

Macquarie Gilt Edge Access Account

ARSN 090 384 268

Annual report - 30 June 2009

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This financial report covers Macquarie Gilt Edge Access Account as an individual entity.

The Responsible Entity of Macquarie Gilt Edge Access Account is Macquarie Investment Services Limited (ABN 73 071 745 401). The Responsible Entity's registered office is Mezzanine Level, No.1 Martin Place, Sydney, NSW 2000.

Directors' report

The directors of Macquarie Investment Services Limited (a wholly owned subsidiary of Macquarie Group Limited), the Responsible Entity of Macquarie Gilt Edge Access Account, present their report together with the financial report of Macquarie Gilt Edge Access Account ("the Trust") for the year ended 30 June 2009.

Principal activities

The Trust invests in New Zealand money market securities and fixed interest securities in accordance with the provisions of the Trust Constitution.

The Trust did not have any employees during the year.

There were no significant changes in the nature of the Trust's activities during the year.

Directors

The following persons held office as directors of Macquarie Investment Services Limited during the year or since the end of the year and up to the date of this report:

B N Terry
 D Craig (resigned 07/05/2009)
 P J Coleman (resigned 23/06/2009)
 E Becker
 K J Vincent (appointed 23/06/2009)
 M Lukin (appointed 23/06/2009)

Review and results of operations

During the year, the Trust continued to invest funds in accordance with its investment strategy as set out in the Trust's current product disclosure statement and in accordance with the provisions of the Trust Constitution.

Results

The performance of the Trust, as represented by the results of its operations, was as follows:

	Year ended	
	30 June 2009	30 June 2008
Operating profit/(loss) before finance costs attributable to unitholders (NZD'000)	<u>13,751</u>	<u>20,607</u>
<i>Distributions</i>		
Distribution paid and payable (NZD'000)	<u>13,751</u>	<u>20,607</u>
Distribution (cents per unit)	<u>6.36</u>	<u>8.45</u>

Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Trust that occurred during the financial year under review.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2009 that has significantly affected, or may significantly affect:

- (i) the operations of the Trust in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Trust in future financial years.

Likely developments and expected results of operations

The Trust will continue to be managed in accordance with its investment strategy as set out in the current product disclosure statement of the Trust and in accordance with the provisions of the Trust Constitution.

Directors' report (continued)

The results of the Trust's operations will be affected by a number of factors, including the performance of investment markets in which the Trust invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Further information on likely developments in the operations of the Trust and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Trust.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Trust in regards to insurance cover provided to either the officers of Macquarie Investment Services Limited or the auditors of the Trust. So long as the officers of Macquarie Investment Services Limited act in accordance with the Trust Constitution and the Law, the officers remain indemnified out of the assets of the Trust against losses incurred while acting on behalf of the Trust. The auditors of the Trust are in no way indemnified out of the assets of the Trust.

Fees paid to and interests held in the Trust by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of Trust property during the year are disclosed in note 9 on page 18 of the financial statements.

No fees were paid out of Trust property to the directors of the Responsible Entity during the year.

The number of interests in the Trust held by the Responsible Entity or its associates as at the end of the financial year are disclosed in note 9 on page 18 of the financial statements.

Interests in the Trust

The movement in units on issue in the Trust during the year is disclosed in note 6 of the financial statements.

The value of the Trust's assets and liabilities is disclosed on the balance sheet and derived using the basis set out in note 2 of the financial statements.

Environmental regulation

The operations of the Trust are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

Rounding of amounts to the nearest thousand dollars

The Trust is an entity of the kind referred to in Class Order 98/0100 (as amended) issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

Auditor's independence declaration


A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of the directors.

Directors' report (continued)



B N Terry



K J Vincent
Director

Sydney
22 September 2009

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Auditor's Independence Declaration

As lead auditor for the audit of Macquarie Gilt Edge Access Account for the year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Macquarie Gilt Edge Access Account.



