

# **Estate of the Late Edith Collier**

**(Representing the combined Estates of the Late Edith, Annette and Alice Collier)**

ABN 23 957 575 189

**Financial report for the year ended  
30 June 2020**

# Financial report for the year ended 30 June 2020

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# Estate of the Late Edith Collier

## Trustees' report

The Trustees of the Estate of the Late Edith Collier ("Estate") submit herewith the annual financial report for the Estate for the financial year ended 30 June 2020 and report as follows:

The names of the Trustees of the Estate during or since the end of the financial year are:

Mr C M Beeny (Chair)	Appointed as a Trustee on 19 March 1991
Mrs A Milledge	Appointed as a Trustee on 4 July 2013
Mr A P J Kelly	Appointed as a Trustee on 1 August 2004
Mr E M Kingston	Appointed as a Trustee on 1 August 2005

The Executive Officer is Ms Wendy Lewis

### Principal Activity

The principal activity of the Estate is to distribute income and invest corpus 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 under the name Collier Charitable Fund. There has been no significant change in the nature of this activity during the year.

### Review of Operations

For the year ended 30 June 2020, the Fund recorded an overall operating deficit of \$7,480,000 (2019: surplus of \$9,726,000). This deficit represents a decrease in the value of the corpus of \$11,274,000 (2019: increase \$4,550,000) and a net operating surplus of \$3,794,000 (2019: surplus \$5,176,000).

Distributions during the year were \$4,861,000 in respect of the 2019 year bringing the total to \$4,900,000 for that year and \$399,000 for the 2020 year. A further \$3,801,000 will be distributed for the 2020 year post 30 June, making the total \$4,200,000 for that year.

In 2016 the Trustees established a Special Distribution Fund. In 2020 special distributions totalling \$834,000 were made (2019: \$94,000). For 2020 the overall distributions will be \$5,034,000 (2019: \$4,994,000).

### Changes in the State of Affairs

Other than the operating result, there were no changes to the state of affairs of the Estate during the financial year.

### Subsequent Events

Subject to the following comment, there has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Estate, the results of those operations or the state of affairs of the Estate in future financial years other than as may be referred to in the financial statements or the notes to the statements.

The Trustees have resolved to modify the Estate's investment strategy. Currently, almost all of the Estate's capital is invested, through passively and actively managed funds, in Australian equities. It is proposed that, over time, the Estate will move to a position where approximately 50% of its capital will be invested, through passively managed funds, in Australian equities and approximately 50% of its capital will be invested, through passively and actively managed funds, in international equities. It is hoped that this modification will, in the longer term, lead to greater capital growth. In the shorter term, it may result in less income being earned by the Estate.

### Future Developments

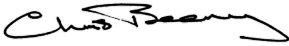
The Estate's principal activity will continue to be the administration of the combined trust which was created separately from the individual Wills of the Late Edith, Annette and Alice Collier.

# Estate of the Late Edith Collier Trustees' report

## Indemnification of Officers and Auditors

During or since the financial year the Estate has not indemnified or made a relevant agreement to indemnify a Trustee, an officer or auditor of the Estate or any related body corporate.

On behalf of Trustees



C M Beeny  
Trustee  
Melbourne, 15 October 2020



E M Kingston  
Trustee  
Melbourne, 15 October 2020

15 October 2020

The Trustee  
Estate of the Late Edith Collier  
Level 31  
570 Bourke Street  
MELBOURNE VIC 3000

Dear Trustee

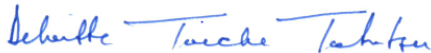
### **Estate of the Late Edith Collier**

In accordance with section 60-40 of the *Australian Charities and Not-for-Profit Commission Act 2012*, I am pleased to provide the following declaration of independence to the Trustee of the Estate of the Late Edith Collier.

As lead audit partner for the audit of the financial statements of the Estate of the Late Edith Collier for the financial year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for-Profit Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Robert D D Collie  
Partner  
Chartered Accountants

## Independent Auditor's Report to the Trustee of The Estate of Late Edith Collier

### Opinion

We have audited the accompanying financial report of The Estate of the Late Edith Collier (the "Estate"), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in trust funds for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the trustees' declaration.

