

**NOTICE OF ANNUAL GENERAL MEETING**  
**THE ERYLDENE TRUST**  
(ABN 60 001 732 592)

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the above named Company will be held

at: 17 McIntosh Street, Gordon

on: Sunday, 5<sup>th</sup> June 2011

at: 2:30pm

**BUSINESS**

1. To receive and, if thought fit, adopt the financial statements of the company for the year ended 31 December 2010, together with the reports of the directors and auditor attached thereto.
2. To elect the Office Bearers and Committee for the ensuing year.
3. To deal with any other business.

**DATED:** 11<sup>th</sup> April 2011

BY ORDER OF THE BOARD

Phillip Browne  
Secretary

Nomination forms for the Committee may be obtained from Eryldene. Forms must be lodged at Eryldene by Saturday, 4<sup>th</sup> June 2011.

A Member may appoint a proxy to attend and vote for him or her at the meeting. A Member so wishing should complete the enclosed proxy form and lodge it at Eryldene by Saturday, 4<sup>th</sup> June 2011.

**THE ERYLDENE TRUST**  
(A COMPANY LIMITED BY GUARANTEE)  
ABN 60 001 732 592

**TWENTY-NINTH ANNUAL REPORT 2010**

**TO BE PRESENTED AT THE TWENTY- NINTH  
ANNUAL GENERAL MEETING AT  
ERYLDENE, 17 MCINTOSH STREET, GORDON  
ON 5<sup>th</sup> JUNE 2011**

**I N D E X**

Directors' Statement Including Chairman's review of activities

Property Report

Garden Council Report

Treasurers Report

Directors' Declaration

Charitable Fundraising Authority Declaration

Auditor Independence Declaration

Auditors' Report to Members

Statement of Comprehensive Income

Statement of Financial Position

Statement of Change in Members Equity

Statement of Cash Flows

Notes to the Accounts

Auditors' Disclaimer

Detailed Income Statement

**THE ERYLDENE TRUST**  
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**Directors' Statement 2010**

***Chairman's Review of Activities – David Fairlie***

2010 has been an active and successful year for Eryldene.

As can be seen from the accounts attached to this Annual Report, our income was almost \$170,000, the largest ever recorded. As might be expected, our expenses also increased, but not as markedly, so that this year, we were able to break even for the first time in many years.

Particularly pleasing was the large increase in revenue from venue hire and tours. Thanks are due particularly to our Events and Property Manager, Anne Davey, for this item, and to everyone else who contributed to the overall great result.

There was one change in the membership of the Board during the period. Sheridan Burke, unfortunately found her work commitments such that she could no longer devote sufficient time to the board and resigned at the beginning of the year. Sheridan's contribution has been outstanding, and will be missed, although she will stay closely involved with the Eryldene community.

In the middle of the year Anne Warr was appointed a director in her place. Anne is a Heritage Architect and has already made a significant contribution to the Board's activities.

The other governance change during the year has been the setting up of an Executive Committee, comprised of our Treasurer, Phil Browne, Penny Holden, Anne Davey and myself, which meets on alternate months to full board meetings.

On the day of the Annual Meeting in June, we launched our Chinoiserie Booklet on the Chinese influences on Eryldene. Ku-ring-gai Council had provided a grant to allow us to produce the booklet and the Mayor, Ian Cross, spoke at the launch, as did Dr James Broadbent, who had written the text of the booklet for us.

The other matter which has pleased me greatly during the year, is the quality of our Eryldene magazine, which now comes out regularly in May and November. I often receive compliments from a range of people, not only from Trust members, about our magazine and I would like to thank, in particular, board member David Tunny for taking on the responsibility of this project.

Thanks again to all who have supported the Trust during the year and in particular to my fellow board members. This year and next will be a busy time with our centenary celebrations commencing– I have written in more detail about those plans in my separate Chairman's report for the Foundation, but I believe that we are now well placed to derive full benefit from those events, so that the house and garden can become financially secure for the next one hundred years.