E A Barron
Partner
PricewaterhouseCoopers

Sydney
22 September 2009

Income statement

	Notes	30 June 2009 NZD'000	30 June 2008 NZD'000
Investment income			
Interest income from financial assets not held at fair value through profit or loss		1,256	3,429
Net gains/(losses) on financial instruments held at fair value through profit or loss	5	<u>12,581</u>	<u>17,322</u>
Total net investment income/(loss)		<u>13,837</u>	<u>20,751</u>
Expenses			
Interest expense		<u>86</u>	<u>144</u>
Total operating expenses		<u>86</u>	<u>144</u>
Operating profit/(loss)		<u>13,751</u>	<u>20,607</u>
Finance costs attributable to unitholders			
Distributions to unitholders		<u>(13,751)</u>	<u>(20,607)</u>
Profit/(loss) for the year		<u>-</u>	<u>-</u>

The above income statement should be read in conjunction with the accompanying notes.

Balance sheet

	Notes	30 June 2009 NZD'000	30 June 2008 NZD'000
Assets			
Cash and cash equivalents	7	19,370	29,217
Application clearing account		2,707	5,799
Receivables		-	10
Interest receivable		-	179
Financial assets held at fair value through profit or loss	8	<u>182,441</u>	<u>216,606</u>
Total assets		<u>204,518</u>	<u>251,811</u>
Liabilities			
Distributions payable		8	46
Redemption clearing account		397	2,193
Other payables		8	22
Responsible Entity fees payable		<u>664</u>	<u>795</u>
Total liabilities (excluding net assets attributable to unitholders)		<u>1,077</u>	<u>3,056</u>
Net assets attributable to unitholders - liability	6	<u>203,441</u>	<u>248,755</u>

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of changes in equity

	30 June 2009 NZD'000	30 June 2008 NZD'000
Total equity at the beginning of the financial year	-	-
Profit/(loss) for the year	-	-
Net income/(expense) recognised directly in equity	-	-
Total recognised income and expense for the financial year	<u>-</u>	<u>-</u>
Transactions with equity holders in their capacity as equity holders	-	-
Total equity at the end of the financial year	<u>-</u>	<u>-</u>

Under AIFRS, net assets attributable to unitholders are classified as a liability rather than equity. As a result there was no equity at the start or end of the year.

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Cash flow statement

	Notes	30 June 2009 NZD'000	30 June 2008 NZD'000
Cash flows from operating activities			
Proceeds from sale of financial instruments held at fair value through profit or loss		631,616	760,060
Purchase of financial instruments held at fair value through profit or loss		(584,871)	(821,766)
Interest received		1,435	4,214
Payment of other expenses		(86)	(134)
Net cash inflow/(outflow) from operating activities	10(a)	<u>48,094</u>	<u>(57,626)</u>
Cash flows from financing activities			
Proceeds from applications by unitholders		684,812	837,777
Payments for redemptions by unitholders		(739,498)	(844,524)
Distributions paid		(128)	(165)
Expenses paid on behalf of unitholders		(3,127)	(3,220)
Net cash inflow/(outflow) from financing activities		<u>(57,941)</u>	<u>(10,132)</u>
Net increase/(decrease) in cash and cash equivalents		(9,847)	(67,758)
Cash and cash equivalents at the beginning of the year		<u>29,217</u>	<u>96,975</u>
Cash and cash equivalents at the end of the year	7	<u>19,370</u>	<u>29,217</u>
Non-cash financing activities	10(b)	10,800	17,137

The above cash flow statement should be read in conjunction with the accompanying notes.

1 General information

This financial report covers Macquarie Gilt Edge Access Account ("the Trust") as an individual entity. The Trust was constituted on 29 November 1999.

The Responsible Entity of the Trust is Macquarie Investment Services Limited (the "Responsible Entity"). The Responsible Entity's registered office is Mezzanine Level, No.1 Martin Place, Sydney, NSW 2000. The financial report is presented in New Zealand Dollars.

During the year, the Trust continued to invest funds in accordance with its investment strategy as set out in the Trust's current product disclosure statement and in accordance with the provisions of the Trust Constitution.