In our opinion the accompanying financial report of the Estate, is in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations), the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)* (the ACNC Act), including:

- (i) giving a true and fair view of the Estate's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and Division 60 of the ACNC Act.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Estate in accordance with the auditor independence requirements of section 60-40 of the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by section 60-40 of the ACNC Act, which has been given to Trustee of the Estate, would be in the same terms if given to Trustee as at the time of this auditor's report.

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

### Other Information

The trustee is responsible for the other information. The other information comprises the Trustee's report included in the annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Trustee's Responsibilities for the Financial Report**

The trustee is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the ACNC Act and for such internal control as the Trustee determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustee is responsible for assessing the Estate's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intend to liquidate the Estate or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

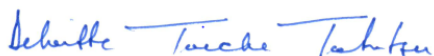
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Estate's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Estate's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Estate to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

# Deloitte.

We communicate with the Trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Trustee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



DELOITTE TOUCHE TOHMATSU



Robert D D Collie

Partner

Chartered Accountants

Melbourne, 15 October 2020

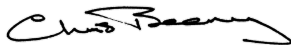
## Trustees' Declaration

for the financial year ended 30 June 2020

The Trustees declare that:

- (a) In the Trustees' opinion, the attached financial statements and notes thereto give a true and fair view of the financial position and performance of the Estate of the Late Edith Collier;
- (b) In the Trustees' opinion, the attached Financial Statements and notes thereto satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012;
- (c) In the Trustees' opinion, the attached financial statements are in compliance with Australian Accounting Standards, as stated in Note 2; and
- (d) In the Trustees' opinion, there are reasonable grounds to believe that the Estate of the late Edith Collier will be able to pay all of its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.



C M Beeny  
Trustee  
Melbourne, 15 October 2020



E M Kingston  
Trustee  
Melbourne, 15 October 2020

**Statement of Profit or Loss and Other Comprehensive Income**

for the financial year ended 30 June 2020

	Notes	30 June 2020 (\$'000)	30 June 2019 (\$'000)
<b>Revenue</b>			
Dividend income		2,771	3,884
Imputation credits		1,178	1,591
Distribution income		35	37
Interest income		149	260
Sundry income - Corpus		179	177
Net gain/(deficit) on fair value of investments - Corpus		(11,244)	4,412
<b>Total revenue</b>		<b>(6,932)</b>	<b>10,361</b>
<b>Expenses</b>			
Audit fees	10	28	31
Consultant		-	9
Consultant - Corpus		30	-
Legal fees	9(b)	-	2
Legal fees - Corpus	9(b)	-	39
Depreciation		42	5
Office expenses		44	65
Occupancy expenses		16	53
Salaries		172	146
Superannuation contributions		16	14
Trustees' commission	9(a)	200	271
<b>Total expenses</b>		<b>548</b>	<b>635</b>
<b>Operating (deficit) / surplus</b>		<b>(7,480)</b>	<b>9,726</b>
<b>Other comprehensive income:</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Total comprehensive (deficit) / income for the period</b>		<b>(7,480)</b>	<b>9,726</b>
Distributions to charities for the year ended 30 June 2018		-	(4,853)
Distributions to charities for the year ended 30 June 2019		(4,861)	(39)
Special Distributions for the year ended 30 June 2019		-	(94)
Distributions to charities for the year ended 30 June 2020		(399)	-
Special Distributions for the year ended 30 June 2020		(834)	-
		<b>(6,094)</b>	<b>(4,986)</b>
<b>Net (deficit) / surplus for the year</b>		<b>(13,574)</b>	<b>4,740</b>

Notes to the financial statements are included on pages 14 to 27.

