7 of the 1940 Act, the Fund values portfolio investments using the amortized cost method. Under this method, each portfolio instrument is initially valued at cost, and thereafter assumes a constant accretion/amortization to maturity of any discount or premium. While amortized cost provides certainty in valuation, it may result in periods when the value of an instrument is higher or lower than the price the Fund would receive if it sold the instrument.

In September 2006, Statement of Financial Accounting Standards No. 157, “Fair Value Measurements” (“SFAS 157”) was issued and is effective for fiscal years beginning after November 15, 2007. SFAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. Management is currently evaluating the impact the adoption of SFAS 157 will have on the Funds’ or Investment Company’s financial statement disclosures.

##### Securities Transactions

Securities transactions are recorded on the trade date basis, which in most instances is the same as the settlement date. Realized gains and losses from securities transactions, if any, are recorded on the basis of identified cost.

##### Investment Income

Interest income is recorded daily on the accrual basis.

##### Federal Income Taxes

Since the Investment Company is a Massachusetts business trust, each Fund is a separate corporate taxpayer and determines its net investment income and capital gains (or losses) and the amounts to be distributed to each Fund’s shareholders without regard to the income and capital gains (or losses) of the other Funds.

It is each Fund’s intention to qualify as a regulated investment company, as defined by the Internal Revenue Code of 1986, as amended. This requires each Fund to distribute all of its taxable income to its shareholders. Therefore, the Funds paid no federal income taxes and no federal income tax provision was required.

The Funds may have net tax basis capital loss carryforwards which may be applied against any realized net taxable gains in each succeeding year or until their respective expiration dates, whichever occurs first. At August 31, 2008, the Funds had no net tax basis capital loss carryforwards.

# Institutional Money Market Funds

## Notes to Financial Statements, continued — August 31, 2008

### Components of Distributable Earnings:

	<b>US Treasury Money Market</b>	<b>Prime Money Market</b>
Undistributed Ordinary Income	\$ 8,032,889	\$ 30,929,793
<b>Tax Composition of Distributions:</b>		
Ordinary Income	\$84,770,940	\$579,059,413

The Financial Accounting Standards Board (FASB) issued Interpretation No. 48, “Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109” (“FIN 48”), in June 2006. FIN 48 permits the recognition of tax benefits of an uncertain tax position only when the position is “more likely than not” to be sustained assuming examination by taxing authorities. The Funds adopted the provisions of FIN 48 on September 1, 2007. Management has reviewed the Funds tax positions for the years that remain open (2005-2008), and concluded that adoption had no effect on the Funds financial position or results of operations. As of August 31, 2008, the Funds have recorded no liabilities for net unrecognized tax benefits relating to uncertain income tax positions they have taken or expect to take in future tax returns.

### Dividends and Distributions to Shareholders

The Funds declare and record dividends on net investment income daily and pay them monthly. Capital gain distributions, if any, are generally declared and paid annually. An additional distribution may be paid by the Funds to avoid imposition of federal income tax on any remaining undistributed net investment income and capital gains. Each Fund may periodically make reclassifications among certain of its capital accounts without impacting net asset value for differences between federal tax regulations and GAAP.

The amount and character of income and gains to be distributed are determined in accordance with federal income tax regulations which may differ from net investment income and realized gains recognized for GAAP purposes. These differences relate primarily to non-deductible deferred compensation and capital loss carryforwards. For the fiscal year ended August 31, 2008, there were no permanent differences between book and tax accounting.

### Expenses

Most expenses can be directly attributed to a fund. Expenses of the Investment Company which cannot be directly attributed to a Fund are allocated among all funds of the Investment Company based principally on their relative average net assets.

### Repurchase Agreements

A repurchase agreement customarily obligates the seller at the time it sells securities to the Funds to repurchase the securities at a mutually agreed upon price and time. The total amount received by the Funds on repurchase is calculated to exceed the price paid by the Funds, reflecting an agreed-upon market rate of interest for the period of time to the settlement date, and is not necessarily related to the interest rate on the underlying securities. The underlying securities are ordinarily United States Government securities, but may consist of other securities in which the Funds are permitted to invest. Repurchase agreements are fully collateralized at all times. The use of repurchase agreements involves certain risks. For example, if the seller of securities under a repurchase agreement defaults on its obligation to repurchase the underlying securities (as a result of its bankruptcy or otherwise) the Funds will seek to dispose of such securities; this action could involve costs or delays. The Funds may enter into repurchase agreements maturing within a specified date with domestic dealers, banks and other financial institutions deemed to be creditworthy by SSgA Funds Management, Inc. (“SSgA FM” or the “Advisor”), a wholly-owned subsidiary of State Street Corporation and an affiliate of State Street Bank and Trust Company (“State Street”).