The financial statements were authorised for issue by the directors on 22 September 2009. The directors of the Responsible Entity have the power to amend and reissue the financial report.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001* in Australia.

The financial report is prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

Compliance with International Financial Reporting Standards (IFRS)

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report of the Trust, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards.

(b) Financial instruments

(i) *Classification*

The Trust's investments are categorised as at fair value through profit or loss. They comprise financial instruments designated at fair value through profit or loss upon initial recognition.

These include financial assets that are not held for trading purposes and which may be sold, such as investments in debt instruments.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Trust's documented investment strategy. The Trust's policy is for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Loans and receivables/payables comprise amounts due to or from the Trust.

(ii) *Recognition/derecognition*

The Trust recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cashflows from the investments have expired or the Trust has transferred substantially all risks and rewards of ownership.

2 Summary of significant accounting policies (continued)

(b) Financial instruments (continued)

(iii) Measurement

(a) Financial assets and liabilities held at fair value through profit or loss

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the income statement.

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the balance sheet date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices.

(b) Loans and receivables

Loan assets are measured initially at fair value plus transaction costs and subsequently amortised using the effective interest rate method, less impairment losses if any. Such assets are reviewed at each balance sheet date to determine whether there is objective evidence of impairment for example when there has been a significant or prolonged decline in the fair value below carrying amount.

If any such indication of impairment exists, an impairment loss is recognised in the income statement as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through the income statement.

(c) Net assets attributable to unitholders

Units are redeemable at the unitholders' option and are therefore classified as financial liabilities. The units can be put back to the Trust at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the balance sheet date if unitholders exercised their right to put the units back to the Trust.

(d) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown separately on the balance sheet.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Trust's main income generating activity.

The application/redemption clearing account includes overnight applications and redemptions received on the last day of the financial year, which have not been posted to the Trust's cash accounts.

(e) Investment income

Interest income and expenses are recognised in the income statement for all financial instruments that are not held at fair value through profit or loss using the effective interest method. Interest income on assets held at fair value through profit or loss is included in the net gains/(losses) on financial instruments. Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(b).

2 Summary of significant accounting policies (continued)

(e) Investment income (continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Trust estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

(f) Expenses

Responsible Entity's fees are accounted for at unitholder level, all other expenses are recognised in the income statement on an accruals basis.

(g) Income tax

Under current legislation, the Trust is not subject to income tax provided the taxable income of the Trust is fully distributed either by way of cash or reinvestment (ie unitholders are presently entitled to the income of the Trust).

(h) Distributions

In accordance with the Trust Constitution, the Trust distributes its distributable (taxable) income, and any other amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. The distributions are recognised in the income statement as finance costs attributable to unitholders.

(i) Increase/decrease in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. Movements in net assets attributable to unitholders are recognised in the income statement as finance costs.

(j) Functional and presentation currency

Items included in the Trust's financial statements are measured using the currency of the primary economic environment in which it operates (the functional currency¹). This is the New Zealand dollar, which reflects the currency of the economy in which the Trust competes for funds and is regulated. The New Zealand dollar is also the Trust's presentation currency.

(k) Payables

Payables includes liabilities and accrued expenses owing by the Trust which are unpaid as at balance date.

The distribution amount payable to unitholders as at the reporting date is recognised separately on the balance sheet when unitholders are presently entitled to the distributable income under the Trust's Constitution.

(l) Applications and redemptions

Applications received for units in the Trust are recorded net of any entry fees payable prior to the issue of units in the Trust. Redemptions from the Trust are recorded gross of any exit fees payable after the cancellation of units redeemed.

2 Summary of significant accounting policies (continued)

(m) Use of estimates

The Trust makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(n) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The directors' assessment of the impact of these new standards (to the extent relevant to the Trust) and interpretations is set out below:

(i) Revised AASB 101 *Presentation of Financial Statements* and AASB 2007-8 *Amendments to Australian Accounting Standards arising from AASB 101 (effective from 1 January 2009)*

The revised AASB 101 requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. The Trust will apply the revised standard from 1 July 2009.