Estate of the Late Edith Collier

## Statement of Changes in Trust Funds

for the financial year ended 30 June 2020

	Corpus Account (\$'000)	Accumulated Surplus (\$'000)	Total Trust Funds (\$'000)
<b>Balance at 30 June 2018</b>	70,626	10,484	81,110
Net surplus for the year	-	4,740	4,740
Total comprehensive surplus for the year	<u>70,626</u>	<u>15,224</u>	<u>85,850</u>
<i>Transfers from Accumulated Surplus</i>			
Consulting and legal expenses - Corpus	(39)	39	-
Net change in fair value of investments (realised and unrealised)	4,412	(4,412)	-
Sundry income - Corpus	177	(177)	-
<b>Balance at 30 June 2019</b>	<u>75,176</u>	<u>10,674</u>	<u>85,850</u>
Net deficit for the year	-	(13,574)	(13,574)
Total comprehensive loss for the year	<u>-</u>	<u>(13,574)</u>	<u>(13,574)</u>
<i>Transfers from Accumulated Surplus</i>			
Consulting and legal expenses - Corpus	(30)	30	-
Net change in fair value of investments (realised and unrealised)	(11,244)	11,244	-
<b>Balance at 30 June 2020</b>	<u>63,902</u>	<u>8,374</u>	<u>72,276</u>

Notes to the financial statements are included on pages 14 to 27.

Estate of the Late Edith Collier  
**Statement of Financial Position**  
for the financial year ended 30 June 2020

	Notes	30 June 2020 (\$'000)	30 June 2019 (\$'000)
<b>Current assets</b>			
Cash and cash equivalents	9(a)	7,801	8,958
Accrued income and receivables	3	1,527	2,658
<b>Total current assets</b>		<u>9,328</u>	<u>11,616</u>
<b>Non-current assets</b>			
Investments	4	63,279	74,523
Furniture and fittings	5	16	16
Right of Use Asset	6	118	-
<b>Total non-current assets</b>		<u>63,413</u>	<u>74,539</u>
<b>Total Assets</b>		<u>72,741</u>	<u>86,155</u>
<b>Current liabilities</b>			
Trade and other payables	7	350	305
Lease Liability	8	34	-
<b>Total liabilities</b>		<u>384</u>	<u>305</u>
<b>Non-current liabilities</b>			
Lease Liability	8	81	-
<b>Total non-current liabilities</b>		<u>81</u>	<u>-</u>
<b>Total Liabilities</b>		<u>465</u>	<u>305</u>
<b>Net assets</b>		<u>72,276</u>	<u>85,850</u>
<b>Trust funds</b>			
Corpus account		63,902	75,176
Accumulated surplus		8,374	10,674
<b>Total trust funds</b>		<u>72,276</u>	<u>85,850</u>

Notes to the financial statements are included on pages 14 to 27.

Estate of the Late Edith Collier

## Statement of Cash Flows

for the financial year ended 30 June 2020

	Notes	30 June 2020 (\$'000)	30 June 2019 (\$'000)
<b>Cash flows from operating activities</b>			
Employees and suppliers expenses		(230)	(351)
Trustees' commission		(271)	(327)
		(6,094)	(4,986)
Distributions to charities			
<b>Net cash used in operating activities</b>	<b>11(b)</b>	<b>(6,595)</b>	<b>(5,664)</b>
<b>Cash flows from investing activities</b>			
Dividend income		3,488	4,933
Interest income		149	260
Imputation credits		1,592	1,389
Distribution income		35	37
Sundry income		179	177
Proceeds from sale of investments		-	-
Payments for Equipment		(5)	-
Purchase of Investments		-	-
<b>Net cash generated by investing activities</b>		<b>5,438</b>	<b>6,796</b>
<b>Cash flows from financing activities</b>			
<b>Net cash used in financing activities</b>		<b>-</b>	<b>-</b>
<b>Net (decrease) / increase in cash held</b>		<b>(1,157)</b>	<b>1,132</b>
Cash at beginning of financial year		8,958	7,826
<b>Cash at end of financial year</b>	<b>11(a)</b>	<b>7,801</b>	<b>8,958</b>

Notes to the financial statements are included on pages 14 to 27.