### Guarantees

In the normal course of business, the Funds enter into contracts that contain a variety of representations which provide general indemnifications. The Funds’ maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, the Funds expect the risk of loss to be remote.

# SSgA

## Institutional Money Market Funds

### Notes to Financial Statements, continued — August 31, 2008

#### 3. Related Parties

##### Advisor

The Advisor manages the Funds pursuant to a written Investment Advisory Agreement dated May 1, 2001, as amended, between the Investment Company and the Advisor. The Advisor is a wholly-owned subsidiary of State Street Corporation, a publicly held bank holding company. The Advisor and other advisory affiliates of State Street Corporation make up State Street Global Advisors, the investment management arm of State Street Corporation and its affiliated companies. The Advisor directs the investments of each Fund in accordance with their investment objectives, policies, and limitations. For these services, the Funds pay a fee to the Advisor, calculated daily and paid monthly at the annual rate of 0.15% of its daily average net assets.

The Advisor has contractually agreed to waive 0.05% of its 0.15% advisory fee on the US Treasury Money Market Fund until December 31, 2010. The Advisor also contractually agreed to waive up to the full amount of the US Treasury Money Market Fund's advisory fee and reimburse the Fund for all expenses in excess of 0.20% of its average daily net assets on an annual basis until December 31, 2008 (exclusive of non-recurring fees and extraordinary expenses). The total amounts of the waiver and reimbursement for the fiscal year ended August 31, 2008 were \$1,703,787 and \$0, respectively.

The Advisor has contractually agreed to waive 0.05% of its 0.15% advisory fee on the Prime Money Market Fund until December 31, 2010. The Advisor also contractually agreed to waive up to the full amount of the Prime Money Market Fund's advisory fee and reimburse the Fund for all expenses in excess of 0.20% of its average daily net assets on an annual basis until December 31, 2008 (exclusive of non-recurring fees and extraordinary expenses). The total amounts of the waiver and reimbursement for the fiscal year ended August 31, 2008 were \$7,706,374 and \$0, respectively.

The Advisor does not have the ability to recover amounts waived or reimbursed from prior periods.

The Investment Company also has a contract with State Street to provide custody and fund accounting services to the Funds. For these services, the Funds pay State Street asset-based fees that vary according to the number of positions and transactions plus out-of-pocket expenses.

The SSgA Funds are permitted to invest their cash reserves (i.e., monies awaiting investment in portfolio securities suitable for the Funds' objectives) in the SSgA Prime Money Market Fund ("Central Fund"). As of August 31, 2008, \$181,586,964 represents the investments of other Investment Company Funds not presented herein.

Boston Financial Data Services ("BFDS") a joint venture of DST Systems, Inc., and State Street Corporation, serves as transfer, dividend paying, and shareholder servicing agent to the Funds. For these services, the Funds pay annual account services fees, activity based fees, charges related to compliance and regulatory services and a minimum fee of \$200 for each Fund.

In addition, the Funds have entered into arrangements with State Street whereby custody credits realized as a result of uninvested cash balances were used to reduce a portion of the Funds' expenses. The custody credits are included in the expense reductions in the Statement of Operations. For the fiscal year ended August 31, 2008, the Funds' custodian fees were reduced by the following amounts under these arrangements:

<u>Funds</u>	<u>Amount Waived</u>
US Treasury Money Market	\$ 683
Prime Money Market	18,744

##### Administrator

Russell Fund Services Company ("RFSC" or the "Administrator") serves as the Investment Company's Administrator, pursuant to an administration agreement dated January 1, 2008 (the "Administration Agreement"). Under the Administration Agreement, the Administrator supervises certain administrative aspects of the Investment Company's operations. The Funds pay the Administrator an annual fee, payable monthly on a pro rata basis. RFSC is a wholly owned subsidiary of Russell Investment Management Company ("RIMCo"). Until January 1, 2008, RIMCo, a wholly owned subsidiary of Russell Investment Group, served as the Investment Company's administrator pursuant to an administration agreement dated April 12, 1988, as amended (the "RIMCo Agreement"). RIMCo transferred its rights and duties under the RIMCo Agreement and benefits from the RIMCo Agreement to RFSC. The Administration Agreement is identical in all material respects to the RIMCo Agreement, including with respect to the services contemplated under the Administration Agreement. RFSC also serves as the administrator to proprietary mutual funds advised by RIMCo.