(ii) AASB 132 *Financial Instruments: Presentation* and AASB 2008-2 *Amendments to Australian Accounting Standards - Puttable Financial Instruments and Obligations Arising on Liquidation* (Revised AASB 132) (effective from 1 January 2009)

Revised AASB 132 is applicable for reporting periods beginning on or after 1 January 2009. The Trust has not adopted this standard early. Application of this standard will not affect any of the amounts recognised in the financial statements as the Trust is obligated to distribute all of its taxable income in accordance with the Trust's Constitution. Accordingly, there will be no change to classification of ' funds as a liability and therefore no impact on profit or loss and equity.

(iii) AASB 2009-2 *Amendments to Australian Accounting Standards - Improving Disclosures about Financial Instruments* (effective from 1 January 2009)

In April 2009, the AASB published amendments to AASB 7 *Financial Instruments: Disclosures* to improve the information that entities report about their liquidity risk and the fair value of their financial instruments. The amendments require fair value measurement disclosures to be classified into a new three-level hierarchy and additional disclosures for items whose fair value is determined by valuation techniques rather than observable market values. The AASB also clarified and enhanced the existing requirements for the disclosure of liquidity risk of derivatives. The Trust will apply the amendments from 1 July 2009. They will not affect any of the amounts recognised in the financial statements.

(o) Early adoption of standards

The Trust has early adopted AASB 8 *Operating Segments* in the year ended 30 June 2009. The application of AASB 8 will not impact the Trust as the Trust is outside the scope of AASB 8 because it does not have debt or equity instruments traded in a public market, or file its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market. Following the early adoption of AASB 8, the Trust has omitted the segment disclosure previously required under AASB 114 *Segment Reporting*.

(p) Rounding of amounts

The Trust is an entity of the kind referred to in Class Order 98/0100 (as amended), issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

3 Financial risk management

(a) Strategy in using financial instruments

The Trust's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk.

The Trust's overall risk management programme focuses on ensuring compliance with the Trust's governing documents and the law, and seeks to maximise the returns derived for the level of risk to which the Trust is exposed. The Trust uses derivative financial instruments to alter certain risk exposures.

Financial risk management is carried out by the Responsible Entity's investment management department under policies approved by MISL's senior managers or the board of directors of the Responsible Entity (the Board).

(b) Market risk

(i) Price risk

It is the Directors's view that price risk for discount securities is a function of interest rate risk, credit risk and liquidity risk.

(ii) Foreign exchange risk

The Trust is not exposed to foreign exchange risk as all assets are denominated in New Zealand dollars.

(iii) Interest rate risk

The majority of the Trust's financial assets and liabilities are interest bearing. As a result, the Trust is subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

In accordance with MISL's policy, the Responsible Entity's risk management department monitors the Trust's overall interest sensitivity on a daily basis. This is done by:

- managing the weighted average maturity for both aggregate and individual holdings
- specifying permitted instruments to ensure appropriate exposures taken

The Compliance Committee of the Responsible Entity reviews any identified exceptions to internal risk policies and procedures on a quarterly basis.

Refer to the table in note 3(e) which shows the Trust's net exposure to interest rate risk and sensitivity.

(c) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers. None of these assets are impaired nor past due but not impaired.

The Trust restricts its exposure to credit losses by:

- dealing with appropriately rated counterparties
- managing exposure to any single issuer to ensure diversification
- monitoring target durations
- ensuring credit score compliance with Standard & Poor's requirements

In accordance with the Trust's policy, the Responsible Entity's risk management department monitors the Trust's credit position on a daily basis. The Compliance Committee of the Responsible Entity reviews any identified exceptions to internal risk policies and procedures on a quarterly basis.

The Trust invests in debt securities which have an investment grade as rated by Standard & Poors. An analysis of fixed income securities by rating is set out in the table below.

Compliance with the Trust's policy is reported to the Board on a monthly basis.