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**Directors**

**Directors in office at the date of this report:**

David Fairlie, Chairman

Solicitor

General Counsel

Competitive Foods Australia

Appointed: 14 December 2006

Ian Waterhouse, Vice Chairman

Emeritus Professor of Psychology, Macquarie University

Youngest son of E G Waterhouse of Eryldene

Appointed: 14 November 1983

Peter Levick

Retired Optometrist

Nominee of The NSW Camellia Research Society Inc

Appointed: 9 December 2004

Rachel O'Conor

Physiotherapist

Nominee of The NSW Camellia Research Society Inc

Appointed: 11 April 2001

Penelope Holden

Heritage Consultant

Appointed 20 May 2001

Phillip Browne, Secretary & Treasurer

Chartered Accountant

Cabel Partners

Appointed: 30 July 2007

Judith Blayden

Management Consultant

Ausresolve Management Services

Appointed: 4 August 2008

David Tunny

Appointed 1 June 2009

Anne Warr

Heritage Architect

Appointed 12 April 2010

**Other Board attendees**

Jennifer Anderson

Deputy Mayor

Ku-ring-gai Council

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**Directors**

**Directors in office at the date of this report (continued):**

Cheryl Szatow  
Councillor  
Ku-ring-gai Council

Anne Davey  
Event and Property Manager

Robert Bracht  
Minute Secretary

**Meetings of Directors**

During the 2010 calendar year, there were 4 meetings of Directors. The number of meetings attended by each Director was as follows:

<b>Directors in office during 2010 unless indicated otherwise below *</b>	<b>No. of Directors Meetings Eligible to Attend</b>	<b>Attended</b>	<b>No. of Executive Meetings Eligible to Attend</b>	<b>Attended</b>
David Fairlie	6	6	2	2
Ian Waterhouse	6	4		
Peter Levick	6	4		
Rachel O'Connor	6	6		
Penelope Holden	6	4	2	1
Phillip Browne	6	4	2	1
Judith Blayden	6	4		
David Tunny	6	4		1
Anne Warr	6	3		

**Trust Membership**

	<b>2010</b>
Family Members	29
Single Members	81
Life Memberships at 31 December 2009	64
	<hr style="width: 100%; border: 0.5px solid black;"/>
	174
	<hr style="width: 100%; border: 0.5px solid black;"/>

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**Additional Statutory Information**

*Principal Activities*

The principal activities of the Company during the year were the maintenance of the Trust property and the opening of Eryldene to the public as an historic house and garden. There were no significant changes in the nature of those activities during the year.

*Results*

The net profit for the financial year ended 31 December 2010 was \$191 which compared with a loss of \$(5,692) for the previous year. The Trust is exempt from Income Tax.

*Review of Operations*

A review of the operations of the Company during the financial year, is set out earlier in this Report under 'Chairman's Review of Activities'.

*Significant Changes in the State of Affairs*

There were no significant changes in the state of affairs of the Company during the year ended 31 December 2010.

*Matters Subsequent to the End of the Financial Year*

At the date of this report, there are no matters or circumstances that have arisen since the end of the financial year that have affected or may significantly affect:

- (i) the operations of the company;
- (ii) the result of those operations; or
- (iii) the state of affairs of the company.

*Directors' Interests*

Since the end of the previous financial year, no Director of the Trust has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements, or the fixed salary of a full-time employee of the Trust or of a related corporation) from a contract made by the Trust or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

*Officer or Auditor Indemnification*

The Trust has not, during or since the financial year, in respect of any person who is, or has been, an officer or auditor of the Trust:

- indemnified or made any relevant agreement for indemnifying against liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against liability for the costs or expenses to defend legal proceedings.

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*Auditor's Independence Declaration*

Brooks Deane & Powne continues in office in accordance with Section 327 of the Corporations Law. A copy of the Auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is included in the financial report.

This Report is made in accordance with a resolution of the Board.