# Institutional Money Market Funds

## Notes to Financial Statements, continued — August 31, 2008

The annual fee is based on the following percentages of the average daily net assets of all five of the Investment Company's money market portfolios: \$0 up to \$15 billion — 0.0315%; over \$15 billion — 0.029%. In addition, the Administrator charges a flat fee of \$30,000 per year per Fund with less than \$500 million in assets under management. In addition, the Funds reimburse the Administrator for out-of-pocket expenses.

### Distributor and Shareholder Servicing

The Investment Company has a distribution agreement dated March 1, 2002, as amended, between the Investment Company and State Street Global Markets, LLC (the "Distributor"), which is a wholly-owned subsidiary of State Street, to promote and offer shares of the Investment Company. The Distributor may enter into agreements with other related and non-related parties. The amounts paid to the Distributor are included in the accompanying Statements of Operations.

The Investment Company has a distribution plan pursuant to Rule 12b-1 (the "Plan") under the 1940 Act. Under this Plan, the Investment Company is authorized to make payments to the Distributor, or any Shareholder Servicing Agent, as defined in the Plan, for providing distribution and marketing services, for furnishing assistance to investors on an ongoing basis, and for the reimbursement of direct out-of-pocket expenses charged by the Distributor in connection with the distribution and marketing of shares of the Investment Company and the servicing of investor accounts.

The Funds have shareholder service agreements with State Street. For these services, each Fund pays a maximum of 0.025% to State Street, based on the average daily value of all Fund shares held. For the fiscal year ended August 31, 2008, the Funds paid the following shareholder servicing expenses to affiliated service providers:

Funds	State Street
US Treasury Money Market	\$ 851,893
Prime Money Market	3,853,187

The combined distribution and shareholder servicing payments shall not exceed 0.25% of the average daily value of net assets of a Fund on an annual basis. The shareholder servicing payments shall not exceed 0.20% of the average daily value of net assets of a Fund on an annual basis. Costs that exceed the maximum amount of allowable reimbursement may be carried forward for two years following the year in which the expenditure was incurred so long as the Plan is in effect. The Funds' responsibility for any such expenses carried forward shall terminate at the end of two years following the year in which the expenditure was incurred. The trustee or a majority of the Funds' shareholders have the right, however, to terminate the Plan and all payments thereunder at any time. The Funds will not be obligated to reimburse the Distributor for carryover expenses subsequent to the Plan's termination or noncontinuance. There were no carryover expenses as of August 31, 2008.

### Board of Trustees

The Investment Company paid each trustee not affiliated with the Investment Company an annual retainer, plus specified amounts for board and committee meetings attended. These expenses are allocated among all of the Funds of the Investment Company, except for the Life Solutions Funds, based upon their relative net assets.

The Funds have implemented an optional deferred compensation plan (the "Deferral Plan") which allows the trustees to defer the receipt of all or a portion of trustee fees payable. The deferred fees remain invested in certain Funds until distribution in accordance with the Deferral Plan.

Accrued fees payable to affiliates and trustees as of August 31, 2008 were as follows:

	US Treasury Money Market	Prime Money Market
Advisory fees	\$ 419,758	\$ 1,251,294
Administration fees	127,084	346,832
Custodian fees	34,720	112,953
Distribution fees	112,880	578,923
Shareholder servicing fees	118,039	356,722
Transfer agent fees	11,272	24,693
Trustees' fees	11,686	37,308
	\$ 835,439	\$ 2,708,725

## Institutional Money Market Funds

Notes to Financial Statements, continued — August 31, 2008

## Beneficial Interest

As of August 31, 2008, the following table includes shareholders (none of which were affiliates of the Investment Company) with shares of beneficial interest greater than 10% of the total outstanding shares of each respective Fund:

<u>Funds</u>	<u># of Shareholders</u>	<u>%</u>
US Treasury Money Market	1	94.4
Prime Money Market	1	88.6

## 4. Fund Share Transactions (On a Constant Dollar Basis):

(amounts in thousands)  
For the Fiscal Years Ended August 31,

**US Treasury Money Market**

	<u>2008</u>	<u>2007</u>
Proceeds from shares sold	\$ 40,694,226	\$ 33,573,429
Proceeds from reinvestment of distributions	80,959	64,235
Payments for shares redeemed	(38,367,427)	(32,728,797)
Total net increase (decrease)	<u>\$ 2,407,758</u>	<u>\$ 908,867</u>

**Prime Money Market**

Proceeds from shares sold	\$ 176,803,114	\$ 169,996,482
Proceeds from reinvestment of distributions	605,025	603,636
Payments for shares redeemed	(177,167,132)	(167,119,730)
Total net increase (decrease)	<u>\$ 241,007</u>	<u>\$ 3,480,388</u>

## 5. Restricted Securities

Restricted securities are subject to contractual limitations on resale, are often issued in private placement transactions, and are not registered under the Securities Act of 1933 (the "Act"). The most common types of restricted securities are those sold under Rule 144A of the Act and commercial paper sold under Section 4(2) of the Act.

A Fund may invest a portion of its net assets not to exceed 10% in securities that are illiquid. Illiquid securities are securities that may not be readily marketable, and that cannot be sold within seven days in the ordinary course of business at the approximate amount at which the Fund has valued the securities. Restricted securities are generally considered to be illiquid.

The following table lists restricted securities held by a Fund that are illiquid. The following table does not include

(1) securities deemed liquid by the Advisor pursuant to Board approved policies and procedures or

(2) illiquid securities that are not restricted as designated on the Fund's Schedule of Investments:

<u>Fund - % of Net Assets</u> <u>Securities</u>	<u>Acquisition</u> <u>Date</u>	<u>Shares</u> <u>Outstanding</u>	<u>Cost per Unit</u> <u>\$</u>	<u>Cost</u> <u>(000)</u> <u>\$</u>	<u>Market Value</u> <u>(000)</u> <u>\$</u>
Prime Money Market Fund - 2.0%					
Goldman Sachs Group, Inc. Promissory Note	01/15/08	200,000,000	100.00	200,000	200,000
Goldman Sachs Group, Inc. Master Note	02/13/08	100,000,000	100.00	100,000	100,000
					<u>\$ 300,000</u>

Illiquid securities and restricted securities may be priced by the Funds using fair value procedures approved by the Board of Trustees.

**6. Subsequent Events**

The U.S. Treasury Department has established a Temporary Guarantee Program (“Program”) that guarantees a \$1.00 net asset value for shares of participating money market funds as of September 19, 2008. The SSgA Prime Market Fund, (the “Participating SSgA Money Market Fund”) has elected to participate in the Program. The Participating SSgA Money Market Fund is responsible for payment of fees required to participate in the program.

With respect to any Participating SSgA Money Market Fund shareholder, the coverage provided under the Program will be equal to the lesser of (i) the shareholder’s account balance as of September 19, 2008; or (ii) the shareholder’s account balance on the date a Participating SSgA Money Market Fund’s net asset value per share falls below \$0.995. Payments under the Program are conditioned on the Participating SSgA Money Market Fund liquidating. Thus, any payment made to shareholders of a Participating SSgA Money Market Fund with respect to shares covered by the Program guarantee would be paid at approximately the same time liquidation proceeds are paid to all Fund shareholders rather than shortly after the time the fund’s net asset value per share falls below \$0.995. The U.S. Treasury’s liability to all participating money market funds under the Program, including the Participating SSgA Money Market Fund, is limited to the assets of the federal government’s Exchange Stabilization Fund, which currently are approximately \$50 billion.

Unless extended by the U.S. Treasury, the Program is due to expire on December 18, 2008. There is no assurance that the Participating SSgA Money Market Fund will participate in the Program if it is extended.