3 Financial risk management (continued)

(c) Credit risk (continued)

The Trust's main credit risk concentration is spread across discount securities. Less than 37% of the fair value of financial assets are with a single issuer (2008: 36%).

	30 June 2009 %	30 June 2008 %
New Zealand fixed interest securities		
Rating		
A1+	<u>100</u>	<u>100</u>
Total	<u>100</u>	<u>100</u>

	30 June 2009 %	30 June 2008 %
Concentration of counterparty risk		
Counterparties		
Australia and New Zealand Banking Group Limited	32.74	32.62
Bank of New Zealand	36.82	40.47
Rabobank New Zealand	20.75	12.00
Westpac New Zealand	5.14	4.00
ASB Bank	4.45	10.83
Permanent Trustees	<u>0.10</u>	<u>0.08</u>
Total	<u>100.00</u>	<u>100.00</u>

(d) Liquidity risk

The Trust is exposed to daily cash redemptions of redeemable units. It therefore invests the majority of its assets in investments that are traded in an active market and can be readily disposed of.

The Trust may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Trust may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as a deterioration in the creditworthiness of any particular issuer. No such investments were held at the balance sheet date.

In accordance with the Trust's policy, the Responsible Entity's risk management department monitors the Trust's liquidity position on a daily basis. This is managed by:

- restricting exposure to illiquid assets
- ensuring provisions are in place to manage liquidity provisions for all unitholders
- restricting exposure to debt obligations which may compromise solvency
- managing exposure to any single issuer and ensuring diversification

The Compliance Committee of the Responsible Entity reviews any identified exceptions to internal risk policies and procedures on a quarterly basis.

Redeemable units are redeemed on demand at the holder's option. All other liabilities are payable within 30 days.

3 Financial risk management (continued)

(e) Interest rate risk

The table below summarises the Trust's exposure to interest rate risks. It includes the Trust's assets and trading liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates.

30 June 2009	Weighted average interest rate (% pa)	Floating interest rate NZD'000	Fixed interest rate		Non- interest bearing NZD'000	Total NZD'000
			3 months or less NZD'000	4 to 12 months NZD'000		
Assets						
Cash and cash equivalents	5.23	19,170	-	-	200	19,370
Application clearing account	-	-	-	-	2,707	2,707
Financial assets held at fair value through profit or loss	5.30	-	122,021	60,420	-	182,441
Total assets		<u>19,170</u>	<u>122,021</u>	<u>60,420</u>	<u>2,907</u>	<u>204,518</u>
Liabilities						
Distributions payable	-	-	-	-	8	8
Redemption clearing account	-	-	-	-	397	397
Other payables	-	-	-	-	8	8
Responsible Entity fees payable	-	-	-	-	664	664
Total liabilities (excluding net assets attributable to unitholders)		-	-	-	<u>1,077</u>	<u>1,077</u>
Net exposure		<u>19,170</u>	<u>122,021</u>	<u>60,420</u>	<u>1,830</u>	<u>203,441</u>
30 June 2008	Weighted average interest rate (% pa)	Floating interest rate NZD'000	Fixed interest rate		Non- interest bearing NZD'000	Total NZD'000
			3 months or less NZD'000	4 to 12 months NZD'000		
Assets						
Cash and cash equivalents	8.23	29,016	-	-	201	29,217
Application clearing account	-	-	-	-	5,799	5,799
Receivables	-	-	-	-	10	10
Interest receivable	-	179	-	-	-	179
Financial assets held at fair value through profit or loss	8.74	-	147,847	68,759	-	216,606
Total assets		<u>29,195</u>	<u>147,847</u>	<u>68,759</u>	<u>6,010</u>	<u>251,811</u>
Liabilities						
Distributions payable	-	-	-	-	46	46
Redemption clearing account	-	-	-	-	2,193	2,193
Other payables	-	-	-	-	22	22
Responsible Entity fees payable	-	-	-	-	795	795
Total liabilities (excluding net assets attributable to unitholders)		-	-	-	<u>3,056</u>	<u>3,056</u>
Net exposure		<u>29,195</u>	<u>147,847</u>	<u>68,759</u>	<u>2,954</u>	<u>248,755</u>

At 30 June 2009, should interest rates have lowered by 50 basis points with all other variables remaining constant, the increase in net assets attributable to unitholders for the year would amount to approximately \$167,337 arising from the increase in market values of debt securities (2008: 25 basis points; \$124,377). If interest rates had risen by 50 basis points, the decrease in net assets attributable to unitholders would amount to approximately \$167,337 (2008: 25 basis points; \$124,377).