## Notes to the Financial Statements

for the financial year ended 30 June 2020

### 1. Adoption of new and revised accounting standards

The Estate of the Late Edith Collier, representing the combined estates of the Late Edith, Annette and Alice Collier, ("the Estate") has applied a number of amendments to AASBs and a new Interpretation issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2019, and therefore relevant for the current year end. The adoption of these new and revised Standards and Interpretations has not resulted in changes to the Estate's accounting policies that have affected the amounts reported for the current or prior years.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Estate include:

- AASB 16 Leases and related amending Standards
- Interpretation 23 Uncertainty over Income Tax Treatments

#### Impact of initial application of AASB 16 Leases and related amending Standards

The Estate has adopted the new lease accounting standard AASB 16 Lease from 1 July 2019. AASB 16 introduces significant changes to lessee accounting by removing the classification of leases as either operating or finance leases as required by AASB 117 and instead introduces a single lessee accounting model.

Applying that model, a lessee is required to:

- Recognise assets and liabilities for all leases with a term of more than 12 months in the Consolidated Statement of Financial Position initially measured at the present value of the future lease payments, unless the underlying asset is of low value;
- Recognise amortisation of lease assets separately from interest on lease liabilities in the Consolidated Statement of Profit or Loss and Other;
- Separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the Consolidated Cash Flow Statement.

The Estate has elected to apply the modified retrospective approach for leases. For leases, which were classified as operating leases under AASB 117, the Estate has recognised right-of-use assets and lease liabilities as at the transition date (1 July 2019).

#### Impact of initial application of AASB 16 Leases and related amending Standards

The effect on 1 January 2019 of the recognition of the new right-of-use assets and lease liabilities is disclosed below.

	1 January 2019 \$'000
Increase in right-of-use asset	115
Decrease in assets from de-recognition of prepaid rent	-
Increase in lease liabilities – current	34
Increase in lease liabilities - non-current	81
Impact on retained earnings	-

#### Impact of Interpretation 23 Uncertainty over Income Tax Treatments

The Estate has adopted Interpretation 23 Uncertainty over Income Tax Treatments and AASB 2017-4 Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatment from 1 July 2019. The adoption of Interpretation 23 does not have a material impact on the financial statements of the Estate.

**Notes to the Financial Statements**

for the financial year ended 30 June 2020

<b>Standard/Interpretation</b>	<b>Effective for annual reporting periods beginning on or after</b>	<b>Expected to be initially applied in the financial year ending</b>
AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For Profit and Not-for-Profit Tier 2 Entities	1-Jul-21	30-Jun-22
AASB 2019-2 Amendments to Australian Accounting Standards – Implementation	1-Jul-20	30-Jun-21
The potential impact of the revised Standards/Interpretations on the Estate's financial statements has not yet been determined.		
In addition, at the date of authorisation of the financial statements the following IASB Standards and IFRIC Interpretations were on issue but not yet effective. Australian equivalent Standards and Interpretations have not yet been issued.		
Amendments to References to the Conceptual Framework in IFRS Standards	1-Jul-21	30-Jun-22

**2. Summary of accounting policies****Statement of Compliance**

The financial report is a general purpose financial report which has been prepared in accordance with Australian Charities and Not-for-Profit Commission Act 2012, Australian Accounting Standards and Interpretations, and complies with other requirements of the law. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Estate comply with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the Trustees on 15 October 2020.

The financial report has been prepared for distribution to the Trustees for the purpose of fulfilling the Trustees' financial reporting requirements. In accordance with an Order of the Supreme Court, the Estates of the late Annette and Alice Collier were amalgamated with that of the late Edith Collier with effect from 1 July 2005.

**Basis of Preparation**

The financial report has been prepared on the basis of historical cost, except for the revaluation of financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Estate takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

## Notes to the Financial Statements

for the financial year ended 30 June 2020

### 2. Summary of accounting policies (continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### Significant Accounting Policies

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

##### (a) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable.

Dividend and distribution revenue from investments is recognised when the shareholder's or unitholder's right to receive payment has been established and the amount of the dividend can be measured reliably.