As of this Annual Report, more information is available about the Program at:

<http://www.treas.gov/offices/domestic-finance/key-initiatives/money-market-funds.html>

# Report of Independent Registered Public Accounting Firm

To the Board of Trustees of the SSgA Funds and Shareholders  
of the SSgA US Treasury Money Market Fund and SSgA Prime Money Market Fund:

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of SSgA US Treasury Money Market Fund and SSgA Prime Money Market Fund (the “Funds”) (two of the Funds comprising the SSgA Funds) as of August 31, 2008, and 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 four years in the period then ended. 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. The financial highlights for the period ended August 31, 2004 were audited by other auditors whose report, dated October 20, 2004, expressed an unqualified opinion on the financial highlights.

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 audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Funds are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds’ internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of August 31, 2008, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. 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 each of the Funds as of August 31, 2008, the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended, and their financial highlights for each of the four years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP  
Boston, Massachusetts  
October 27, 2008

# **SSgA**

## **Institutional Money Market Funds**

### **Tax Information — August 31, 2008 (Unaudited)**

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The form 1099 mailed to you in January 2009 will show the tax status of all distributions paid to your account in calendar 2008.

Please consult a tax adviser for any questions about federal or state income tax laws.

# SSgA

## Institutional Money Market Funds

### Basis for Approval of Advisory Contracts (Unaudited)

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#### Approval of the Advisory Agreement

At a meeting held on April 8, 2008, the Board of Trustees, including a majority of the members of the board who are not “interested persons” of the Investment Company (the “Independent Trustees”), approved the continuation of the Advisory Agreement between the Advisor and the SSgA Funds. In considering the continuation of the Advisory Agreement, the Board of Trustees reviewed a variety of materials relating to the SSgA Funds and the Advisor, including the advisory fees charged and any related expense limitations, total expenses and expense ratios and performance of each fund relative to other similar mutual funds for one, three and five year periods. The Trustees also considered the profitability of the Advisor with respect to the services it renders to the SSgA Funds under the Advisory Agreement and the profitability of the Advisor’s affiliated companies with respect to the services provided to the SSgA Funds by such affiliated companies. The Trustees reviewed materials describing the Advisor’s personnel and operations, including its investment management and its compliance capabilities and undertakings. The Trustees considered, among other things, the services provided under the Advisory Agreement and other services that the Advisor and its affiliates provide to the Investment Company; the complexity of those services, both on an absolute basis and relative to other mutual fund complexes; the manner in which the Advisor discharges these services; the financial strength of the Advisor; the organization and compensation structure of the Advisor, including staff experience and qualifications; and the process by which investment decisions are made. Much of the material was assembled and provided by Lipper Inc., an independent service provider engaged to provide the Board of Trustees with objective materials for this annual review. The Independent Trustees met among themselves and separately with representatives of the Advisor to evaluate this information. At these meetings, the Independent Trustees were separately represented by independent counsel. The Trustees concluded that (a) over various time periods, the performance of most of the funds compares favorably, or very favorably, to those of similar mutual funds; (b) the Advisor’s fees and the expense ratio for each fund compare favorably, or very favorably, to those of similar mutual funds and are exceptionally reasonable in relation to the services provided to the Investment Company; (c) the Advisor has provided, and can be expected to continue providing, high quality investment management services for each fund; (d) the profitability of the Advisor and its affiliates with respect to services provided by them to each fund is not excessive; (e) in light of the current size of each fund, the level of profitability of the Advisor and its affiliates with respect to services provided by them to each fund is not excessive; and (f) in light of the current size of each fund, the level of profitability of the Advisor and its affiliates with respect to each fund over various time periods, and the comparatively low management fee and expense ratio of the fund during these periods, it does not appear that the Advisor has realized benefits from economies of scale in managing the assets of the funds to such an extent that previously agreed advisory fees should be reduced or that breakpoints in such fees should be implemented for any fund at this time. The Trustees determined that the impact of economies of scale, if any, would be analyzed annually in connection with their consideration of the Advisor’s profitability under the advisory contract.

The Trustees are satisfied with the Advisor’s ongoing compliance efforts and undertakings, its responsiveness to any concerns expressed by Trustees regarding the management of the funds and with the Advisor’s overall consistently excellent and cost-efficient performance. The Trustees believe that their efforts throughout the year help assure that the best interests of the funds and their shareholders are always considered in connection with the day-to-day operations of a large diverse family of funds.

