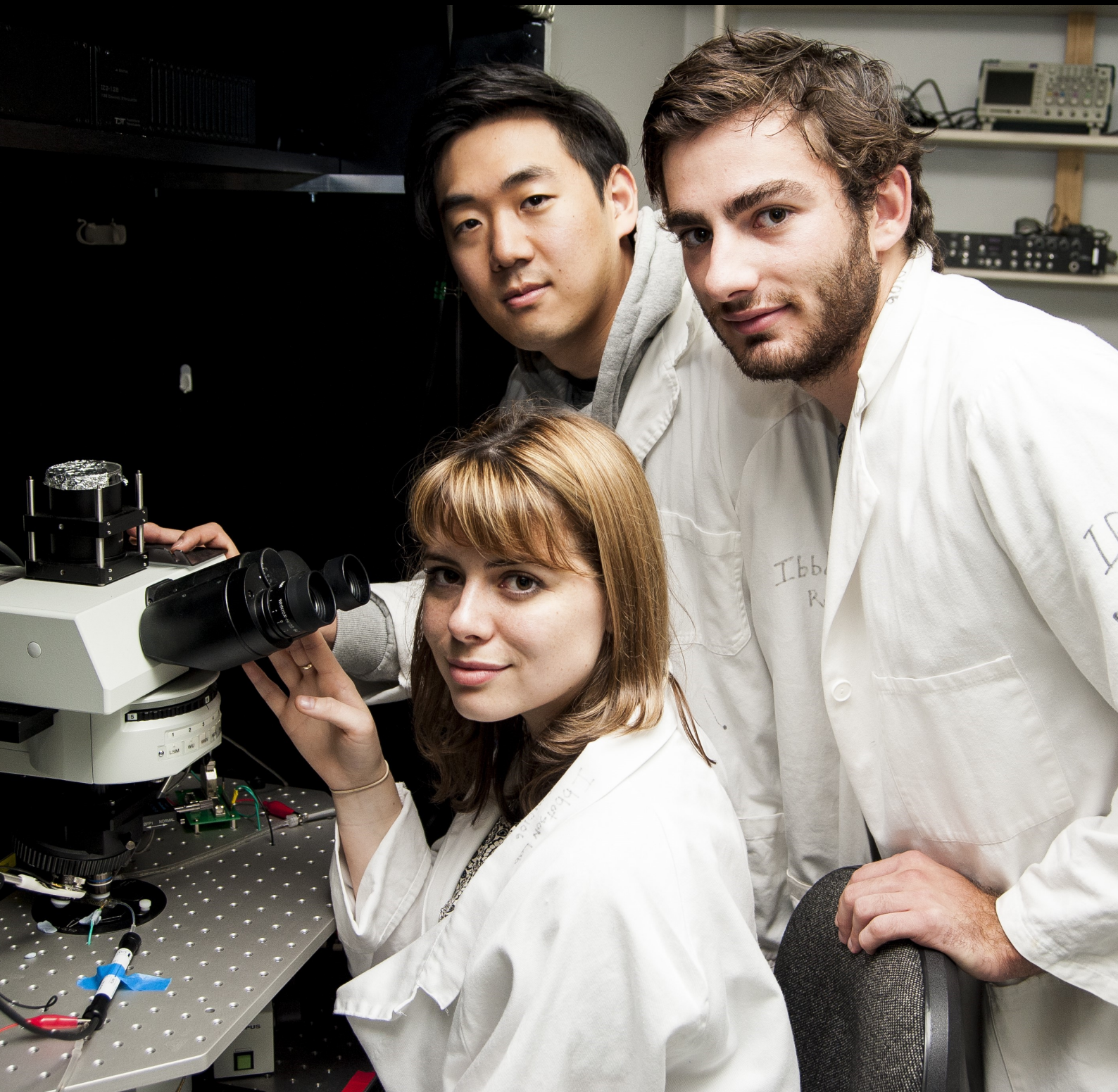


L.E.W. CARTY
CHARITABLE FUND

2016 Annual Report





L.E.W. CARTY CHARITABLE FUND

L.E.W. Carty Charitable Fund is a perpetual philanthropic trust established in 1980 under the Will of the late Olive Muriel Carty to honour the memory of her late husband Leslie Ernest William Carty.

It provides grants to selected charities within the State of Victoria which were in existence at the time of Olive Carty's death to assist or promote research into the diagnosis, prevention, or treatment of physical or mental disorders of humans. Grants to appropriate charities are determined at the absolute discretion of the Trustees.

Olive Muriel Carty

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TRUSTEES

Darvell M. Hutchinson AM (Chairman)

Dr Susan M. Forrest

Sally R. Wood

STAFF

Sarah Bartak, Grants Officer

Glen Thomson, Finance Executive

Cover image: National Vision Research Institute Honours students.

L-R: Stephanie Kirby, Young-Jun Jung, Lewis Karapanos

CHAIRMAN'S REPORT

I am pleased to present this inaugural Annual Report for the L.E.W. Carty Charitable Fund. The production of this Report has provided an occasion for the Trustees to look back at our achievements and celebrate our successes.