Signed this 27<sup>th</sup> day of April 2011 in accordance with a resolution of the Directors.

D Fairlie  
Chairman

P Browne  
Director (Treasurer)

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***Eryldene Property Report 2010 – Anne Warr***

During 2010, the following conservation works were undertaken at Eryldene:

**1. Re-tiling of Garden study roof and repair of steps to Teahouse**

A NSW heritage grant of \$30,000, with an equivalent amount raised by Eryldene, enabled the Garden study roof to be re-tiled and the foundations of the steps to the Teahouse to be re-built. The work was supervised by Eryldene's honorary architect, Robert Moore.

**2. New floor covering to kitchen**

In 2010, a generous donation enabled the lino in the kitchen to be replaced. The existing lino had been laid in 1983 during conservation works by Clive Lucas and Associates, and had been chosen to match as closely as possible the original lino laid in 1914 when Eryldene was constructed, in both material and method. A similar approach was taken in 2010 to the replacement of the 1983 lino. 'Marmoleum' was selected as the closest available match to the exiting lino. Greg Brown of Sydney Restoration Company laid the new floor covering over the floorboards, with lining paper between, and carefully cut it to fit the edges of the room, without any fixing at the edges. After allowing for expansion of the marmoleum over a few weeks, it was trimmed. The result is a floor covering that matches the original lino laid in 1914, as closely as possible.

**3. Recurrent maintenance**

Recurrent maintenance carried out at Eryldene during 2010 included:

- Inspection of roof and subsequent repair of roof valleys and loose tiles.
- Termite inspection and treatment
- General cleaning

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***Garden Council Report 2010 – Peter Levick***

Eryldene Garden Council Annual Report for 2010

Members: Elizabeth Standen, Judy James, Ian Waterhouse, Helen Wallace, Peter Levick, Helen Bryant, Rosemary Potts, Craig Newman, and John Pearman, Chairman.

The Council met monthly from January to November; its major duty was advising the Gardening Contractor of tasks outside the regular routine. The Council, throughout the year, was a happy, cohesive and productive group

Many of the members of the Council have worked weekly in the Garden alongside the other volunteers who contribute significantly to the care and appearance of the Garden.

Projects that have been worked on include rejuvenation of some of Eryldene's four hundred tubbed camellias. Another is the preparation of a maintenance schedule for the Garden, this has proved a much larger task than anticipated, however, it is expected that it will be completed in the near future. Archive photos of Eryldene have been sourced and will be included in this schedule.

Professor Waterhouse was an admirer of the Orient (home of camellias); he would have been pleased with "cloud pruning" of the azaleas that has been achieved along the northern boundary of the tennis court.

The Garden Council is very aware of its responsibility in maintaining, as far as physically possible, the authenticity of Gowrie Waterhouse's Garden and has been encouraged by the many favourable comments from visitors to Eryldene.

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**Treasurer's Report 2010 – Phillip Browne**

Operations resulted in a trading profit of \$191 for the 2010 calendar year . This is the second year that there was no contribution from The Eryldene Foundation.

There is a \$40,000 increase in gross income to \$170,000 this year and slightly less increase in expenditure. The income increase was principally in venue hire and tours. Our Manager house and garden is to be commended for this improvement. Events income increased due principally to increase from the Christmas Fair and secondarily for the volunteer effort in high teas, café and plant sales. Gate numbers audit has improved with the issue of. Grants income increased three fold enabling works to be funded without using scarce resources of the trust. Grant income is a very time consuming exercise, often unsuccessful and is an uncertain way to manage major works projects. The additional voluntary donations continue to exceed the small reduction in membership fees and this has proved a successful change in our overall membership income.

Expenditure in our major areas of garden and employee costs was constant this year and the focus has been on marketing and publicity. Since balance date we have changed insurance brokers in order to save costs and achieve a better insurance service.