4 Auditor's remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Trust:

	30 June 2009 NZD	30 June 2008 NZD
Audit services		
PricewaterhouseCoopers Australian firm		
Audit and review of financial reports	13,264	15,654
Other audit work under the <i>Corporations Act 2001</i>	<u>1,747</u>	<u>2,163</u>
Total remuneration for audit services	<u>15,011</u>	<u>17,817</u>

Audit fees are paid out of the Responsible Entity's own resources.

5 Net gains/(losses) on financial instruments held at fair value through profit or loss

Net gains/(losses) recognised in relation to financial assets and financial liabilities held at fair value through profit or loss:

	30 June 2009 NZD'000	30 June 2008 NZD'000
Interest Income on fixed interest securities	12,208	17,351
Net gain/(loss) on financial instruments designated as at fair value through profit or loss	<u>373</u>	<u>(29)</u>
Net gains/(losses) on financial assets held at fair value through profit or loss	<u>12,581</u>	<u>17,322</u>

6 Net assets attributable to unitholders

Movements in number of units and net assets attributable to unitholders during the year were as follows:

As stipulated within the Trust Constitution, each unit represents an undivided share in the Trust and does not extend to a right to the underlying assets of the Trust. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Trust.

	30 June 2009 No. '000	30 June 2008 No. '000	30 June 2009 NZD'000	30 June 2008 NZD'000
Opening balance	248,755	238,257	248,755	238,257
Applications	684,812	837,777	684,812	837,777
Redemptions	(739,498)	(844,524)	(739,498)	(844,524)
Units issued upon reinvestment of distributions	10,800	17,137	10,800	17,137
Movement in units to be created	(3,092)	858	(3,092)	858
Movement in units to be redeemed	<u>1,664</u>	<u>(750)</u>	<u>1,664</u>	<u>(750)</u>
Closing balance	<u>203,441</u>	<u>248,755</u>	<u>203,441</u>	<u>248,755</u>

Capital risk management

The Trust manages its net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Trust is subject to daily applications and redemptions at the discretion of unitholders.

6 Net assets attributable to unitholders (continued)

The Trust monitors the level of daily applications and redemptions relative to the liquid assets in the Trust.

7 Cash and cash equivalents

	30 June 2009 NZD'000	30 June 2008 NZD'000
Cash at bank	200	201
Deposits at call	<u>19,170</u>	<u>29,016</u>
	<u>19,370</u>	<u>29,217</u>

8 Financial assets held at fair value through profit or loss

	30 June 2009 Fair value NZD'000	30 June 2008 Fair value NZD'000
Designated at fair value through profit or loss		
Fixed interest securities	<u>182,441</u>	<u>216,606</u>
Total designated at fair value through profit or loss	<u>182,441</u>	<u>216,606</u>
Total financial assets held at fair value through profit or loss	<u>182,441</u>	<u>216,606</u>
Money market securities		
Negotiable certificates of deposit	<u>182,441</u>	<u>216,606</u>
Total money market securities	<u>182,441</u>	<u>216,606</u>
Total financial assets held at fair value through profit or loss	<u>182,441</u>	<u>216,606</u>

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in note 3.

9 Related party transactions

Responsible Entity

The Responsible Entity of Macquarie Gilt Edge Access Account is Macquarie Investment Services Limited (MISL), a wholly owned subsidiary of Macquarie Group Limited.