# **SSgA**

## **Institutional Money Market Funds**

### **Shareholder Requests for Additional Information — August 31, 2008 (Unaudited)**

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The Funds have adopted the proxy voting policies of the Advisor. A description of the policies and procedures that the Funds have adopted to determine how to vote proxies relating to portfolio securities are contained in the Funds' Statement of Additional Information, which is available (i) without charge, upon request, by calling the Funds at (800) 647-7327, (ii) on the Funds' website at [www.ssgafunds.com](http://www.ssgafunds.com), (iii) on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov), or (iv) at the Securities and Exchange Commission's public reference room.

The Funds will file their complete schedules of investments with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. For the second and fourth quarters, the complete schedules of investments are available in the Funds semiannual and annual financial statements. The Funds' Form N-Q is available (i) without charge, upon request, by calling the Funds at (800) 647-7327, (ii) on the Funds' website at [www.ssgafunds.com](http://www.ssgafunds.com), (iii) on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov), or (iv) at the Securities and Exchange Commission's public reference room.

# SSgA Institutional Money Market Funds

## Disclosure of Information about Fund Trustees and Officers — August 31, 2008 (Unaudited)

The following tables provide information for each trustee and certain officers of the Investment Company, which consists of 26 funds. The first table provides information for the trustees who are interested persons. The second table provides information for the independent trustees. The third table provides information for the officers.

Name, Address and Age	Position(s) with SSgA Funds; Length of Time Served	Term of Office	Principal Occupation(s) During Past 5 Years; Other Directorships Held	Number of Portfolios in Fund Complex Overseen by Trustee
<b>INTERESTED TRUSTEE</b>				
Peter G. Leahy Born November 21, 1960  State Street Financial Center One Lincoln Street Boston, MA 02111-2900	Trustee since 2005  Interested Person of the SSgA Funds (as defined in the 1940 Act)	Until successor is elected and qualified	<ul style="list-style-type: none"> <li>• 2004 to Present, Executive Vice President, State Street Corporation; and September 2006 to Present, Chief Product Officer (1991-2004, Senior Vice President), State Street Global Advisors; and</li> <li>• Director, State Street Global Markets LLC.</li> </ul>	26
<b>INDEPENDENT TRUSTEES</b>				
Lynn L. Anderson Born April 22, 1939  909 A Street Tacoma, WA 98402	Chairman of the Board since 1988  Independent Chairman since January 2006  Member (ex officio), Audit Committee  Member (ex officio), Governance Committee  Member (ex officio), Valuation Committee  Member (ex officio), QLCC	Until successor is elected and qualified	<ul style="list-style-type: none"> <li>• Director, Russell Trust Company; and</li> <li>• Until December 2005, Vice Chairman, Frank Russell Company (institutional financial consultant) (Retired); and Chairman of the Board, Russell Investment Company and Russell Investment Funds (registered investment companies) (Retired).</li> </ul>	26
William L. Marshall Born December 12, 1942  909 A Street Tacoma, WA 98402	Trustee since 1988  Chairman, Audit Committee  Member, Governance Committee  Member, Valuation Committee  Member, QLCC	Until successor is elected and qualified	<ul style="list-style-type: none"> <li>• Chief Executive Officer and President, Wm. L. Marshall Associates, Inc., Wm. L. Marshall Companies, Inc. and the Marshall Financial Group, Inc. (a registered investment advisor and provider of financial and related consulting services);</li> <li>• Certified Financial Planner and Member, Financial Planners Association; and</li> <li>• Registered Representative and Principal for Securities with Cambridge Investment Research, Inc., Fairfield, Iowa.</li> </ul>	26

