

# **THE ESTATE of the LATE EDITH COLLIER**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2009**

### **TRUSTEES**

C. M. Beeny (Chairman)

A. P. J. Kelly

M. J. Walsh

E. M. Kingston

The Trustees were in office from the beginning of the financial year until the date of this report, unless otherwise stated.

### **PRINCIPAL ACTIVITIES**

The principal activity of the Estate is to distribute income in accordance with the terms of the will of the Late Edith Collier (representing the combined Estates of the Late Edith, Annette and Alice Collier). The Estate operates via the name, Collier Charitable Fund.

The investment activity is internally managed to achieve consistent income with capital growth. The Estate invests in Vanguard Australian Shares High Yield Fund, Australian listed equities, listed interest bearing securities and cash. The investment in the Vanguard Fund commenced on 1 October, 2008.

Otherwise, there has been no significant change in the nature of this activity during the year.

### **ESTATE INFORMATION**

The Estate was established in 1954 pursuant to the will of the late Edith Collier. It is a private charitable trust.

All investments of the Estate are held by Collier Charitable Fund Custodian Corporation on behalf of the Trustees of the Estate.

The Estate is administered by the four Trustees, a Secretary and an Investment Adviser from the registered office at 31/570 Bourke Street Melbourne Victoria 3000.

## **REVIEW OF RESULTS AND OPERATIONS**

### **Results and distributions**

The Operating result for the year ended 30 June 2009 was a deficit of \$16,563,813 (2008: deficit \$7,864,348) comprising a Corpus deficit \$20,788,630 (2008: deficit \$12,420,776) and an Income surplus \$4,224,817 (2008: surplus \$4,556,428).

Distributions prior to the 30 June 2009 were \$266,606 for the 2009 year (2008: \$103,790 bringing the total income distribution to \$4,620,000 for the 2008 distribution year). Further distributions relating to the 2009 year to be paid post 30 June 2009 will be \$4,516,210 making a total income distribution of \$4,620,000 for the 2009 distribution year.

### **Indirect cost ratio**

The indirect cost ratio is the ratio of the Estate's expenses over the average net assets at market value attributable for the year, expressed as a percentage. The ratio for the year ended 30 June 2009 was 0.70% (2008: 0.59%).

## **ESTATE ASSETS**

At 30 June 2009 the Total trust funds were \$55,619,368 (2008: \$76,965,996). The basis for valuation of the assets is disclosed in Note 2 to the Financial Report.

## **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

There were no significant changes to the state of affairs of the Estate during the year.

## **SIGNIFICANT EVENTS AFTER BALANCE DATE**

There has been no matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the Estate's operations in future financial years, the results of those operations or the Estate's state of affairs in future financial years.

## **LIKELY DEVELOPMENTS AND EXPECTED RESULTS**

The Trustees' investment mission is to invest the assets of the Estate and control expenses so that it can maintain in perpetuity a stream of annual income distributions and a level of corpus that over time both increase in line with or above inflation.

As a result of the global financial crisis the investment income of the Estate may reduce in the year ending 30 June 2010 which may result in a reduced distribution in 2010.

## **ENVIRONMENTAL REGULATION AND PERFORMANCE**

The operations of the Estate are not subject to any environmental regulation under a law of the Commonwealth or a State or Territory. There have been no known breaches of any environmental requirements applicable to the Estate.

## **INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS**

The Estate has not indemnified or insured Trustees or Officers.

## **AUDITOR'S INDEPENDENCE DECLARATION**

An independence declaration has been provided to the Trustees by the Custodian company auditor Deloitte Touche Tohmatsu and is included in its Financial Report.

Signed in accordance with a resolution of the Trustees.

C. M. Beeny  
Chairman of Trustees  
Melbourne  
26 August 2009.