Net gain or loss on fair value of investments is comprised of realised and unrealised changes in the fair value of investments during the year.

##### (b) Financial Assets

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Classification of Financial assets

Financial assets that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

#### Initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows.

## Notes to the Financial Statements

for the financial year ended 30 June 2020

### 2. Summary of accounting policies (continued)

Subsequent measurement of financial assets

#### Impairment of financial assets

The Estate recognises a loss allowance for expected credit losses on investments in financial assets that are measured at amortised costs. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

#### Accrued income and receivable

The entity makes use of a simplified approach in accounting for accrued income and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Derecognition of financial assets

The Estate derecognises a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of consideration received and receivable is recognised in profit or loss.

#### (c) Financial Liabilities

Financial liabilities measured subsequently at amortised cost

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Estate derecognises financial liabilities when, and only when, the Estate's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### (d) Furniture and fittings

Furniture and Fittings are carried at cost less accumulated depreciation

Depreciation is provided on furniture and fittings and is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. The estimated useful life used in the calculation of depreciation of furniture and fittings is three years.

#### (e) Income Tax

The Charitable Trust established by the Will of the Late Edith Collier is an income tax exempt charitable entity under the provisions of the Income Tax Assessment Act.

## Notes to the Financial Statements

for the financial year ended 30 June 2020

### 2. Summary of accounting policies (continued)

#### (f) Provision for Trustees' Commission

Provision for Trustees' commission is recognised when the Estate has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

#### (g) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits are measured at their nominal values, using the remuneration rate applicable at year-end.

Contributions to superannuation plans are expensed when incurred.

#### (h) Goods and Service Tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### (i) Leases

##### Right-of-use assets

The Estate recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses in accordance with AASB 136 Impairment of Assets, if any, and adjusted for certain remeasurement of the lease liability.

##### Right-of-use liabilities

The lease liability is initially measured at present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Estate's incremental borrowing rate as the discount rate. The discount rate is generally calculated using incremental borrowing rates for the specific lease terms and currencies. The weighted average incremental borrowing rate used to calculate the lease liabilities as of 1 July 2019 was 3.5%.

**Notes to the Financial Statements**

for the financial year ended 30 June 2020

**2. Summary of accounting policies (continued)**

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in substance fixed payments less any lease incentives receivables

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is measured at amortised cost using the effective interest method. It will be remeasured when there is a change in index rate for future lease payments, a change in the Estate's estimated amount payable under a residue value guarantee or changes in the Estate's assessment of probabilities of exercising a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Estate did not make any such adjustment during the period presented.

Carrying value of right-of-use assets

	<b>Office building</b>
	<b>\$'000</b>
<b>Cost</b>	
Balance at 01 July 2019	-
Initial adoption of IFRS 16	155
Additions	-
Disposals	-
Balance at 30 June 2020	<b>155</b>
<b>Accumulated depreciation</b>	
Balance at 01 July 2019	-
Depreciation for the period	37
Disposals	-
Balance at 30 June 2020	<b>37</b>
<b>Net book value</b>	<b>\$'000</b>
At 30 June 2019	-
At 30 June 2020	<b>118</b>

Amounts recognised in the Statement of profit or loss and others

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Net book value</b>		
Depreciation expense on right-of-use-asset	37	-
Interest expense on lease liabilities	5	-
Expenses related to short term or low value leases	-	-
Occupancy expense	11	-

Estate of the Late Edith Collier  
**Notes to the Financial Statements**  
for the financial year ended 30 June 2020