The trust ended the year with \$45,000 in cash and this represents on average a four month expenditure buffer. Such a buffer is low, placing continuing reliance on The Foundation in the event of significant non grant funded commitments.

This is the first year we have produced profit and loss by event and within each event profit by category. You may be interested in the event results which are set out below. We are now able to compare over a three year period the results of each sales event and within that the profit of the shop, café, high teas, raffles, gate and other activities. This is proving very useful in the financial management of the Trust. Some sales were also made as a result of tours.

	Twilight	April	May	June	July	Open Garden	August	Sept	Christmas	Total
	Jazz	Open Weekend				Scheme	Open Weekend		Fair	Events
<b>Income</b>										
Donations	95	0	2	66	18	27	2398	78		2684
Gate	4412	953	891	618	1182	3904		1363	6780	20103
Café	604	339	928	506	650	1107	756	777	3625	9292
Raffle	670	128	476	132	106		177	96	829	2614
Shop (gross)		688	140	764	578	1864	915	1541		6490
Books		553								553
Brochures		105	30		45	57	21	69		327
Teatime		85	346					411		842
High Teas		270	5293		331	216	162	608		6880
Plant Sales			33	187	203	487	44	124		1078
Eryldene stall (gross)							71		1681	1752
Stall hire								435	22410	22845
	5781	3121	8139	2273	3113	7662	4544	5502	35325	75460

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*Treasurer's Report 2010 (continued)*

Our bookkeeper Cindy Davey retired during the year and her good work has continued and been expanded by John Hayter. John is proactive and my role is substantially improved by having such a good volunteer bookkeeper.

I would also like to acknowledge the help provided to me by the people in my firm who have assisted with advertising, stocktake, financial statement preparation, audit preparation and numerous other matters during the year.

**THE ERYLDENE TRUST**  
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**AUDITOR INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT  
TO THE DIRECTORS OF THE ERYLDENE TRUST**

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2010 there have been:

- (i) no contravention of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contravention of any applicable code of professional conduct in relation to the audit.

**Name of Firm:** Brooks, Deane & Powne

**Name of Partner:** Carl Gilmore

**Address:** Level 11, 1 Margaret Street Sydney NSW

Dated this 28<sup>th</sup> day of April 2011.

**THE ERYLDENE TRUST**  
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**DECLARATION BY DIRECTORS**

**DIRECTORS DECLARATION  
FOR THE YEAR ENDED 31 DECEMBER 2010**

The Directors declare that: -

1. The financial statements are in their opinion in accordance with the Corporations Act 2001; and
  - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position as at 31 December 2010 and of the performance for the year ended on that date of the foundation
2. In the Directors' opinion, there are reasonable grounds to believe that the foundation will be able to pay its debts as and when they become due and payable.

This Declaration is made in accordance with a resolution of the Directors.

D Fairlie  
Chairman

P Browne  
Director (Treasurer)

Dated the 27<sup>th</sup> day of April 2011.

**THE ERYLDENE TRUST**  
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**CHARITABLE FUNDRAISING AUTHORITY DECLARATION  
FOR THE YEAR ENDED 31 DECEMBER 2010**

In my opinion as a Director of The Eryldene Trust:

1. the statement of Comprehensive Income gives a true and fair view of all income and expenditure of the organisation with respect to fundraising appeals, and
2. the statement of financial position gives a true and fair view of the state of affairs of the organisation with respect to fundraising appeals conducted by the organisation, and
3. the provisions of the Charitable Fundraising Act 1991 No 69, the regulations under the Act and the conditions attached to the authority have been complied with by the Trust, and
4. the internal controls exercised by the Trust are appropriate and effective in accounting for all income received and applied by the Trust from any of its fundraising appeals.

Phillip Browne  
Director (Treasurer)  
27<sup>th</sup> April 2011

## **Scope**

The general purpose financial report comprises the Income Statement, Balance Sheet and Notes to the financial statements of the Eryldene Trust for the year ended 31 December, 2010. The financial report is prepared on the basis set out in Note 1 to the accounts.

