

# Blue Tower Trust



## Investors' Report

Quarter Ending 30 September 2004



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## **1. Overview**

This Blue Tower Trust Investors' Report is for the quarter ending 30 September 2004.

The focus continues to be on meetings with current tenants, lease renewals, building maintenance issues, preparing vacant areas for leasing, liaising with external leasing agents and supervising and monitoring of the building's maintenance service contracts.

## **2. Leasing**

Leasing activity for the September 2004 quarter is summarised as follows:-

### **New Leases**

Mindworx	Level 6 162 square metres	A new five (5) year lease
Cymbis	Level 11 132 square metres	A new five (5) year lease
Itochu	Level 24 330 square metres	A new five (5) year lease

## **3. Financial Results**

Attached at Appendices 1 and 2 is the Balance Sheet as at 30 September 2004 and Profit and Loss Statement to 30 September 2004.

The project's profit before tax for the period ending 30 September 2004 is \$189,921. The project is operating in accordance with expectations.

The profit and loss statement is presented in the format of actual current year figures compared to prior year figures which is standard practice for a listed property trust.

The "6% coupon payments" for the September 2004 quarter were paid to the project's investors on 18 October 2004. For tax purposes these payments are non-taxable as they represent a partial repayment of capital invested.

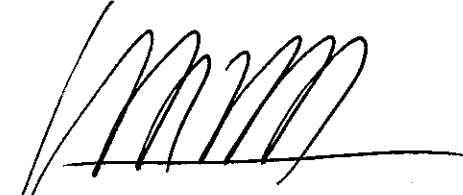
The Blue Tower Trust 2003/4 Annual Report, which included the audited financial statements for the year ending 30 June 2004, were distributed to Unitholders on 15 September 2004.

#### 4. Building Refurbishment

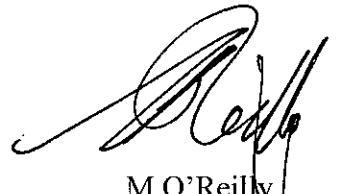
All of the building services are operating well.

The replacement of the building's three air-conditioning cooling towers is proceeding on time and within budget. It is expected that the three new air conditioning cooling towers will be fully operational before Christmas 2004.

There is unlikely to be any major capital expenditure works in 2005.



G McMahon  
18 October 2004



M O'Reilly  
18 October 2004

## Appendix 1

Balance Sheet as at 30 September 2004

# Balance Sheet

## Blue Tower Trust

As At 30 September 2004

	\$
<b><u>UNITHOLDERS' FUNDS</u></b>	
UNITS ISSUED AND PAID UP	28,879,232
RETAINED EARNINGS	531,923
PROFIT CURRENT YEAR	189,921
<b>TOTAL UNITHOLDERS' FUNDS</b>	<b><u>29,601,076</u></b>
<b><u>ASSETS</u></b>	
<b>CURRENT ASSETS</b>	
<b>CASH</b>	
Other Deposits	78,871
Other Deposits	<u>2,137,742</u>
<b>TOTAL CASH</b>	<b><u>2,216,612</u></b>
<b>RECEIVABLES</b>	
Trade Debtors	181,607
Income Receivable	<u>99,549</u>
<b>TOTAL RECEIVABLES</b>	<b><u>281,156</u></b>
<b>OTHER CURRENT ASSETS</b>	
Prepayments	<u>63,074</u>
<b>TOTAL RECEIVABLES</b>	<b><u>63,074</u></b>
<b>TOTAL CURRENT ASSETS</b>	<b><u>2,560,843</u></b>
<b>NON CURRENT ASSETS</b>	
<b>PROPERTY PLANT AND EQUIPMENT</b>	
Property Investments held directly	<u>120,923,516</u>
<b>TOTAL PROPERTY PLANT AND EQUIPMENT</b>	<b><u>120,923,516</u></b>
<b>OTHER NON CURRENT ASSETS</b>	
Formation Expenses	296,676
Accumulated Amortisation - Formation Expenses	(49,143)
Borrowing Expenses	1,775,396
Accumulated Amortisation - Borrowing Expenses	<u>(290,819)</u>
<b>TOTAL OTHER NON CURRENT ASSETS</b>	<b><u>1,732,110</u></b>
<b>TOTAL NON CURRENT ASSETS</b>	<b><u>122,655,626</u></b>
<b>TOTAL ASSETS</b>	<b><u>125,216,469</u></b>