	30 June 2020 (\$'000)	30 June 2019 (\$'000)
<b>3. Accrued income and receivables</b>		
Taxation receivable	1,178	1,592
Prepaid Expenses	-	2
Investment income receivable	349	1,064
	<u>1,527</u>	<u>2,658</u>
<b>4. Investments</b>		
<b>Fair value through profit or loss</b>		
Units in Vanguard Australian Shares High Yield Fund	49,074	58,706
Units in Perpetual Wholesale Ethical SRI Fund	6,354	7,152
Units in Alphinity Wholesale Australian Share Fund	7,847	8,661
Real estate units	4	4
	<u>63,279</u>	<u>74,523</u>
<b>5. Furniture and fittings</b>		
<i>Carrying Amounts of:</i>		
Furniture & Fittings	16	16
	<u>16</u>	<u>16</u>
<b>Cost</b>	<b>Furniture &amp; Fittings</b>	<b>Total</b>
Balance as at 30 June 2019	36	36
Additions	5	-
Balance as at 30 June 2020	<u>41</u>	<u>36</u>
<b>Accumulated Depreciation</b>		
Balance as at 30 June 2019	20	15
Depreciation expense	5	5
Balance as at 30 June 2020	<u>25</u>	<u>20</u>
Written down value	<u>16</u>	<u>16</u>
Aggregate depreciation allocated during the year is recognised as an expense and disclosed in the statement of comprehensive income.		
<b>6. Right of Use Asset</b>		
Office Lease	155	-
Less Accumulated depreciation	(37)	-
	<u>118</u>	<u>-</u>
<b>7. Trade and other payables</b>		
Creditors	3	4
Trustees' commission	200	271
Accruals	147	30
	<u>350</u>	<u>305</u>
<b>8. Lease Liability</b>		
Lease Liability - current	34	-
Lease Liability - non-current	81	-
	<u>115</u>	<u>-</u>

**Notes to the Financial Statements**

for the financial year ended 30 June 2020

	30 June 2020 (\$'000)	30 June 2019 (\$'000)
<b>9. Related party disclosure</b>		
<b>(a) Key Management Personnel Compensation</b>		
All assets are held in the name of Collier Charitable Fund Custodian Corporation, the Custodian of the assets of the Estate.		
The names of the Directors of the Collier Charitable Fund Custodian Corporation who have held office during the financial year are:		
Mr C M Beeny		
Mr A P J Kelly		
Mr E M Kingston		
Mrs A Milledge		
	<u>200</u>	<u>271</u>
During the financial year, the above persons were also Trustees of the Estate, as required by the Constitution of Collier Charitable Fund Custodian Corporation, and are key management personnel of the Estate.		
Ms W Lewis – Executive Officer	<u>161</u>	<u>146</u>
Aggregate compensation of Directors and key management Personnel	<u>361</u>	<u>417</u>
<b>(b) Other Transactions with Related Parties of Key Management Personnel</b>		
The operating surplus includes the following item of expense that resulted from transactions other than compensation, with related entities of key management personnel:		
Legal fees	-	2
Legal fees - Corpus	<u>-</u>	<u>39</u>
Legal fees and disbursements are paid to Maddocks, of which Mr. C M Beeny is a partner, on the same terms and conditions available to other customers.		
<b>10. Remuneration of Auditors</b>		
Audit of the financial report	<u>28</u>	<u>31</u>
The auditor is Deloitte Touche Tohmatsu.		

**Notes to the Financial Statements**

for the financial year ended 30 June 2020

	30 June 2020 (\$'000)	30 June 2019 (\$'000)
<b>11. Notes to the Statement of Cash Flows</b>		
<b>(a) Reconciliation of cash</b>		
For the purposes of the statement of cash flows, cash includes cash on hand and at bank and short term deposits. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
- Cash at bank	7,248	711
- Short term deposits	553	8,247
	<u>7,801</u>	<u>8,958</u>
<b>(b) Reconciliation of Operating surplus to net cash used in operating activities</b>		
Operating surplus	(7,480)	9,726
Net change in fair value of investments	11,244	(4,412)
Non cash charges - Depreciation	42	5
Distributions to charities	(6,094)	(4,986)
Dividend income	(2,771)	(3,884)
Imputation credits	(1,178)	(1,591)
Distribution income	(35)	(37)
Interest income	(149)	(260)
Sundry income	(179)	(177)
Increase / (decrease) in expense accruals	5	(48)
(Increase)/decrease in accrued income and receivables	-	-
Net cash used in operating activities	<u>(6,595)</u>	<u>(5,664)</u>
<b>12. Lease liabilities represent the following commitments</b>		
- not later than 12 months	37	-
- between 12 months and 5 years	84	-
- greater than 5 years	-	-
	<u>121</u>	<u>-</u>