# SSgA

## Institutional Money Market Funds

### Disclosure of Information about Fund Trustees and Officers, continued — August 31, 2008 (Unaudited)

Name, Address and Age	Position(s) with SSgA Funds; Length of Time Served	Term of Office	Principal Occupation(s) During Past 5 Years; Other Directorships Held	Number of Portfolios in Fund Complex Overseen by Trustee
<b>INDEPENDENT TRUSTEES (continued)</b>				
Steven J. Mastrovich Born November 3, 1956  909 A Street Tacoma, WA 98402	Trustee since 1988  Member, Audit Committee  Member, Governance Committee  Member, Valuation Committee  Member, QLCC	Until successor is elected and qualified	<ul style="list-style-type: none"> <li>Global Head of Structured Real Estate and Business Development, J.P. Morgan Investment Management (private real estate investment for clients primarily outside of the US to locate private real estate investments within the US).</li> </ul>	26
Patrick J. Riley Born November 30, 1948  909 A Street Tacoma, WA 98402	Trustee since 1988  Member, Audit Committee  Chairman, Governance Committee  Member, Valuation Committee  Member, QLCC	Until successor is elected and qualified	<ul style="list-style-type: none"> <li>2003 to Present, Associate Justice, Commonwealth of Massachusetts Superior Court;</li> <li>1985 to 2002, Partner, Riley, Burke &amp; Donahue, L.L.P. (law firm); and</li> <li>Director, SSgA Cash Management Fund plc; and State Street Global Advisors Ireland, Ltd. (investment companies).</li> </ul>	26
Richard D. Shirk Born October 31, 1945  909 A Street Tacoma, WA 98402	Trustee since 1988  Member, Audit Committee  Member, Governance Committee  Member, Valuation Committee  Member, QLCC  Audit Committee Financial Expert	Until successor is elected and qualified	<ul style="list-style-type: none"> <li>March 2001 to April 2002, Chairman (1996 to March 2001, President and Chief Executive Officer), Cerulean Companies, Inc. (holding company) (Retired);</li> <li>Board Member, Healthcare Georgia Foundation (private foundation); and</li> <li>September 2002 to Present, Board Member, Amerigroup Corp. (managed health care).</li> </ul>	26

# SSgA

## Institutional Money Market Funds

### Disclosure of Information about Fund Trustees and Officers, continued — August 31, 2008 (Unaudited)

Name, Address and Age	Position(s) with SSgA Funds; Length of Time Served	Term of Office	Principal Occupation(s) During Past 5 Years; Other Directorships Held	Number of Portfolios in Fund Complex Overseen by Trustee
<b>INDEPENDENT TRUSTEES (continued)</b>				
Bruce D. Taber Born April 25, 1943  909 A Street Tacoma, WA 98402	Trustee since 1991  Member, Audit Committee  Member, Governance Committee  Chairman, Valuation Committee  Member, QLCC	Until successor is elected and qualified	<ul style="list-style-type: none"> <li>• Consultant, Computer Simulation, General Electric Industrial Control Systems (diversified technology and services company); and</li> <li>• Director, SSgA Cash Management Fund plc; and State Street Global Advisors Ireland, Ltd. (investment companies).</li> </ul>	26
Henry W. Todd Born May 4, 1947  909 A Street Tacoma, WA 98402	Trustee since 1988  Alternate Chairman, Audit Committee  Member, Governance Committee  Member, Valuation Committee  Chairman, QLCC  Audit Committee Financial Expert	Until successor is elected and qualified	<ul style="list-style-type: none"> <li>• Chairman, President and CEO, A.M. Todd Group, Inc. (flavorings manufacturer); and</li> <li>• Director, SSgA Cash Management Fund plc; and State Street Global Advisors Ireland, Ltd. (investment companies).</li> </ul>	26

# SSgA

## Institutional Money Market Funds

### Disclosure of Information about Fund Trustees and Officers, continued —

August 31, 2008 (Unaudited)