The directors of the Eryldene Trust are responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements and needs of Eryldene Trust. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. We disclaim any assumptions of responsibility for any reliance on this report or on the financial report to which it relates.

## **Audit Approach**

We conducted an independent audit of the financial report in order to express an opinion to the members of the Eryldene Trust. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the Eryldene Trust financial position, and of its performance as represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate to the needs of the Eryldene Trust.

We formed our audit opinion on the basis of these procedures, which included:

- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Officers.

While we considered the effectiveness of management's internal controls over the financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE ERYLDENE TRUST (CON'T)  
(A COMPANY LIMITED BY GUARANTEE) ACN 051 439 984**

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**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and declare to the best of our knowledge and belief our independence in respect of this audit assignment.

The audit opinion expressed in this report has been formed on the above basis.

**AUDIT OPINION**

In our opinion, the financial reports of the Eryldene Trust are properly drawn up:

- (a) so as to give a true and fair view of:
  - (i) the financial position of the Eryldene Trust as at 31 December, 2010 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- (b) complying with Accounting Standards in Australia to the extent described in Note 1.

***BROOKS, DEANE & POWNE***

**Chartered Accountants**

.....  
Carl Gilmore– Partner

Signed: 28<sup>th</sup> April 2011  
Sydney

**THE ERYLDENE TRUST**  
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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	2010 \$	2009 \$
Revenues from operating activities	2	169,199	139,515
Employee expense	3	(38,631)	(36,893)
Depreciation and Amortisation expense	3	(1,663)	(720)
Other expenses	3	(128,714)	(107,594)
Donation from related company		0	0
<b>Profit/(loss) from ordinary activities before income tax expense</b>		191	(5,692)
Income tax expense		—	—
Net profit/(loss) and total change in equity	1(a)	<u>191</u>	<u>(5,692)</u>

The audit report and accompanying notes form part of these financial statements

**THE ERYLDENE TRUST**  
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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2010**

	Notes	2010 \$	2009 \$
<b>CURRENT ASSETS</b>			
Cash	4	45,402	64,814
Stock on Hand		2,276	2,428
Receivables		10,575	917
Prepayment		<u>550</u>	<u>-</u>
<b>Total Current Assets</b>		<u>58,803</u>	<u>68,159</u>
<b>NON-CURRENT ASSETS</b>			
Land, Building, Plant & Equipment	5	1,398,424	1,396,640
Trade Marks	6	<u>1,150</u>	<u>-</u>
<b>Total Non-Current Assets</b>		<u>1,399,574</u>	<u>1,396,640</u>
<b>TOTAL ASSETS</b>		<u>1,458,377</u>	<u>1,464,799</u>
<b>CURRENT LIABILITIES</b>			
Income Received in Advance	7	5,771	10,520
Trade Creditors		3,847	7,088
Accruals		<u>1,378</u>	<u>-</u>
<b>Total current liabilities</b>		<u>10,996</u>	<u>17,608</u>
<b>TOTAL LIABILITIES</b>		<u>10,996</u>	<u>17,608</u>
<b>NET ASSETS</b>		\$ <u>1,447,381</u>	\$ <u>1,447,191</u>
<b>MEMBERS EQUITY</b>		\$ <u>1,447,381</u>	\$ <u>1,447,191</u>

The audit report and accompanying notes form part of these financial statements

**THE ERYLDENE TRUST**  
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**STATEMENT OF CHANGES IN MEMBERS EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	<b>Retained Earnings \$</b>	<b>Total \$</b>
<b>Balance at 1 January 2009</b>	1,452,882	1,452,882
Loss for the year	<u>(5,692)</u>	<u>(5,692)</u>
<b>Balance at 31 December 2009</b>	1,447,190	1,447,190
Profit for the year	<u>191</u>	<u>191</u>
<b>Balance at 31 December 2010</b>	<u>1,447,381</u>	<u>1,447,381</u>