**Notes to the Financial Statements**

for the financial year ended 30 June 2020

**13. Financial instruments**

(a) The following table details the Estate's exposure to interest rate risk:

2020	Weighted average effective interest rate %	Variable interest rate (\$'000)	Fixed maturity dates		Non- interest bearing (\$'000)	Total (\$'000)
			Less than 1 year (\$'000)	1 to 10 years (\$'000)		
<b>Financial assets</b>						
Cash	1.35%	-	7,801	-	-	7,801
Investments:						
Units in Vanguard Australian Shares High Yield Fund	-	-	-	-	49,074	49,074
Units in Perpetual Ethical SRI Fund	-	-	-	-	6,354	6,354
Units in Alphinity Wholesale Australian Share Fund	-	-	-	-	7,847	7,847
Real estate (unlisted)	-	-	-	-	4	4
Receivables	-	-	-	-	1,527	1,527
<b>Financial Liabilities</b>						
Trade and other payables	-	-	-	-	350	350

2019	Weighted average effective interest rate %	Variable interest rate (\$'000)	Fixed maturity dates		Non- interest bearing (\$'000)	Total (\$'000)
			Less than 1 year (\$'000)	1 to 10 years (\$'000)		
<b>Financial assets</b>						
Cash	1.4%	-	8,958	-	-	8,958
Investments:						
Units in Vanguard Australian Shares High Yield Fund	-	-	-	-	58,706	58,706
Units in Perpetual Ethical SRI Fund	-	-	-	-	7,152	7,152
Units in Alphinity Wholesale Australian Share Fund	-	-	-	-	8,661	8,661
Real estate (unlisted)	-	-	-	-	4	4
Receivables	-	-	-	-	2,658	2,658
<b>Financial Liabilities</b>						
Trade and other payables	-	-	-	-	305	305

**Notes to the Financial Statements**

for the financial year ended 30 June 2020

**13. Financial instruments (continued)****(b) Fair value of financial instruments**

The Trustees consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximates their fair values.

Investments other than Cash and Receivables are units in the Vanguard Australian Shares High Yield Fund, Alphinity Wholesale Australian Share Fund and Perpetual Wholesale Ethical SRI Fund which are recorded at year end at redemption value or bid price.

	2020 (\$'000)	2019 (\$'000)
Vanguard Australian Shares High Yield Fund	49,074	58,706
Perpetual Wholesale Ethical SRI Fund	6,354	7,152
Alphinity Wholesale Australian Share Fund	7,847	8,661
Real Estate units	4	4
	<u>63,279</u>	<u>74,523</u>

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2020	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>				
Units in Vanguard Australian Shares High Yield Fund	49,074	-	-	49,074
Units in Perpetual Wholesale Ethical SRI Fund	6,354	-	-	6,354
Units in Alphinity Wholesale Australian Share Fund	7,847	-	-	7,847
Real Estate units	-	-	4	4
Total	<u>63,275</u>	<u>-</u>	<u>4</u>	<u>63,279</u>
2019	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>				
Units in Vanguard Australian Shares High Yield Fund	58,706	-	-	58,706
Units in Perpetual Wholesale Ethical SRI Fund	7,152	-	-	7,152
Units in Alphinity Wholesale Australian Share Fund	8,661	-	-	8,661
Real Estate units	-	-	4	4
Total	<u>74,519</u>	<u>-</u>	<u>4</u>	<u>74,523</u>

## Notes to the Financial Statements

for the financial year ended 30 June 2020

### 13. Financial Instruments (continued)

#### (c) Financial risk management objectives, policies and processes

Risks arising from holding financial instruments are inherent in the Estate's activities and are managed through an internal process of ongoing identification, measurement and monitoring. The Estate may be exposed to credit risk, liquidity risk, market risk, interest rate risk and currency risk.