Name, Address and Age	Position(s) with SSgA Funds; Length of Time Served	Term of Office	Principal Occupation(s) During Past Five Years
<b>OFFICERS</b>			
James E. Ross Born June 24, 1965  State Street Financial Center One Lincoln Street Boston, MA 02111-2900	President and Chief Executive Officer from January 2006 to Present  Principal Executive Officer since 2005	Until successor is elected by Trustees	<ul style="list-style-type: none"> <li>• 2005 to Present, President (2001 to 2005, Principal), SSgA Funds Management, Inc. (investment advisor);</li> <li>• March 2006 to Present, Senior Managing Director (2000 to 2006, Principal), State Street Global Advisors; and</li> <li>• President, Principal Executive Officer and Trustee, SPDR Series Trust and SPDR Index Shares Funds; Trustee, Select Sector SPDR Trust; President, Principal Executive Officer and Trustee, State Street Master Funds and State Street Institutional Investment Trust (registered investment companies).</li> </ul>
Ellen M. Needham Born January 4, 1967  State Street Financial Center One Lincoln Street Boston, MA 02111-2900	Vice President since May 2006	Until successor is elected by Trustees	<ul style="list-style-type: none"> <li>• Principal, SSgA Funds Management, Inc. (investment advisor); and</li> <li>• July 2007 to Present, Managing Director (June 2006 to July 2007, Vice President; 2000 to June 2006, Principal), State Street Global Advisors.</li> </ul>
Julie B. Piatelli Born August 5, 1967  State Street Financial Center One Lincoln Street Boston, MA 02111-2900	Chief Compliance Officer since August 2007	Until successor is elected by Trustees	<ul style="list-style-type: none"> <li>• 2004 to Present, Principal and Senior Compliance Officer, SSgA Funds Management, Inc.; Vice President, State Street Global Advisors; and</li> <li>• 1999 to 2004, Senior Manager, PricewaterhouseCoopers LLC.</li> </ul>
Mark E. Swanson Born November 26, 1963  909 A Street Tacoma, WA 98402	Treasurer and Principal Accounting Officer since 2000	Until successor is elected by Trustees	<ul style="list-style-type: none"> <li>• Director – Fund Administration, Russell Investment Management Company, Russell Fund Services Company, and Russell Trust Company;</li> <li>• Treasurer and Chief Accounting Officer, Russell Investment Company and Russell Investment Funds; and</li> <li>• Director, Russell Financial Services, Inc., Russell Investment Management Company, and Russell Fund Services Company.</li> </ul>
Gregory J. Lyons Born August 24, 1960  909 A Street Tacoma, WA 98402	Secretary since 2007 and Chief Legal Officer since 2008	Until successor is elected by Trustees	<ul style="list-style-type: none"> <li>• Associate General Counsel and Assistant Secretary, Frank Russell Company, Russell Insurance Agency, Inc.;</li> <li>• Director and Secretary, Russell Investment Management Company, Russell Financial Services, Inc., and Russell Fund Services Company; and</li> <li>• Secretary and Chief Legal Counsel, Russell Investment Company and Russell Investment Funds.</li> </ul>

# SSgA

## Institutional Money Market Funds

### State Street Financial Center

One Lincoln Street  
Boston, Massachusetts 02111-2900  
(800) 647-7327

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#### Trustees

Lynn L. Anderson, Chairman  
Peter G. Leahy  
William L. Marshall  
Steven J. Mastrovich  
Patrick J. Riley  
Richard D. Shirk  
Bruce D. Taber  
Henry W. Todd

#### Officers

James E. Ross, President, Chief Executive Officer and  
Principal Executive Officer  
Mark E. Swanson, Treasurer and Principal Accounting  
Officer  
Ellen M. Needham, Vice President  
Julie B. Piatelli, Chief Compliance Officer  
Gregory J. Lyons, Secretary and Chief Legal Officer  
Rick Chase, Assistant Treasurer  
Ross E. Erickson, Assistant Treasurer  
Kimberlee A. Lloyd, Assistant Treasurer  
David J. Craig, Assistant Treasurer  
Carla L. Anderson, Assistant Secretary  
Sandra L. Geiger, Assistant Secretary

#### Investment Adviser

SSgA Funds Management, Inc.  
State Street Financial Center  
One Lincoln Street  
Boston, Massachusetts 02111-2900

#### Custodian and Office of Shareholder Inquiries

State Street Bank and Trust Company  
1776 Heritage Drive  
North Quincy, Massachusetts 02171

#### Transfer and Dividend Paying Agent

Boston Financial Data Services, Inc.  
Two Heritage Drive  
North Quincy, Massachusetts 02171

#### Distributor

State Street Global Markets, LLC  
State Street Financial Center  
One Lincoln Street  
Boston, Massachusetts 02111-2900

#### Administrator

Russell Fund Services Company  
909 A Street  
Tacoma, Washington 98402

#### Legal Counsel

Goodwin Procter LLP  
Exchange Place  
Boston, Massachusetts 02109

#### Independent Registered Public Accounting Firm

Deloitte & Touche LLP  
200 Berkeley Street  
Boston, Massachusetts 02116