The audit report and accompanying notes form part of these financial statements

**THE ERYLDENE TRUST**  
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**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	2010 \$	2009 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from donors and others		164,238	136,205
Payments to suppliers and employees		(180,547)	(147,084)
Interest received		<u>1,495</u>	<u>1,388</u>
<b>Net Cash Provided by / (used in) Operating Activities</b>	12(b)	<u>(14,814)</u>	<u>(9,670)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments for plant and equipment</b>		(4,597)	130
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		_____ -	_____ -
Net Increase / (Decrease) in cash held		(19,411)	(9,800)
Cash at beginning of year		<u>64,813</u>	<u>74,614</u>
Cash at end of year	12(a)	<u>45,402</u>	<u>64,814</u>

The audit report and accompanying notes form part of these financial statements

**THE ERYLDENE TRUST**  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report, that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

They have been prepared on the basis of historical costs and except where stated do not take into account the changing money values or current valuations of non-current assets.

The accounting policies have been consistently applied by the company and, except where there is a change in accounting policies are consistent with those of the previous year.

a) Income Tax

The company is exempt from income tax under the Income Tax Assessment Act 1997.

b) Land

Land has been separated from Buildings at its cost at purchase, namely \$140,000. Revaluation, based on Heritage Land Valuation by Registrar General, dated 1 July 2008 has been adopted by Directors resulting in an Asset Revaluation Reserve of \$1,220,000 and Land at valuation of \$1,360,000.

c) Buildings, Plant & Equipment

Acquired items of building, plant and equipment are recorded at cost and depreciated as outlined below:  
The principal depreciation rates in use are:

Plant            &        10.0% pa on written down value  
Equipment

Depreciation of Buildings ceased at 31 December 2007 as the Directors are of view that the Buildings do not warrant impairment beyond that which has accrued to date.

d) Stock on hand is valued at the lower of cost and net realisable value.

**THE ERYLDENE TRUST**  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	<b>2010</b>	<b>2009</b>
	\$	\$
<b>2. REVENUES</b>		
Revenue from operating activities:		
Donations – others*	36,559	40,414
Interest received	1,495	1,388
Membership fees	1,580	1,560
Venue hire and Tours	28,937	16,765
Rent received	5,243	5,200
Sundry Income	71	-
Grants Received	21,280	6,846
Events at Eryldene	<u>74,034</u>	<u>67,342</u>
<b>From Operations</b>	<u>169,199</u>	<u>139,515</u>
Donations – The Eryldene Foundation Limited	0	0
 <b>TOTAL REVENUE</b>	 <u>169,199</u>	 <u>139,515</u>

\* ‘Donations – others’ includes amounts received from members and non-members as a result of fundraising appeals from time to time. These are the only fundraising appeals conducted by The Eryldene Trust, as defined under the Charitable Fundraising Act 1991 No 69. The only direct expenses associated with this fundraising are administration.

**THE ERYLDENE TRUST**  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)**

3. EXPENSES	2010	2009
Expenses incurred in operations:	2,640	1,320
Depreciation and Amortisation Expense	1,663	720
Events at Eryldene	27,112	23,734
Garden/Lawn	29,150	30,060
Grant Expenditure	21,179	6,846
Insurance	7,605	7,445
Other expenses	2,972	1,882
Printing/Postage/Stationary	4,160	4,777
Property maintenance	23,600	23,743
Rates/Energy	6,444	5,015
Salaries & Contract	38,631	36,893
Telephone and website	<u>3,852</u>	<u>2,772</u>
<b>Total Expenses</b>	<u>169,008</u>	<u>145,207</u>

2010	2009
\$	\$

4. CASH

Cash on Hand – Petty Cash and floats	1,301	1,201
Cash at Bank - Westpac	<u>44,101</u>	<u>63,613</u>
	<u>45,402</u>	<u>64,814</u>