February 2016 marked the 36th anniversary of the establishment of the L.E.W. Carty Charitable Fund by its founder Olive Muriel Carty to honour the memory of her late husband Leslie Ernest William Carty. Mrs Carty passed away on 26 February 1977 and her bequest of \$200,000 was made to the Trustees on 20 February 1980, with power of accumulation of income for 21 years in accordance with the terms of Mrs Carty's will.

In the intervening years and with prudent monitoring and management, the L.E.W. Carty Charitable Fund has grown from its modest beginnings to a corpus of some \$7m. Each year, grants are made from the income earned. As the value of the corpus has grown, the amount of money available for distribution has also grown.

Since the first small grant of \$2,000 was made in 1981, we have awarded 160 grants totalling \$7.025m. We have partnered with visionary medical research organisations situated in Victoria that assist or promote medical research into the prevention, diagnosis and treatment of human disease.

As Trustees, we are proud of the indirect impact the L.E.W. Carty Charitable Fund has had on the lives and health outcomes of so many people through the Fund's support for medical research. The research projects which have been funded over the years are many and varied. Medical research has advanced considerably since Mrs Carty established the foundation. In 2016, two grants totalling \$280,000 were made to projects which would have been only in the realm of the imagination in 1977 at the time of her death. These projects are profiled within this annual report.

In her life, Olive Carty was a woman of independent means when at the age of thirty she married fifty year old widower Leslie Carty, commonly known as Lew from the initials of his given names. Sadly, they only had a few years together before he passed away from cancer. Olive determined she would use the inheritance her husband left her to establish under her own will a philanthropic fund to benefit Victorian medical research institutions, and name it in honour of Lew. In its fourth decade, we seek to expand the spirit of Olive Carty's philanthropy and support 21st century medical research which will lead to improved health outcomes for all.



Darvell M. Hutchinson AM
Chairman

GRANTS

HOW WE GRANT

The L.E.W. Carty Charitable Fund is a perpetual charitable foundation and its grants strategy reflects the legal parameters of Olive Carty's will. Within these boundaries, our grants strategy continuously responds to changes and developments in the field of medical research. For further information visit our website www.carty.org.au

OUR GRANTMAKING CHARTER

- To distribute grants in accordance with the terms of the Will of the late Olive Muriel Carty to honour the memory of her late husband Leslie Ernest William Carty. The L.E.W. Carty Charitable Fund makes grants to authorised charities within the State of Victoria, being a hospital, institution, society, organisation, body or fund, that are in need of funds to assist or promote research into the diagnosis, prevention or treatment of physical or mental disorders of human beings.
- To select grants to appropriate charities at the absolute discretion of the Board of Trustees.
- To act in all of its dealings as an independent, non-politically aligned entity.

OUR GRANTMAKING GOALS

Immediate research needs

Immediate research needs of research institutions in relation to essential items of equipment and areas of research into the diagnosis, prevention, or treatment of physical or mental disorders of human beings.

Longer-term research needs

Supporting future world-class research in Victoria through the nurturing and retention of key researchers situated in Victoria.

The extent and range of grants

Grantmaking amongst a range of Victorian health and medical research projects/programs, of differing size, scope and complexity, including but not limited to:

- pilots and novel research initiatives;
- projects in Victoria that involve collaborations with other research institutions.

The effectiveness of outcomes:

Sound evaluation and monitoring procedures to assess the effectiveness and outcomes from our grants.

2016 GRANTS

Australian College of Optometry

Generating the next generation of bionic eyes

\$180,000 over three years

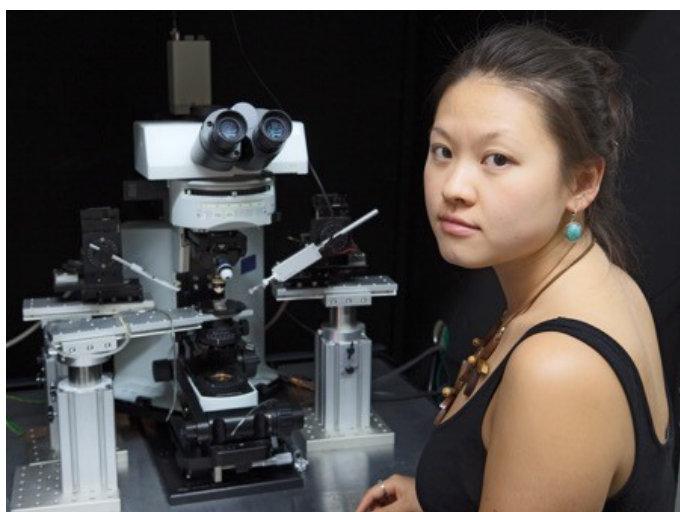
The Australian College of Optometry was founded in 1939 and undertakes research through the National Vision Research Institute which was established in 1972. The NVRI is dedicated to research aimed at better understanding the complexities of vision and its disorders. Its goals include preventing blindness and restoring sight by conducting basic science, translational and clinical research.