# Balance Sheet

## Blue Tower Trust

As At 30 September 2004

	\$
<b><u>LIABILITIES</u></b>	
<b>CURRENT LIABILITIES</b>	
<b>ACCOUNTS PAYABLE</b>	
Trade Creditors	48,606
Accrued Expenses	798,066
Building Refurbishment Prepayment	400,105
Prepaid Income	668,616
<b>TOTAL ACCOUNTS PAYABLE</b>	<u>1,915,393</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>1,915,393</u>
<b>NON CURRENT LIABILITIES</b>	
<b>LOANS</b>	
Bank Loan	<u>93,700,000</u>
<b>TOTAL LOANS</b>	<u>93,700,000</u>
<b>TOTAL NON CURRENT LIABILITIES</b>	<u>93,700,000</u>
<b>TOTAL LIABILITIES</b>	<u>95,615,393</u>
<b>NET ASSETS</b>	<u>29,601,076</u>

## Appendix 2

### Profit and Loss Statement to 30 September 2004



## **Profit & Loss Statement**

### **Blue Tower Trust**

For the Period Ending 30 September 2004

	<b>SEPT QTR 2004</b>	<b>SEPT QTR 2003</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>
<b>OTHER INCOME</b>		
INTEREST REVENUE	36,495	-
RENTAL REVENUE	<u>2,858,104</u>	<u>-</u>
<b>TOTAL OTHER INCOME</b>	<u>2,894,598</u>	<u>-</u>
<b>EXPENSES</b>		
OPERATING EXPENSES	<u>2,704,678</u>	<u>-</u>
<b>TOTAL EXPENSES</b>	<u>2,704,678</u>	<u>-</u>
<b>NET PROFIT</b>	<u>189,921</u>	<u>-</u>

## **Income Analysis**

### **Blue Tower Trust**

For the Period Ending 30 September 2004

	<b><u>SEPT QTR</u></b> <b><u>2004</u></b>	<b><u>SEPT QTR</u></b> <b><u>2003</u></b>
	<b><u>ACTUAL</u></b>	<b><u>ACTUAL</u></b>
<b>OTHER INCOME</b>		
Interest Received - Bank	36,483	-
Interest Received - Other	12	-
Rent Received	2,785,054	-
Outgoings Recovered	73,050	-
<b>TOTAL OTHER INCOME</b>	<b><u>2,894,598</u></b>	<b><u>-</u></b>
 <b>TOTAL OTHER INCOME</b>	 <b><u>2,894,598</u></b>	 <b><u>-</u></b>

# Expense Analysis

## Blue Tower Trust

For the Period Ending 30 September 2004

	SEPT QTR 2004	SEPT QTR 2003
	<u>ACTUAL</u>	<u>ACTUAL</u>
<b>EXPENSES</b>		
<b>OPERATING EXPENSES</b>		
Accounting Fees	750	-
Airconditioning Expenses	89,900	-
Amortisation of Formation Expenses	10,739	-
Amortisation of Borrowing Costs	88,770	-
Asset Management Fees	150,000	-
Audit Fees	10,750	-
Bank Charges	117	-
Cleaning	11,284	-
Consultancy Fees	26,963	-
Custodian Fees	6,300	-
Electricity	23,281	-
Fees & Licences	319	-
Finance Charges - Loans	22,812	-
Fire Protection	23,821	-
Gardening	850	-
Guarantee Fees	25,000	-
Insurance	54,750	-
Interest Paid - Bank	1,720,651	-
Land Tax	54,240	-
Leasing Expenses	750	-
Legal Costs	10,361	-
Lift Expenses	72,603	-
Miscellaneous Expenses	2,241	-
Pest Control	690	-
Printing & Stationery	3,346	-
Property Management Fees	37,186	-
Public Relations	933	-
Rates	150,166	-
Repairs and Maintenance	74,889	-
Security	27,151	-
Telephone & Fax	3,067	-
<b>TOTAL OPERATING EXPENSES</b>	<u>2,704,678</u>	<u>-</u>