5. PROPERTY, PLANT & EQUIPMENT

Land (at valuation)	<u>1,360,000</u>	<u>1,360,000</u>
Land & Buildings (at cost)	192,818	192,818
Accumulated Depreciation	<u>(166,209)</u>	<u>(166,209)</u>
	<u>26,609</u>	<u>26,609</u>
Plant & Equipment (at Cost)	94,660	91,563
Accumulated Depreciation	<u>(82,845)</u>	<u>(81,532)</u>
	<u>11,815</u>	<u>10,031</u>
	<u>\$1,398,424</u>	<u>\$1,396,640</u>

**THE ERYLDENE TRUST**  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)**

	<b>2010</b>	<b>2009</b>
	\$	\$
<b>6. TRADEMARKS</b>		
Trademarks (at cost)	1,500	-
Accumulated Amortisation	<u>(350)</u>	-
	<u>1,150</u>	-
 <b>7. INCOME RECEIVED IN ADVANCE – SPECIAL PURPOSE FUNDS</b>		
Jane Marsh Fund	604	1,220
National Library of Australia	2,640	4,400
Ku-ring-gai Council	-	3,500
Income Received in Advance for next year's Events	2,527	700
Deposits by exhibitors	<u>-</u>	<u>700</u>
	<u>5,771</u>	<u>10,520</u>

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Jane Marsh Fund \$604

In 2007, the Board established a permanent Fund, to be called the Jane Marsh Fund, for conservation and interpretation projects at Eryldene, naming the Fund in honour of Jane Marsh, whose delight in Eryldene, and appreciation of the importance of its authenticity and integrity were well known. The Fund is administered by The Eryldene Trust Board with the objective of supporting the conservation and interpretation work of furniture and furnishings needed by Eryldene. The permanent naming of the Fund in her memory commemorates her dedication, and ensures that her name will be continued in the life of the house.

During the year \$616 was expended on repairs to Kylims and Large earthenware polychrome pots.

National Library of Australia \$2,640

In 2009, The Board was awarded a \$4,400 grant from the National Library of Australia to undertake an assessment of the historical significance of the collection at Eryldene.

During the year \$1,760 was expended.

Income Received for Weddings \$2,527

This revenue was received for venue hire services to be provided in 2011.

## 8. RELATED PARTY TRANSACTIONS

Directors, David Fairlie, Ian Waterhouse, Penny Holden, David Tunny and Phillip Browne are common to both The Eryldene Trust and The Eryldene Foundation Limited. It is agreed that the net income of The Eryldene Foundation Ltd (subject to retention of any prudent reserve) will be transferred when required to the Trust for the purpose of maintaining Eryldene House and Garden.

## 9. SEGMENT REPORTING INFORMATION

As the company operates in one geographic area and obtains its income from a single stream of activity, no segment reporting is necessary.

## 10. MEMBERS GUARANTEE

The company is limited by Guarantee. If the company is wound up, the Memorandum of Association states that each member or any person who ceased to be a member within one year of the winding up is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the company. At 31 December 2010, there were 29 Family Members and 81 Single Members and 64 life members of the Trust.

## 11. REMUNERATION DIRECTOR & EXECUTIVE

### a. Directors remuneration

The Directors of the company are all non-executive and did not receive any remuneration.

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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

b) Executive Directors

There are no executive directors.

c) The Directors who have held office during the year were:

Mr David Fairlie, Professor Ian Waterhouse, Mr Peter Levick, Mrs Rachel O’Conor, Mrs Penelope Holden, Mr Phillip Browne, Mrs Judith Blayden, Mr. David Tunny, and Mrs Anne Warr.

12. NOTES TO THE STATEMENT OF CASH FLOWS

a) Reconciliation of Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in banks and investments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet.