Key management personnel

The following persons held office as directors of Macquarie Investment Services Limited during the year or since the end of the year and up to the date of this report:

B N Terry
D Craig (resigned 07/05/2009)
P J Coleman (resigned 23/06/2009)
E Becker
K J Vincent (appointed 23/06/2009)
M Lukin (appointed 23/06/2009)

9 Related party transactions (continued)

Key management personnel unitholdings

At 30 June 2009 no key management personnel held units in the Trust (2008: Nil).

Key management personnel loan disclosures

The Trust has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

Responsible Entity's fees and other transactions

For the year ended 30 June 2009, in accordance with the Constitution, the Responsible Entity received a total fee in accordance with the progressive scaled rates below:

Daily Account Balance

\$250,000 or under	1.30%pa (2008: 1.30%)
Over \$250,000	0.95%pa (2008: 0.95%)

All expenses in connection with the preparation of accounting records and the maintenance of the unit register have been fully borne by the Responsible Entity.

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the year and amounts payable at year end between the Trust and the Responsible Entity were as follows:

	30 June 2009 NZD'000	30 June 2008 NZD'000
Management fees (charged at unitholder level) for the year paid by the Trust to the Responsible Entity	<u>3,078</u>	<u>3,250</u>
Aggregate amounts payable to the Responsible Entity at the reporting date	<u>664</u>	<u>795</u>

Related party schemes' unitholdings

Parties related to the Trust (including Macquarie Investment Services Limited, its related parties and other schemes managed by Macquarie Investment Services Limited), hold no units in the Trust (2008: Nil).

Investments

The Trust held no investments in any schemes which are also managed by Macquarie Investment Services Limited or its related parties (2008: Nil).

Other transactions within the Trust

Apart from those details disclosed in this note, no directors of the Responsible Entity have entered into a material contract with the Trust since the end of the previous financial year and there were no material contracts involving director's interests subsisting at year end.

Bond Street Custodians Limited, a wholly owned subsidiary of Macquarie Group Limited, is the custodian of the Trust.

10 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	30 June 2009 NZD'000	30 June 2008 NZD'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities		
Profit/(loss) for the year	-	-
Net (gains)/losses on financial instruments held at fair value through profit or loss	(12,581)	(17,322)
Proceeds from sale of financial instruments held at fair value through profit or loss	631,616	760,060
Purchase of financial instruments held at fair value through profit or loss	(584,871)	(821,766)
Distributions to unitholders	13,751	20,607
Discounts / premiums on negotiable instruments	-	4
Net change in receivables and other assets	179	791
Net cash inflow/(outflow) from operating activities	48,094	(57,626)

(b) Non-cash financing and investing activities

During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan

	<u>10,800</u>	<u>17,137</u>
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As described in note 2(i), income not distributed is included in net assets attributable to unitholders. The change in this amount each year (as reported in (a) above) represents a non-cash financing cost as it is not settled in cash until such time as it becomes distributable (ie taxable).

11 Events occurring after the balance sheet date

No significant events have occurred since balance date which would impact on the financial position of the Trust disclosed in the balance sheet as at 30 June 2009 or on the results and cash flows of the Trust for the year ended on that date.

12 Contingent assets and liabilities and commitments

There are no outstanding contingent assets and liabilities or commitments as at 30 June 2009 and 30 June 2008.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 6 to 20 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Trust's financial position as at 30 June 2009 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Trust 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.



B N Terry



K J Vincent
Director

Sydney
22 September 2009

Independent auditor's report to the unitholders of Macquarie Gilt Edge Access Account

Report on the financial report

We have audited the accompanying financial report of Macquarie Gilt Edge Access Account (the Trust), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for Macquarie Gilt Edge Access Account.

Directors' responsibility for the financial report

The directors of Macquarie Investment Services Limited (the Responsible Entity) are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

**Independent auditor's report to the unitholders of
Macquarie Gilt Edge Access Account (continued)**

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

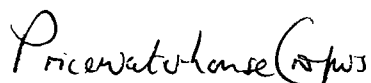
Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of Macquarie Gilt Edge Access Account is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Trust's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.



PricewaterhouseCoopers



E A Barron
Partner

Sydney
22 September 2009