In 2016, the L.E.W. Carty Charitable Fund provided a partnership grant to enable the establishment of a new postdoctoral research fellowship. The grant of \$180,000 was made on the proviso that a co-funder would be sought to match the gift. In May 2016, the Australian College of Optometry announced that the L.E.W. Carty Charitable Fund and the Victorian Lions Foundation would jointly fund the new post-doctoral research fellowship at the National Vision Research Institute.

Dr Molis Yunzab was appointed to be the new L.E.W. Carty-Lions Victoria Research Fellow. She will work with Professor Michael Ibbotson at the National Vision Research Institute to design the next generation of bionic eye devices and investigate taking visual prosthetics (bionic eyes) from the current prototype stage to something offering true functional vision, where wide-field images can be formed. This will allow a profoundly blind person to experience a more independent quality of life.

www.aco.org.au

www.nvri.org.au



Dr Molis Yunzab, L.E.W. Carty-Lions Victoria Research Fellow, NVRI

"Support for early career years for a medical researcher is very important, but also very challenging with fewer than one in five scientists securing federal funding for their research despite more than half of all applications being considered worthy of funding. Younger researchers have to compete against senior researchers for increasingly limited funding, and their lack of an established track record is a significant barrier to success."

Maureen O'Keefe, CEO, Australian College of Optometry.

Walter and Eliza Hall Institute of Medical Research

L.E.W. Carty Centenary Fellowship for Cancer Research - Third Year

\$100,000

The Walter and Eliza Hall Institute of Medical Research (WEHI) is Australia's oldest medical research institute. Established in 1915, its scientists have been making significant discoveries in immunity, cancer, and infectious diseases. These discoveries have advanced understanding of human biology and resulted in new and more effective treatments for patients worldwide.

Dr Leigh Coultas is the L.E.W. Carty Centenary Fellow. He is investigating the molecular regulation of blood vessel growth and development – a process termed angiogenesis.

Blood vessel networks are essential for distributing blood and nutrients throughout the body. As a tissue grows, its metabolic needs increase and the blood vessel network servicing this tissue must expand to meet these needs. Angiogenesis expands the blood vessel network from just a few millimeters in length in early foetal life to an estimated 100,000 km in length by adulthood, demonstrating its importance in growing new blood vessels. Under normal circumstances, angiogenesis occurs predominantly during foetal life and is uncommon in adults. However, angiogenesis can be inappropriately activated, and this can cause or contribute to a range of diseases such as cancer, diabetic retinopathy and age-related macular degeneration.

There have been significant recent advances in our understanding of angiogenesis, yet much remains unknown about how this highly complex process works. Leigh has made some notable discoveries in the course of his research which will significantly increase our understanding of cancer in several ways, and he will continue his valuable research under the L.E.W. Carty Centenary Fellowship.

www.wehi.edu.au/people/leigh-coultas



"It is important to be able to give bright young scientists a degree of security in the early stages of their career so that they can focus on being innovative and make major discoveries. Dr Coultas is indeed taking an exciting approach to developing urgently needed new treatments for cancer."

Dr Sue Forrest, Trustee.

Trustees with Dr Leigh Coultas at WEHI. The Trustees have visited Leigh annually over the past two years to receive updates about his work and research outcomes. L-R: Sally Wood, Darvell Hutchinson AM, Dr Leigh Coultas, and Dr Sue Forrest

FINANCIAL REPORT

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

		2016	2015
		\$	\$
REVENUE			
	Dividends	320,433	390,780
	Imputation credits	122,181	152,534
	Other income	9,520	13,016
		452,134	556,330
EXPENSES			
	Administrative expenses	(60,717)	(31,679)
	Audit review fees	(12,050)	-
	Legal expenses	(13,725)	(13,029)
	Trustee benefits	(5,459)	(9,300)
		(91,951)	(54,008)
OPERATING SURPLUS		360,183	502,322
	Grants approved during year	(280,000)	(476,031)
SURPLUS FOR THE YEAR		80,183	26,291
Other comprehensive income	Change in fair value of investments	(450,660)	(20,753)
TOTAL COMPREHENSIVE (LOSS) / INCOME		(370,477)	5,538
	Attributable to Capital Account	(450,660)	51,582
	Attributable to Income Account	80,183	(46,044)
		(370,477)	5,538

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

		2016 \$	2015 \$
CURRENT ASSETS	Cash and cash equivalents	560,358	549,715
	Trade and other receivables	197,838	223,808
		758,196	773,523
NON-CURRENT ASSETS	Investments in financial assets	6,925,930	7,406,326
		6,925,930	7,406,326
TOTAL ASSETS		7,684,126	8,179,849
CURRENT LIABILITIES	Trade and other payables	14,200	9,630
	Grants approved but unpaid	346,215	476,031
		360,415	485,661
TOTAL LIABILITIES		360,415	485,661
NET ASSETS		7,323,711	7,694,188
ATTRIBUTABLE TO:			
CAPITAL ACCOUNT	Settlement sum	200,000	200,000
	Capital reserve	3,647,880	3,666,207
	Investments revaluation reserve	3,242,129	3,674,462
		7,090,009	7,540,669
INCOME ACCOUNT	Retained surplus	233,702	153,519
		233,702	153,519
TOTAL ACCUMULATED FUNDS		7,323,711	7,694,188