	<b>2010</b>	<b>2009</b>
	\$	\$
Cash on Hand – Petty Cash	1,301	1,201
Cash at Bank - Westpac	<u>44,101</u>	<u>63,613</u>
	<u>45,402</u>	<u>64,814</u>

b) Reconciliation of Net Cash provided by Operating Activities to operating Profit after Income Tax

Operating Profit / (Loss) after income tax	191	(5,692)
Non Cash Flows in Operating Loss		
- Depreciation and amortisation	<u>1,663</u>	<u>720</u>
Changes in assets & liabilities		
- Increase/(decrease) in creditors	(5,902)	(2,597)
- Decrease/(increase) in stock	151	-
- Decrease/(increase) in debtors	(9,658)	730
- Increase/(decrease) in Prepayments & Deposits	(550)	-
- Increase/(decrease) in Sundry Creditors/Accruals	4,106	-
- Increase/(decrease) in PAYG payable	(66)	-

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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)**

- Increase /(decrease) in income received in advance	<u>(4,749)</u>	<u>(2,832)</u>
Net Cash provided by / (used in) Operating activities	\$ <u>(14,814)</u>	\$ <u>(9,670)</u>

13. ASIC CLASS ORDER REGARDING LIMITED

ASIC has granted approval for the company to exclude the word “Limited” from the end of its name.

14. EVENTS SUBSEQUENT TO REPORTING DATE

At the date of this report, there are no matters or circumstances which have arisen since 31 December 2010 that have significantly affected or may significantly affect:-

- (i) the operation of the organisation;
- (ii) the results of those operations; or
- (iii) the state of affairs of the organisation

in financial years subsequent to 31 December 2010

## **AUDITORS' DISCLAIMER**

On the basis of information provided by directors of Eryldene Trust, we have compiled in accordance with APS 9: Statement on Compilation of Financial Reports the special purpose financial report of Eryldene Trust for the year ended 31 December, 2010.

The specific purpose for which the general purpose financial report has been prepared is to provide private information to the directors of Eryldene Trust. The extent to which Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The Eryldene Trust is solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to satisfy the requirements of the directors.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Eryldene Trust provided, into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Eryldene Trust, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the Eryldene Trust and its members and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

Signed at Sydney this 28<sup>th</sup> day of April 2011.

**BROOKS, DEANE & POWNE**  
**Chartered Accountants**

Carl Gilmore – Partner

**THE ERYLDENE TRUST**  
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**DETAILED PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	<b>2010</b>	<b>2009</b>
	\$	\$
Revenue from operating activities:		
Donations – others*	36,559	40,414
Interest received	1,495	
		1,388
Membership fees	1,580	1,560
Venue hire and Tours	28,937	16,765
Rent received	5,243	5,200
Sundry Income	71	-
Events at Eryldene	74,034	67,342
Donations – Eryldene Foundation	0	0
Grants received	<u>21,280</u>	<u>6,846</u>
<b>From Operations</b>	<u>169,199</u>	<u>139,515</u>
Donations – The Eryldene Foundation Limited	0	0
<b>TOTAL REVENUE</b>	<u>169,199</u>	<u>139,515</u>

**OPERATING EXPENDITURE**

Audit fees	2,640	1,320
Depreciation and Amortisation Expense	1,663	720
Events at Eryldene	27,112	23,734
Garden/Lawn	29,150	30,060
Grant Expenditure	21,179	6,846
Insurance	7,605	7,445
Other expenses	2,972	1,882
Printing/Postage/Stationery	4,160	4,777
Property maintenance	23,600	23,743

**THE ERYLDENE TRUST**  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)**

Rates/Energy	6,444	5,015
Salaries & Contract	38,631	36,893
Telephone and website	<u>3,852</u>	<u>2,772</u>
<b>Total Expenses</b>	<u>169,008</u>	<u>145,207</u>
<b>Profit/(loss) from ordinary activities before Income tax expense</b>	191	(5,692)
Income tax expense	=	=
Net profit/(loss) and total change in equity	<u>191</u>	<u>(5,692)</u>

These financial statements should be read in conjunction with  
the attached Auditor's Disclaimer of Brooks Deane & Powne.