The Estate was established under the terms of the Will of the Late Edith Collier and the corpus is to remain "in perpetuity" with annual distributions of income. Investments other than Cash and Receivables are units in the Vanguard Australian Shares High Yield Fund, Alphinity Wholesale Australian Share Fund, Perpetual Wholesale Ethical SRI Fund and Real Estate units.

#### Credit risk

Credit risk represents the risk that the counterparty to the financial instrument e.g. bank accounts in funds and accounts receivable will fail to discharge their obligations and cause the Estate to incur a financial loss.

Credit risk is not considered to be significant to the Estate as the counterparty is an Australian bank or the Commonwealth of Australia via the Australian Taxation Office (ATO) or Investment income receivable from creditworthy counterparties within Australia.

	2020 (\$'000)	2019 (\$'000)
Details are:		
Bendigo Bank	7,801	8,958
Commonwealth of Australia - ATO	1,178	1,592
Income receivable - Investments	349	1,064
	<u>9,328</u>	<u>11,614</u>

Investments at 30 June 2020 comprise:

	2020 %	2019 %
Vanguard Australian Shares High Yield Fund	77.6	78.8
Perpetual Wholesale Ethical SRI Fund	10.0	9.6
Alphinity Wholesale Australian Share Fund	12.4	11.6
Real Estate units	0.0	0.0

#### Liquidity risk

The Estate maintains its cash holdings plus accounts receivable at approximately equal to its accumulated income at all times during the year to enable the Trustees to pay distributions when determined by them.

#### Financial liabilities

The Estate incurs minor value operating liabilities. These are settled when due.

#### Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

Given that the Estate is an "in perpetuity" investor, apart from asset allocation monitoring, no market risk mitigation process is in operation.

## Notes to the Financial Statements

for the financial year ended 30 June 2020

### 13. Financial Instruments (continued)

#### Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows.

Given that the Estate is an "in perpetuity" investor and has no material financial obligations to external parties no interest rate mitigation process is applied, and no sensitivity analysis conducted.

An indicator of the Cash element of interest rate risk is as follows:

	2020 (\$'000)	2019 (\$'000)
Cash	7,801	8,958
Interest rate range	1.35% - 0%	1.20% - 0%

#### Currency Risk

All investments and transactions are in Australian dollars.

#### Other price risk

The Estate is exposed to price risk in investments in the investment funds. If the investment funds had been 10% higher or lower, profit for the year ended 30 June 2020 would have been \$6,327,290 higher/lower (2019: \$7,452,019)

### 14. Employees

	2020 No	2019 No
Number of employees at the end of the financial year.	1	1

### 15. Subsequent events

Subject to the following comment, there has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Estate, the results of those operations or the state of affairs of the Estate in future financial years other than as may be referred to in the financial statements or the notes to the statements.

The Trustees have resolved to modify the Estate's investment strategy. Currently, almost all of the Estate's capital is invested, through passively and actively managed funds, in Australian equities. It is proposed that, over time, the Estate will move to a position where approximately 50% of its capital will be invested, through passively managed funds, in Australian equities and approximately 50% of its capital will be invested, through passively and actively managed funds, in international equities. It is hoped that this modification will, in the longer term, lead to greater capital growth. In the shorter term, it may result in less income being earned by the Estate.

### 16. Contingent liabilities

There are no known contingent liabilities at 30 June 2020

## Notes to the Financial Statements

for the financial year ended 30 June 2020

### 17. General trust information

The Estate of The Late Edith Collier is a Trust, domiciled in Australia. The purpose of the Trust is to distribute the net annual income to charities in accordance with the terms of the Will of The Late Edith Collier.

The registered office and principal place of business of the trust is:

Level 31, 570 Bourke Street

Melbourne VIC 3000

Telephone: (03) 9670 1647 Website: [www.colliercharitable.org](http://www.colliercharitable.org)